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SEVENTY-FOURTH CONGRESS, SECOND SESSION

SENATE

MONDAY, JUNE 8, 1936

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty and everlasting God, in whom we live and move and have our being, whom the very heaven of heavens cannot contain, though Thou findest sanctuary in the contrite heart of man; shine with Thy light through the clouds that dim our vision and open our eyes that we may read Thy thoughts in sun and star, in field and flower.

Remove from us all foolish fears, all sinful discontent, and with one throb of Thy almighty heart, flood the nations of the world with the sunshine of Thy love and bring them back from the wilderness of strife into the fold of peace.

So shall we build a highway for our God over which blessings and prayers shall pass and repass with confident golden feet forever.

We ask it for the sake of Him who is our Peace, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, June 6, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Duffy	Lonergan	Radcliffe
Ashurst	Fletcher	Long	Reynolds
Barkley	Frazier	McAdoo	Robinson
Bilbo	George	McGill	Schwellenbach
Black	Gerry	McKellar	Sheppard
Bone	Gibson	McNary	Shipstead
Brown	Glass	Maloney	Thomas, Okla.
Bulow	Guffey	Minton	Thomas, Utah
Burke	Hale	Murray	Van Nuys
Caraway	Hatch	Neely	Wagner
Chavez	Hayden	Norris	Walsh
Connally	Keyes	O'Mahoney	Wheeler
Coolidge	King	Overton	
Couzens	La Follette	Pittman	
Dieterich	Lewis	Pope	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], and the Senator from Nevada [Mr. MCCARRAN] are absent because of illness; and that the Senator from Tennessee [Mr. BACHMAN], the Senator from North Carolina [Mr. BAILEY], the Senator from Minnesota [Mr. BENSON], the Senator from Virginia [Mr. BYRD], the junior Senator from South Carolina [Mr. BYRNES], the senior Senator from Missouri [Mr. CLARK], the Senator from New York [Mr. COPELAND], the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the Senator from West Virginia [Mr. HOLT], the Senator from Florida [Mr. LOFTIN], the Senator from Kentucky [Mr. LOGAN], the Senator from New Jersey [Mr. MOORE], the Senator from Iowa [Mr. MURPHY], the Senator from Georgia [Mr. RUSSELL], the senior Senator from South Carolina [Mr. SMITH], and the junior Senator from Missouri [Mr. TRUMAN] are unavoidably detained from the Senate.

Mr. MCNARY. I announce that the Senator from Vermont [Mr. AUSTIN], the Senator from New Jersey [Mr. BARBOUR], the Senator from Iowa [Mr. DICKINSON], the senior Senator from Delaware [Mr. HASTINGS], the Senator from Rhode Island [Mr. METCALF], the Senator from Michigan [Mr. VANDENBERG], the Senator from Kansas [Mr. CAPPER], the Senator from Wyoming [Mr. CAREY], the Senator from Pennsylvania [Mr. DAVIS], the Senator from Oregon [Mr. STEIWER], the junior Senator from Delaware [Mr. TOWNSEND], and the Senator from Maine [Mr. WHITE] are necessarily absent from the Senate.

Mr. FRAZIER. I announce that my colleague the junior Senator from North Dakota [Mr. NYE] is necessarily absent.

The VICE PRESIDENT. Fifty-seven Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On June 5, 1936:

S. 2243. An act relating to the allocation of radio facilities;

S. 2303. An act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended and supplemented;

S. 3043. An act for the relief of the State of Maine;

S. 3477. An act relating to the jurisdiction of the judge for the northern and middle districts of Alabama;

S. 3885. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 3945. An act to extend the times for commencing and completing the construction of certain free highway bridges across the Red River from Moorhead, Minn., to Fargo, N. Dak.;

S. 4230. An act to amend section 28 of the enabling act for the State of Arizona, approved June 20, 1910;

S. 4326. An act granting the consent of Congress to the Department of Public Works of Massachusetts to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Northampton, Mass.;

S. 4340. An act to authorize the President to designate an Acting High Commissioner to the Philippine Islands;

S. 4549. An act authorizing the State Highway Board of the State of Georgia to replace, reconstruct, or repair the free highway bridge across the Savannah River at or near the city of Augusta, Ga.; and

S. 4655. An act relative to limitation of shipowners' liability.

RESIDENCE REQUIREMENTS UNDER NATURALIZATION LAWS—WITHDRAWAL OF OBJECTION

Mr. REYNOLDS. Mr. President, last Saturday when the calendar was called and Order of Business No. 2269 was reached, being the bill (H. R. 4900) to amend the naturalization laws in respect of residence requirements, and for other purposes, I objected to the consideration of the bill and requested that it go over. At the time I entered my objection I had not been fully advised of the intent of the bill, but since then I have conferred with Representative SOL BLOOM, of New York, author of the measure, who has

informed me in reference to it. I wish now to withdraw my objection entered on Saturday.

CLAIMS BY GOVERNMENT OF FINLAND REGARDING CERTAIN SAILING VESSELS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

I transmit herewith a report of the Secretary of State in regard to claims presented to the Department of State by the Government of Finland in behalf of the owners of certain Finnish sailing vessels which are alleged to have been unlawfully detained in ports of the United States in 1918.

I recommend that, as proposed by the Secretary of State, the necessary legislation be enacted to permit the owners of the vessels to present their claims to the Court of Claims. A draft of a bill suitable for that purpose accompanies the Secretary's report.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 8, 1936.*

(Enclosures: Report. Draft of bill.)

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted by Local Union No. 600, United Mine Workers of America, of Nu Mine, Pa.; the mayor and Council of the City of Macon, Ga.; and the Common Council of the City of East Chicago, Ind., favoring the prompt enactment of Senate bill 4424, known as the Wagner-Ellenbogen low-cost housing bill, which were ordered to lie on the table.

Mr. ROBINSON. On behalf of the Senator from Minnesota [Mr. BENSON], who is necessarily absent, I present and ask that there be printed in the RECORD and appropriately referred a resolution adopted by the City Council of the City of Minneapolis memorializing Congress to extend the 9-foot channel of the Mississippi River to the northerly limits of the city of Minneapolis.

There being no objection, the memorial was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Resolution memorializing Congress to extend the 9-foot channel in the Mississippi River to the northerly limits of the city of Minneapolis

Whereas the city of Minneapolis and the northwest portion of the United States, particularly since the building and operation of the Panama Canal, have suffered an unjust and unreasonable discrimination in freight rates to and from this section of the country, which discrimination has forced many extensive and valuable industries to move to the East; and

Whereas the Minneapolis City Council, in an attempt to remove this discrimination and build up new industries for this city and the Northwest, in the year 1909 initiated a move to obtain cheaper freight rates by the establishing of canals in the upper Mississippi; and

Whereas this movement has resulted in the 9-foot channel which is to be completed to the easterly portion of the city of Minneapolis by the end of the year 1937; and

Whereas the citizens of Minneapolis are grateful to the five Presidents of the United States and the Members of Congress and the War Department for the excellent service they have rendered this city in the establishment of the 9-foot channel from the inception of this project to the present date; and

Whereas there still remains a missing link in the upper channel of said river which must be supplied if the city of Minneapolis is to realize to the fullest extent the benefit of waterway transportation; and

Whereas in order that Minneapolis may realize to the fullest extent the benefit of waterway transportation, it is necessary that the 9-foot channel be extended to the northerly limits of said city of Minneapolis: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, Minn., That it extend to the President of the United States and the Members of Congress from the northwestern portion of the United States the sincere thanks of said city for their efforts in establishing said 9-foot channel; and be it further

Resolved, That the city council of said city earnestly request that the President of the United States and the Members of Congress of the United States continue their efforts to the end that the channel be exended to the northerly limits of the city of Minneapolis, thus insuring to the people the full measure of benefit which the said 9-foot channel in the upper Mississippi will bring to them; and be it further

Resolved, That copies of this resolution be transmitted by the clerk of the city of Minneapolis to the President of the United States, to the presiding officers of the Senate and House of Representatives of the United States, to each Member thereof from the States of North and South Dakota, Wisconsin, Iowa, Montana, and Minnesota, to the Chief Engineer of the War Department, to the Secretary of War, and to each member of the Board of Engineers of the War Department.

Passed May 29, 1936.

DANIEL F. O'BRIEN,
President of the Council.

Approved June 2, 1936.

THOMAS E. LATIMER, *Mayor.*

Attest:

CHAS. C. SWANSON,
City Clerk.

REPORTS OF COMMITTEES

Mr. BURKE, from the Committee on Irrigation and Reclamation, to which was referred the bill (H. R. 11538) for the relief of the Orland reclamation project, California, reported it without amendment and submitted a report (No. 2321) thereon.

He also, from the Committee on Claims, to which was referred the bill (H. R. 12144) for the relief of the Federal Enameling & Stamping Co., reported it without amendment and submitted a report (No. 2326) thereon.

Mr. GERRY, from the Committee on Finance, to which was referred the bill (H. R. 12556) to create the Treasury Agency Service, to provide for the more adequate protection of the revenue and a more effective enforcement of the revenue and other laws administered by the Treasury Department, and for other purposes, reported it without amendment and submitted a report (No. 2322) thereon.

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1339) to establish the Pipestone Indian Shrine in the State of Minnesota, reported it without amendment and submitted a report (No. 2323) thereon.

Mr. McGILL, from the Committee on Pensions, to which was referred the bill (S. 4752) to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933, reported it without amendment and submitted a report (No. 2324) thereon.

Mr. GEORGE, from the Committee on Finance, to which were referred the following bill and joint resolution, reported them each with amendments and submitted a report as indicated:

H. R. 12869. A bill to liberalize the provisions of Public Law No. 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes (Rept. No. 2325); and

S. J. Res. 278. Joint resolution to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 670) for the relief of Eliza Boykin, reported it with an amendment and submitted a report (No. 2327) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 2402) for the relief of Josephine M. Scott, reported it with amendments and submitted a report (No. 2328) thereon.

He also, from the same committee, to which was referred the bill (S. 2827) for the relief of Margaret Scott Bayley, reported it without amendment and submitted a report (No. 2329) thereon.

Mr. SCHWELLENBACH (for Mr. BENSON), from the Committee on Claims, to which was referred the bill (S. 3458) for the relief of George Smith and Ketha Smith, reported it with an amendment and submitted a report (No. 2334) thereon.

He also, from the same committee, to which was referred the bill (S. 390) for the relief of Orson Thomas, reported it with amendments and submitted a report (No. 2335) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 9313. A bill for the relief of the estate of Hans Ditmanson, deceased (Rept. No. 2330);

H. R. 9314. A bill for the relief of the estate of Henry Copple, deceased (Rept. No. 2331);

H. R. 9315. A bill for the relief of the estate of Fred Wilkins, deceased (Rept. No. 2332); and

H. R. 10044. A bill for the relief of Lt. Col. Fernand H. Gouaux (Rept. No. 2333).

Mr. BARKLEY, from the Committee on Interstate Commerce, to which was referred the bill (S. 1562) to amend section 62, chapter 3, title 45, of the Code of Laws of the United States of America, reported it with amendments and submitted a report (No. 2336) thereon.

TAXATION OF WAR PROFITS—AUTHORITY FOR FINANCE COMMITTEE TO FILE A REPORT

Mr. CONNALLY. On behalf of the Committee on Finance, I desire to state that this morning it ordered reported to the Senate, House bill 5529, known as the war-profits bill; but the report cannot be submitted today. I ask unanimous consent that the Secretary of the Senate be authorized to receive the report and file it during the recess of the Senate, so that it may be printed on the calendar for the consideration of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. CONNALLY subsequently said: Mr. President, I realize that the Senate is very busily engaged, and I do not desire to detain it unduly, but I wish to call the attention of Senators to the fact that today the Senate Finance Committee ordered reported to the Senate the so-called war-profits bill.

It will be recalled that for a great many years there has been an insistent demand throughout the country for legislation to take out of war whatever profits have heretofore been realized by reason of the existence of a state of war.

The munitions committee reported to the Senate some time ago a comprehensive measure covering the drafting of industry in one title, Federal taxation in another title, and some military provisions in still another title. That portion of the bill relating to taxation was referred to the Senate Committee on Finance. The junior Senator from Texas had the honor to serve as chairman of the subcommittee of the Finance Committee dealing with the taxation feature. After a study of some 6 or 8 weeks, and with the advice and counsel and active aid of experts from the Joint Committee on Taxation, from the Treasury Department, and other departments of the Government, the title on taxation was entirely rewritten and the Finance Committee reports a complete substitute for the section of the war-profits bill relating to Federal taxation.

It was the purpose of the committee so to draft the measure as not entirely to destroy the profit motive in time of war, because it seemed desirable that industrial plants and others supplying war materials might continue to function with their regular organizations; but it has been our purpose so to levy the rates of taxation as to take out of their profits that particular factor which is attributable to a state of war and to allow them only normal and ordinary returns.

The rates of taxes in the case of individuals have also been revised. The exemptions have been reduced in the case of single individuals to $800 and to married persons to $1,600, and the rates of individual income taxes have been revised, starting at $40 on an income of $2,000 for married persons and graduated up to $880,510 on persons having incomes of a million dollars, and graduated proportionately in the other brackets. It is estimated that on individual incomes alone this bill will produce $7,866,000,000 annually and produce a very large increase in corporate taxes. There is one aspect of the measure, however, that probably will have to be modified, as the bill in its relation to corporations has been drawn on the principles of the tax bill as passed by the other House. It was thought that when the Congress finally acts on the pending revenue bill the war-profits bill will be amended in accordance with the principle then adopted, it being highly desirable from an administrative standpoint that the general methods of taxation shall continue in time of war just as they are in time of peace, so as not entirely to disrupt the administrative agencies for handling taxation.

Mr. President, the war-munitions bill, as a whole, including the taxation features, undertakes in time of war to muster money along with men; it undertakes to call to the colors a great industrial army just as it proposes to call to the colors the manhood and the youth of the land. We believe that the bill embodies sound principles and carries out the insistent demand of the country that in time of war no one shall be able to reap a rich harvest of inordinate profits, while others have to lay down their implements of civil activity and grasp in their hands—untried hands, frequently—the implements of war; that the man who stays at home shall not profit from the blood and sacrifice of his fellows.

I commend the bill to the consideration of Members of the Senate. We hope to have it on the calendar, and we are very anxious, if possible, to secure action on it at the earliest possible moment.

Mr. PITTMAN. Mr. President, I suggest to the Senator from Texas that this is such an important matter, and the possibility that it will not be acted upon immediately is so apparent, it would be of benefit to Congress if the bill were printed in the RECORD as a part of his remarks.

Mr. CONNALLY. I will say to the Senator from Nevada that I thank him for the suggestion, but it is quite a voluminous bill and would consume a great deal of the RECORD. I have no objection to having the bill printed in the RECORD, but I do not want to urge it upon the Senate.

Mr. PITTMAN. Very well. I will leave the matter to the judgment of the Senator from Texas.

Mr. CONNALLY. There will be a report filed which will be rather comprehensive and illuminating, but I think, under the rules of the Senate, it would be necessary to obtain the consent of the Committee on Printing, and I should not want to urge the matter on my own responsibility. However, I thank the Senator from Nevada.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SCHWELLENBACH:

A bill (S. 4757) for the relief of Mr. and Mrs. Victor Mills; to the Committee on Indian Affairs.

By Mr. ROBINSON (for Mr. BULKLEY):

A bill (S. 4758) granting a pension to Mary Ida Cox;

A bill (S. 4759) granting a pension to Mary C. Smith;

A bill (S. 4760) granting an increase of pension to Letha C. Durflinger;

A bill (S. 4761) granting an increase of pension to Rachel Heizeman;

A bill (S. 4762) granting an increase of pension to Alice V. Keeler;

A bill (S. 4763) granting an increase of pension to Margaret Jane Loar;

A bill (S. 4764) granting an increase of pension to Polly Fuller;

A bill (S. 4765) granting an increase of pension to Lucy Montgomery;

A bill (S. 4766) granting an increase of pension to Anna Robinson;

A bill (S. 4767) granting a pension to Catherine Ott;

A bill (S. 4768) granting an increase of pension to Amelia Shultz;

A bill (S. 4769) granting a pension to Florella Roe; and

A bill (S. 4770) granting a pension to Lenora Easterday; to the Committee on Pensions.

(Mr. ASHURST introduced S. J. Res. 285, which was referred to the Committee on the Judiciary and appears under a separate heading.)

INVESTIGATION OF THE BLACK LEGION AND SIMILAR ORGANIZATIONS

Mr. ROBINSON. On behalf of the Senator from Minnesota [Mr. BENSON], I submit a concurrent resolution and ask that it be referred to the Committee on the Judiciary.

The VICE PRESIDENT. The resolution will be received and referred, as requested by the Senator from Arkansas.

The concurrent resolution (S. Con. Res. 41), submitted by Mr. ROBINSON (for Mr. BENSON), was referred to the Committee on the Judiciary, as follows:

Resolved by the Senate (the House of Representatives concurring), That a special committee consisting of four Senators and four Representatives be, and is hereby, authorized to be appointed by the President of the Senate and by the Speaker of the House of Representatives, respectively, for the purpose of conducting an investigation of (1) the character, objects, extent of operations, roster of officers and membership, all sources of revenue, purpose and methods of distribution of finances of the Black Legion; (2) the activities and source of revenue of any organizations which may be found spreading similar un-American propaganda of religious, racial, or subversive political prejudices which tend to incite to force and violence in the promotion of their program of activities; and (3) all other questions in relation thereto which would assist Congress in the enactment of necessary remedial Federal legislation, including necessary amendments to the postal laws. Such special committee is authorized to hold hearings at any or all points within the United States at any time, whether or not Congress shall be in session, and to call upon the administrative head of any executive department of the United States Government for assistance by its investigating personnel. Such special committee shall select one of its members to serve as chairman.

SEC. 2. Such special committee shall have full power and authority to subpena witnesses and take testimony; to summon any and all books, records, documents, communications, and other papers of such organizations and their officers or members; and to compel attendance under the provisions and penalties provided by section 102 of the Revised Statutes of the United States, as amended.

SEC. 3. The special committee shall be authorized to expend a sum not in excess of $100,000, one-half of which shall be paid from the contingent fund of the Senate and one-half to be paid from the contingent fund of the House of Representatives; and to employ necessary clerical and other help.

SEC. 4. A report shall be prepared by such special committee not later than March 1, 1937, and presented to the President of the Senate and the Speaker of the House of Representatives during the month of March 1937, but nothing in this section shall prevent the making of partial reports at any time the special committee may deem advisable or in the public interest.

DAISY CLARK

Mr. McNARY submitted the following resolution (S. Res. 321), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Daisy Clark, daughter of Noble M. Clark, late a special employee of the Senate under supervision of the Sergeant at Arms, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

MISSOURI RIVER BRIDGE, OMAHA, NEBR.

Mr. WALSH. I enter a motion for the reconsideration of the vote whereby the Senate on Saturday last passed Senate bill 4376, providing for the construction of a bridge across the Missouri River.

The VICE PRESIDENT. The motion will be entered.

DIVISION OF STREAM-POLLUTION CONTROL

Mr. LONERGAN. Mr. President, I enter a motion to reconsider the vote by which Senate bill 4627, being Calendar No. 2316, to create a division of stream-pollution control in the Bureau of the Public Health Service, and for other purposes, was passed on Saturday last.

The VICE PRESIDENT. The motion will be entered.

AIR CORPS OF THE ARMY—CONFERENCE REPORT

Mr. SHEPPARD submitted the following report, which was ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11140) to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: Strike out the word "immediately" in the matter inserted by said amendment, and the Senate agree to the same.

MORRIS SHEPPARD,
DUNCAN U. FLETCHER,
ROBERT D. CAREY,
Managers on the part of the Senate.

JOHN J. McSWAIN,
LISTER HILL,
WILLIAM N. ROGERS,
DONALD H. McLEAN,
CHARLES A. PLUMLEY,
Managers on the part of the House.

DEPORTATION OF ALIEN CRIMINALS

Mr. REYNOLDS. Mr. President, I should like to have unanimous consent to print in the CONGRESSIONAL RECORD extracts from speeches I have made upon the floor of the Senate in opposition to the Kerr-Coolidge bill.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[Extracts from the debate on S. 2969 (Kerr-Coolidge bill) in the Senate Friday, Apr. 3, 1936 (legislative day of Monday, Feb. 24, 1936]

DEPORTATION OF ALIEN CRIMINALS

Mr. ROBINSON. Mr. President, pursuant to the statement which was made yesterday, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 2969, being the so-called alien deportation bill.

There being no objection, the Senate proceeded to consider the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the non-criminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes.

Mr. REYNOLDS. I would have it understood as my opinion that the Kerr-Coolidge bill would break down and destroy the barriers of immigration that have heretofore been raised, would make two holes where one now exists, and would encourage aliens to come here in violation of the laws of our country.

Mr. President, I believe that any high-school boy after reading section 3 of the Kerr-Coolidge bill, would unquestionably and unhesitatingly say that the bill and that section in particular would bring aliens in, instead of put them out; that it is an importation bill rather than a deportation bill.

Mr. BARKLEY. * * * I understand it would deal with those who are here illegally.

Mr. REYNOLDS. The Senator does not understand how it would let them in, instead of put them out?

Mr. BARKLEY. I do not.

Mr. REYNOLDS. That is where the nigger is in the wood pile. [Laughter.]

The bill seeks to make lawful by an enactment of the Congress that which for years has been illegal and unlawful. The bill would encourage those beyond our shores to come to America. It would encourage aliens from all over the world to violate the immigration laws of the United States.

If we legalize that which is now illegal, if we permit to stay in this country aliens who are here illegally, who have violated the law every day they have remained here illegally, then we will encourage immigrants from every part of the world to say, "What do we care about the laws of America? We can go there and slip in and kill anybody we want to or kidnap anybody we want to and get away with it. America has already said it is all right for anybody to steal into the country, to perjure himself into the country, or to enter the country in any other illegal manner, such as by the purchase of passports, and the like.

Mr. President, I cannot make it too plain to my colleagues of the Senate and to the world that I am opposing the Kerr-Coolidge bill, because, I assert, if enacted, it will break down the immigration barriers, encourage violation of the law; make two holes in the cheese where there is now but one, and wreck all the laws which your forefathers and your predecessors for years and years, since Washington was President of our country up to the present time, have enacted and wanted obeyed. I am fighting the bill because I stand for Americans in preference to foreigners; and the time has come when the Members of the United States Senate, as well as the people of the whole United States of America, must make it plain whether we and they are standing by the people of our own country or whether we are standing by the people of foreign nations.

There is just one issue: Are we for America for Americans, or are we for America for foreigners? It is a question that one may not side-step. It is a question on which one must get on one side of the fence or on the other.

I said that millions of Americans are against the bill—millions upon millions—and in that connection I wish to read just a simple little post card which was sent to me by some man of whom I never heard, one of the hundreds upon hundreds of post cards and letters and telegrams I have received from all over the United States. This simple little post card will reveal to the Members of this body the sentiment that is deeply rooted in the hearts of Americans.

"DEAR SENATOR: Reynolds-Starnes immigration restriction and alien deportation-registration bill urgently needed, and I trust will become law at once. Unfair to American citizens"—

Listen! He is right. He is using good old common horse sense.

"Unfair to American citizens and taxpayers. Social Security Act makes no distinction between American citizens and aliens. Aliens holding jobs in our country should be taxed 25 percent of funds they send to their homelands.

"Unfair that Americans be taxed to keep aliens on relief rolls."

That is true. This fellow has good common sense—good old horse sense.

"Unfair that Americans be taxed to keep aliens on relief rolls; when they had jobs they sent money out of the country."

I recently read in the Saturday Evening Post a series of extremely interesting articles written by Mr. Raymond Carroll, a former newspaper correspondent of our Capital City, to the effect that, since the depression, the aliens on the relief in this country and aliens holding American jobs had sent to their respective fatherlands, by way of international money orders, more than $250,000,000—your dollars, the dollars of the American people, sent to their respective countries every year.

He says further:

"When they had jobs they sent money out of the country; now they should not be carried on relief rolls, but they should be deported for charity of their home government.

"Be sure and enact into law your important bill."

I know now that this man has sense. [Laughter.]

"Fingerprint all aliens in United States annually, tax them 25 percent of money they send home to keep their own home folks. Buy American, employ American, travel American, think American.

"Faithfully,

"C. O. SAGE."

A bill is before the Senate which the American people oppose. The American people are speaking to us through their representatives, the American Federation of Labor, the American Legion, the Veterans of Foreign Wars, the Disabled Veterans of the World War, the Daughters of the American Revolution, the Sons of the American Revolution, the Junior Order of United American Mechanics, the Order of Sons and Daughters of Liberty, the Fraternal Patriotic Americans, the Commandery General, and 110 other patriotic organizations.

They tell us that the laws are not adequate to enable the Government to deport aliens; yet, at the same time, they are trying to get this bill through Congress to permit 2,862 deportable aliens to stay in the country. Yet we are told that the effort is to enact a law to enable the aliens to be put out. I say that before we pass such a law we should execute the laws which are already on the statute books, which mandatorily provide that these aliens shall be deported.

Someone might say, "Well, Senator, the 2,862 cases you have mentioned are hardship cases. You ought not to be so cruel, Senator. You ought to think about these poor people." I am as soft-hearted as any man I ever saw in my life. I do not hate a living creature upon the face of the earth.

Mr. ASHURST. I did not seek to interrupt the Senator; but I wish to ask him this question: For every job of work held in this country by an alien is not a citizen displaced?

Mr. REYNOLDS. Absolutely. I thank the Senator from Arizona for his excellent contribution.

I had not intended to mention these hardship cases now, because I wish to take a couple of days in discussing those cases.

The Labor Department, through Commissioner MacCormack, has not given the full facts. I should not make a statement like that unless I knew what I was talking about. It would not be right for me to do so. As a United States Senator, it would be quite improper for me to say that I believed that Commissioner MacCormack, of the Labor Department, who is the head of the Immigration and Naturalization Service, would deceive my colleagues unless I knew what I was talking about.

An effort is being made to ram this bill down the throat of Congress. To do what? To leave in this country 2,862 people who Commissioner MacCormack has said are people of good character.

Mr. DAVIS. Has the Senator discussed this matter with the Commissioner General of Immigration and Naturalization?

Mr. REYNOLDS. Yes.

Mr. DAVIS. Has the Senator seen this list of 2,800 persons, or whatever the number is, whom it is desired to admit under the provisions of the bill?

Mr. REYNOLDS. Yes.

What about those 2,862 aliens? Senators have heard about them. Oh, it is too bad to put them out of the country—those hardship cases. I now issue a challenge to anyone who is sponsoring the Kerr-Coolidge bill to bring into this body any 100 of the cases for which they are trying to create sympathy in this body, and let us try those cases on the floor of the Senate in order that we may know the truth about them.

Mr. DAVIS. Is any appeal provided from the interdepartmental committee's recommendations, or from the recommendations of the officers who make up the interdepartmental committee?

Mr. REYNOLDS. None.

Mr. DAVIS. Is any appeal to the courts provided?

Mr. REYNOLDS. None whatsoever.

I state, Senators, that Commissioner MacCormack has deceived my friends, and I cannot leave that subject until I prove that to Senators; and in proving that in one case I am putting my friends on guard, because I do not want to become involved in a discussion of these cases without telling them what I have done.

I had heard about these hardship cases; I had heard that this bill was being written around those cases; I had heard that it was desired to keep the 2,862 aliens in this country; I had heard most pathetic stories, stories which almost brought tears to my own eyes. So when I heard about some of these dreadful separations, when I heard how saintly these aliens were, when I heard Commissioner MacCormack talking about the poor people involved in these hardship cases, and I heard statements as to what a crime it would be to deport them, I almost burst into tears.

I am going to examine just a few of those so-called hardship cases.

I took 2 or 3 days off here and went to the Labor Department with a stenographer, and I said to the gentlemen in charge: "Just pick out at random any cases you have." The 2,862 cases are classified into one, two, three, and four categories—four classes, four shelves. No. 1 is the lily white; no. 2 is not quite so white; no. 3 is a little darker; and no. 4 is just a little grayish color.

I said to the gentleman in charge: "I wish you would favor me by just picking out any cases you want to", but "I want more lily-white cases than any other kind." They picked out cases at random. Now, let me read one of the cases. Here is the case of Goldborn Branch. He is one of those whom, it is said, it would be a hardship to deport and that he ought to be permitted to remain in this country. This alien is almost a lily-white case; he is in class 2. The purest, unadulterated, the whitest, the best are in class 1, but those in class 2 are just about as good as those in class 1. As a matter of fact, it is difficult, really, to draw any distinction between class 1 and class 2 because they are both about in the same category; and, mind you, Mr. President, the case in class 3 and class 4, as well as those in classes 1 and 2, were picked out, and it was said the individuals concerned ought not to be deported, and they have been kept here for about 3 years in violation of the laws of this country. The Department of Labor would not deport them, although the Congress, which makes the laws of the country, made it mandatory upon the Department to deport those people. Those administering the law have violated the law; they have snubbed Congress and said, "No; we are going to do what we want to do about it; we are going to change the law because we think the law is wrong, and we are going to help in those cases in which we are interested."

I have here the records, Senators, that were provided by Commissioner MacCormack. It was the duty of Commissioner MacCormack to provide the Senate with a summary of every one of those 2,862 cases. The Department made out 2,862 summaries. Commissioner MacCormack was called upon to relate the facts to the United States Congress—the facts were called for by the other House of the Congress—he made a summary of every one of the 2,862 cases, sent it down, and had them put under lock and key under the direction of Mr. DICKSTEIN, who is chairman of the Committee on Immigration and Naturalization of the House of Representatives, a commitee of which the Honorable JOE STARNES, of Alabama, is also a member and co-author of the Reynolds-Starnes bill.

Well, this man's name is Goldborn Branch; age, 34. Here is the information that Commissioner MacCormack provided:

"File No. 55725-261.

"District No. 3118, 265.

"Date last entry, October 15, 1933.

"Whether previously in United States."

When he was asked that question he said:

"Yes; originally entered in 1910. Remained here until 1914, when he went to Canada. Reentered in August of 1924."

So we know he came into this country twice and remained here permanently since that time, except for short visits to Canada, returning from there last on the above date.

"Dependent relatives in (relationship) United States?"

His answer was: "Beatrice Branch and Edith, wife and daughter."

That is all right. He must be a pretty good man, judging from Commissioner MacCormack's report.

"Have you any relatives in the United States?" "No; I have no relatives in the United States." He just has a wife and daughter.

"Any relations abroad?" "No; I have no relations abroad." "What is your occupation?" "I am just a laborer."

"Self-supporting?" "Oh, yes; I am self-supporting." "Have you ever been on relief?" "Yes; I was on relief 1 year."

"Public charge?" "No sir; I am all right; no public charge against me."

"Any unfavorable factors on report?" Commissioner MacCormack said: "No; no unfavorable factors at all."

I have marked that in red ink so I would be sure to emphasize "none" because the Department of Labor has stated in the report where they were supposed to give all the facts and be frank and fair and honest with the Members of this body that there were no unfavorable factors.

No. 13. Favorable factors or reports: Citizenship of wife and daughter.

14. Reason for stay: Deportation would involve hardship.

15. Date stayed: March 12, 1934.

They stayed the deportation because it would be a hardship to deport him.

There is no evidence in Commissioner MacCormack's report that he entered this country illegally. There is no evidence in the report that the man had ever been arrested for any offense. Commissioner MacCormack's report says there is no public charge against him. There is no evidence in the report except that this

man is a hard-working laboring man who earns his living by the sweat of his brow, and fortunately he has a good wife and daughter who are self-supporting, and therefore it would be no hardship upon them if they supported him.

Mind you, Mr. President and Senators—and let those who read the RECORD take notice also—the Labor Department has asked us not to deport Goldborn Branch and 2,861 others on the information that Commissioner MacCormack provides us. Let us see whether or not Commissioner MacCormack has been fair with this body.

Let us see whether or not deception has been practiced upon the Members of this legislative body. The lawyers of the Senate, particularly, will agree with me that deception sometimes may be practiced more cunningly by withholding the facts than by distorting the facts, and I say deception has been more cunningly practiced in all these cases by withholding the facts than by distorting the facts.

Goldborn Branch, 109 Walnut Street, Buffalo, N. Y.: Let us see if this gentleman is so lily white.

He is a West Indian Negro. He came here illegally by way of Canada. Commissioner MacCormack did not tell us that he came into the country illegally. He was married in Canada. He does not know where his wife is. Commissioner MacCormack did not tell us that this man had deserted his wife, or his wife had deserted him. I am inclined to believe it was the latter, from the record that will follow. This is the lily-white gentleman who was painted so gloriously in raiment of white and placed upon a pedestal of ivory by Commissioner MacCormack and his associates.

Goldborn Branch has a common-law wife. You all know what a common-law wife is—a woman with whom a man lives without being legally wedded to her. He has a common-law wife to whom an illegitimate child was born. The record does not show the word "illegitimate", but I use that in preference to another word. He is living with his common-law wife and brought her into this country illegally. Listen to that, Senators! Not only did he himself come into the country illegally, in violation of our laws, but he brought this woman into the country in violation of our laws—the woman with whom he was living, his common-law wife—from Canada, for what purpose? For immoral purposes.

Commissioner MacCormack did not tell us that this man's legal and lawful wife had been deserted by him, or she had deserted him. Commissioner MacCormack did not tell us that this man slipped into our country in violation of our laws, and had been here for 15 years in violation of those laws. Commissioner MacCormack did not tell the Senate that this man had a common-law wife, a mistress with whom he is living, by whom he had begotten an illegitimate child. Commissioner MacCormack did not tell us that this sweet-smelling violet had had the audacity and the disrespect for the laws of your country and my country and our country to slip his mistress across the border in violation of our laws. It shows what disrespect foreigners have for the immigration laws of this country.

Goldborn Branch was arrested once on complaint of his common-law wife for beating her. She slipped into the country in violation of the law; and after Goldborn Branch got her over here and kept her here in violation of the law, and lived in adultery with her, what did he do? He beat her; and that is how the immigration authorities got in touch with him.

That is one of these hardship cases. That is a lily-white one. I again challenge those who sponsor this bill to go to the Labor Department and seek out any one of the 2,862 cases of persons whom Commissioner MacCormack has said ought not to be deported and bring it into this Chamber and let us discuss it on the floor of the Senate. I therefore, at this hour, have brought to your attention a "lily white" case; and later it will be my pleasure and my duty to show up the real facts and to reveal the truth about other cases.

Mr. MCKELLAR. I wish to ask the Senator whether Colonel MacCormack reported the facts the Senator first read concerning this immigrant.

Mr. REYNOLDS. The House wished to ascertain who these 2,862 men were and, by resolution, requested that Commissioner MacCormack, the head of the Immigration and Naturalization Service, make up a summary, a digest of each and every one of those 2,862 cases, and provide the House with the facts, the truth, the whole truth, and nothing but the truth about each case, so that the gentlemen over there, who were just as much interested as we are, could ascertain whether or not these were what some persons have been pleased to term and classify as "hardship" cases.

So, in answer to the Senator's inquiry, I will say that the first report I read, which painted Goldborn Branch as such an angel and a fine, law-abiding citizen, an American citizen from all reports, is what Commissioner MacCormack sent over here; and the second report I read is what the Department's own records show. I know that is the case, because I went there and looked at the records with my own eyes.

Mr. MCKELLAR. May I ask the Senator if that is an isolated case, or are there other cases in which the facts were not as reported?

Mr. REYNOLDS. I say to the Senator, by no means is that an isolated case.

It is beyond my comprehension, it is beyond my sense of fair play, how under heaven a man holding the responsible position which is occupied by Commissioner MacCormack would permit a thing like this to be brought to the attention of the public; would permit a summons to come calling for the truth, the whole truth, and nothing but the truth, and the plain facts, and they have such a distorted report sent in.

Mr. MCKELLAR. Is there any reason why the Department cannot furnish the Senate or the House, or both, the exact facts about each and every one of the 2,862 cases?

Mr. REYNOLDS. There must be a reason, because a resolution was introduced in the lower House of Congress asking for the facts; and instead of getting the bald-faced truth, instead of getting the facts desired, those from whom the facts were required deceived us by eliminating the facts and distorting the facts in this particular case.

Mr. WHEELER. The Senator from Tennessee [Mr. MCKELLAR] a while ago asked how many of the cases are similar to those specifically mentioned. I wish to call attention to the fact that every one of the 2,862 individuals referred to is in this country in violation of some law.

Mr. MCKELLAR. All the 2,862 persons who are being kept here by the authorities are kept here in violation of the law? Is that what the Senator means?

Mr. WHEELER. Yes; they are here in violation of the law. The present law gives the Department no discretion to keep them in the country. In my judgment we ought not to do that. If aliens violate a law, they ought to be deported. If they come here illegally, we are not responsible for that. If they are here illegally, it may work some hardship to deport them, but we are not responsible for it. It is their responsibility; and when they come to this country under those circumstances, in violation of law, they ought to be sent back to the country from which they came.

Mr. AUSTIN. Before the Senator leaves the subject of the House Resolution 350, of August 23, 1935, I wish to call to his attention House Document No. 392, which purports to contain a letter from the Secretary of Labor, as follows:

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, January 15, 1936.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington, D. C.

MY DEAR MR. SPEAKER: In accordance with the resolution of the House of Representatives on August 23, 1935, I have the honor to submit—

(a) List of all cases by number and name in which deportation has been stayed up to and including December 31, 1935.
(b) Complete file on each case.
(c) Summary of file and report on each case.
(d) Report of the Commissioner of Immigration and Naturalization.

Very truly yours,

FRANCES PERKINS.

Did the Senator from North Carolina find that this statement, "(b) complete file on each case", was an inaccurate statement?

Mr. REYNOLDS. I absolutely did not find a complete statement as to the cases.

Mr. AUSTIN. Did the Senator find a complete file on each case?

Mr. REYNOLDS. I did not.

Mr. AUSTIN. I thank the Senator.

Mr. REYNOLDS. Mr. President, let me take up another case picked at random, as I picked them at the Bureau.

This gentleman's name is George G. Grenier, aged 38, a young man. He entered this country July 21, 1926. In answer to an inquiry he said he had been in the United States before; a total period in the United States of 9 years and 3 months. Mind you, Mr. President, I am reading from a record provided the Members of this body and the House of Representatives by the Commissioner of Immigration.

The address of this man is 1213 East Fifty-third Street, Chicago, Ill. He comes from the home town of the senior Senator from Illinois [Mr. LEWIS]—a fine city.

"Dependent relatives in the United States." "Yes; a wife and son."
"Any other relatives in the United States?" "No."
Says George:
"I have no relatives abroad."
"What is your occupation?" "I am a painting contractor."
"Are you self-supporting?" "Oh, yes, indeed."
Says George:
"I am self-supporting."
"Have you ever been on relief?" "No, sir; never."

George must be a good man. He has a wife and child, and there is no evidence that he got into this country illegally; no evidence of his doing anything that was contrary to good morals or good citizenship.

"Have you ever been a public charge?" "No, sir," says George.

Here is the Commissioner's statement as to the grounds for deportation: That he is in the United States in violation of the Immigration Act of 1924. There we do find he violated the law. The Commissioner further says that at the time of his entry he was not in possession of unexpired immigration visa.

What are the unfavorable factors of the report? Commissioner MacCormack says the unfavorable factors are that this man has a bad moral record. There must be some mistake here, because a man with a bad moral record who has violated the law in slipping into the country has been held here. That is all the Commissioner says, that he has a bad moral record; that he admitted he is the father of an illegitimate child whom he later adopted. That is the only redeeming feature I can see about him; but if he was man enough to adopt his illegitimate child, I have more respect for him than I otherwise would have.

His statements as to birth and military service are ridiculous.

That is what the Immigration Service says. Despite that, the Immigration Service says this alien is a fine man. He will con-

tribute to the future generations of America. He will help us build up America and continue her as the greatest nation on earth. We must keep him here to help us do it.

Here are the favorable factors:

"United States citizenship of wife and child.

"Reason for stay."

That is, the reason the Department of Labor has for staying the man's deportation; that is to say, for keeping him here when the law says he must be put out. They say:

"To permit voluntary departure, to prevent separation of family."

So, according to Colonel MacCormack's report, this man is a pretty good fellow.

Let us see what the record shows. Let us see whether or not Colonel MacCormack has given us the facts. Let us see what the facts are.

Mr. George Gaston Grenier; he has a good name.

Mr. SCHWELLENBACH. Mr. President, what is the Senator reading?

Mr. REYNOLDS. What I have read is the record provided this body and the other House of Congress by Commissioner MacCormack and the Immigration and Naturalization Service. Upon that record, I say to the Senator from Washington and his colleague, Commissioner MacCormack would have this body of lawmakers pass upon the question as to whether or not that man should be deported; and if Senators should pass upon the question from this report of Commissioner MacCormack, being big-hearted men, as they are, they probably would say, "Well, let the poor fellow stay." But it has been my duty—my sworn duty as a Member of this body—to reveal the truth and to bring the truth to the attention of my colleagues.

Let us see about George Gaston Grenier. Here are the facts:

The files of the Immigration and Naturalization Service show that Grenier entered the country illegally in 1926.

The records show that he was a deserter. That is as bad as being a perjurer—worse than being a perjurer in time of war, when his country is in peril. George Grenier, bearing that good name, was a deserter from the French Army.

How much respect have you for a deserter from the American Army?

The records show that Grenier stole an airplane. He deserted from the Army, and stole an airplane. He is not only a deserter but he is a thief.

The records show that he gave false testimony in applying for United States citizenship.

A deserter. Was that mentioned in Commissioner MacCormack's report? It was not. A thief, who stole an airplane. Was that mentioned in Commissioner MacCormack's report? It was not.

The records show that Grenier gave false testimony in applying for United States citizenship. He is a perjurer and a liar. Was that mentioned in Commissioner MacCormack's report? It was not. Commissioner MacCormack was called upon by a resolution of the House of Representatives to give to the men who make the laws of this great country the facts, the truth, the whole truth, and nothing but the truth; and he has practiced deception upon my friends here and my friends in the other body by withholding the truth, which is sometimes worse than distorting the truth.

I hope that is all about George. I do not see how he could be any worse. He deserted his army; he deserted his country; he stole an airplane; he committed perjury; he lied.

The records show that he was convicted of a bastardy charge, and that he admits certain relations with various and sundry other people. I am not going to read all about that; it is too bad.

The Department kept this thief, this perjurer, this deserter here. They say he ought not to be deported. The only reason in the world why we ever let immigrants into this country, Senators, is for the benefit of the country. We do not admit aliens for the benefit of the aliens, but the idea is to let immigrants into the country to benefit the country. How is it going to benefit the country to let a man like that stay here? Nobody would dare say that man should be left here because he would contribute to the moral uplift, or the physical development, or the inspiration of the younger people who are coming on—a deserter, a thief, a perjurer.

This is what the Department's records say—I copied this information out of the records:

"The decision in the case of Grenier, judging by the files of the Department, rests to a great extent upon a report submitted by the Immigrant's Protective League."

Overnight I hope Senators will find out something about the Immigrant's Protective League. If you do not find out, I shall make it my business to tell you something about them; but it is easy for you to look them up and see what they are doing. They have recommended that there be kept in this country, as an inspiration for the present youth of the land and those who are to follow, a man who is a perjurer, a deserter, and a thief.

Why, here is something more about George.

Grenier, according to the records, made two illegal entries. He not only slipped in here once in violation of law, but he slipped in here twice, his first arrival being dated back in 1919. At that time he came into the country—why, listen to this, Senators—he did not just slip over the border. He did not just jump ship. He did worse than that. Listen to what he did: At that time he came into the country under false papers which he had purchased.

Senators, are you going to say that a man who turned his back on the country of his birth, under whose flag he had enjoyed protection; a man who stole an airplane, who is a perjurer and a thief; a man who went so far as to purchase false papers to get into this country; and a man who, in addition to that, violated the laws the second time to get into this country, is a man whom you want here as an example for your sons and daughters and the younger generation who are growing up, looking for inspiration from the legislators of the country?

Mr. MCKELLAR. I am curious to know the present status of these 2,862 aliens. Are they detained? Are they in jail? Are they out on bond?

Mr. REYNOLDS. Some of them have been released on their own recognizance; that is to say, without bond. Some of them have been required to give a very small bond, which they can skip. I dare say that if there were an effort made to round them all up tomorrow not half of them could be found, because experience has shown that to be the case.

George and Goldborn and these other fellows are waiting for us here to pass a law saying that they are people of good character and that their presence here will contribute something to the United States. Let us see if there is anything else about George.

Mr. DAVIS. I may say, if the Senator from North Carolina will yield, that if I should go to the town in which I was born I would not be in that town 15 minutes before I would be notified that I must appear before one of the agents of the minister of labor in order that he might ascertain how long I intended to be there, and whether I intended to seek work; and if I were fortunate enough to secure work, I would not get my coat off before the minister of labor would come and tell me that I had better be going back to the country of which I was a citizen.

Mr. REYNOLDS. Mr. President, I shall be very happy to defer my argument, in accord with the suggestion made to me, with the understanding that I may have the floor tomorrow.

[In the Senate, Saturday, Apr. 4, 1936 (legislative day of Monday, Feb. 24, 1936)]

The Senate resumed the consideration of the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes.

The VICE PRESIDENT. The Senator from North Carolina [Mr. REYNOLDS] had the floor yesterday when the Senate recessed and gave notice that he would like to have the floor this morning. The Chair recognizes the Senator from North Carolina.

Mr. REYNOLDS. Mr. President, I am indeed very happy to have the opportunity of continuing my address in regard to a question which holds the interest of the people of every one of the 48 States of the Union.

Senators, yesterday afternoon, during a period of more than an hour, having been advised that officials of the Immigration Service would claim to the Members of the Senate and to the Members of the lower House of Congress that those 2,862 persons were persons of good character, I brought to the attention of the Senate transcripts of the records filed in the office of the Commissioner of Immigration and Naturalization, and I showed by the Department's own records that the aliens whom the officials would not deport, whom they themselves have violated the law in not deporting, were persons of bad character.

I wish to say that I have brought this matter to the attention of the Senate for two reasons. The first reason is that my good friend who reported this measure stated that we were trying to deport 2,862 people of good character, and I am bringing the matter before the Senate to show him the facts about the character of one of these 2,862 cases. I today stand upon the floor of the Senate and lay down again unhesitatingly, unblushingly, and unafraid the challenge I made on yesterday, when I said that any man in this body is at liberty to take from the files of the Commissioner of Immigration and bring one case or a hundred cases to the floor of the Senate, and at the same time bring the briefs that were prepared by the Immigration and Naturalization Service which have deceived Senators.

At this point I wish to remind the Members of this body that we are under no obligation to let anyone into this country; that the only reason why we have ever permitted any immigrants at all to come into this country was that they might be a benefit to the country. Our immigration laws are not made for the purpose of benefiting immigrants but they are designed and passed for the purpose of benefiting our own country.

I now ask Senators, Is this man George Grenier beneficially contributing to the blood strain, to the upbuilding, to the development of their beloved America? I say "no"; I am in sympathy with him. I am in sympathy with every man who is in trouble. I am in sympathy with every person whose tears reach his cheeks; but, Senators, I am personally—I have greater sympathy—for those of my own fireside, and those of my own home, and those of my beloved America. I am for America first and last and all the time, after which I can permit my heart to beat faster and my tears to flow for those of different nations who are beyond the seas.

I address myself to the coauthor of the Reynolds-Starnes bill. Will Representative JOE STARNES be good enough to let me have the book at which he is looking? I am delighted to see in the Chamber this morning Hon. JOE STARNES, Representative from the State of Alabama, coauthor of the Reynolds-Starnes bill. I am glad to find that he is just as much interested in the American people as I am. I take this opportunity publicly to congratulate him upon the time and the energy he has given to the American people; and I desire further to say that I hope his interest will never wane or weaken and that he will in all cases, as he has in this case, give sympathy first to those of his fireside, to those of his household, to those of his congressional district, to those of

his State, and to those of the Nation, before he gives sympathy to and sheds tears over those who are from shores beyond.

I again congratulate Representative STARNES. I know he is worthy of his constituency, and from all I have heard from his State, I believe his constituents appreciate his efforts.

Mr. AUSTIN. Mr. President——

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from North Carolina yield to the Senator from Vermont?

Mr. REYNOLDS. I yield.

Mr. AUSTIN. I call the attention of the Senator from North Carolina to something which corroborates his impression that Commissioner MacCormack did willfully misstate about these cases. I read from page 203 of part IV of the hearings:

"I do not suppose that I personally have passed on more than 20 or 30 of them"—

Meaning these 2,862 cases—

"and everyone which they have put up to me I rejected with one exception. They were all border-line cases."

Mr. REYNOLDS. Mr. President, will the Senator be good enough to mark the portion he read, and give it to a page, so that I may see it?

Mr. AUSTIN. Yes. I should like to call attention also to something else testified to by Commissioner MacCormack which appears on page 201 of the same hearings:

"Senator KING. Those 2,800 deported are not habitual criminals, and are not tainted with any acts of conduct which would make them unfit for citizenship?

"Mr. MACCORMACK. Absolutely not."

Again, on page 202, Mr. MacCormack, testifying, says:

"Every stayed case has been repeatedly reviewed. In the first 2,000 about a dozen bad ones were found.

"They came in to us from the field and had all the superficial evidences of being within the class which we are proposing to stay, but when they were reviewed we found a number of bad ones.

"Senator AUSTIN. Just what do you mean by 'bad ones'?

"Mr. MACCORMACK. Criminals. Each case, however, has been reviewed several times. In the first 2,000 we found a dozen really bad ones, including criminals. These and hundreds of others have since been rejected because they did not meet the conditions stated in the bill, or even if they met these conditions stated in the bill, because it did not appear in the public interest that the stay be granted. For example, a man might be of good character, no criminal record, have lived here a long time, with his wife and children, but yet be no use to his family, not support them. A case like that is rejected.

"Senator KING. He would be deportable?

"Mr. MACCORMACK. We have done that in hundreds of cases. We have only stayed cases that to a careful administrator, looking out for the interests of the United States, seemed to warrant a stay. There has been no sentiment about it. The cases have been scrutinized by Shaughnessy here and his hard-boiled board of review, and there is darned little sentiment entering into the decisions."

I ask the Senator to consider that testimony with reference to the facts he has already disclosed and is about to disclose regarding these cases.

Mr. REYNOLDS. With the Senator's permission, I will underline the words "hard-boiled board of review"; and I wish to take this opportunity to thank my distinguished colleague from the State of Vermont for his worthy and commendable contribution to this argument.

Senators, I have read the record as provided by Commissioner MacCormack; and my good friend the Senator from Vermont has brought to my attention the fact that Senators must believe the record which was sent here by Commissioner MacCormack, because Commissioner MacCormack said: "We went over the cases time after time." I can see the Commissioner right now sitting over there with all his aides gathered around him, like an old hen surrounded by her little chickens, acackling and apuffing and ablowing—I can see them all straining and sweating in an effort to get these records correct—the old hen just straining and puffing and blowing to see that everything is right. [Laughter.] These records are right, because Commissioner MacCormack knows that he has been called upon to give the truth, the whole truth, and nothing but the truth about these cases, and he wants to provide the Senate and Representative STARNES, of Alabama, and his colleagues in the House with the facts so that the Congress may pass upon the question intelligently and conscientiously.

Mr. COOLIDGE. It is evident from the facts that if he had been deported the Government would have been compelled to take care of his dependents—some children and his wife—I imagine; also, if he had been deported he would have been brought before a court martial, and I think we will agree that that might have resulted in his being stood before a firing squad. I do not know how far the Senator's reports go in that respect, and I myself have never looked into any of the 2,862 cases. I am hoping the Senator is not picking out the worst one of the whole 2,862?

Mr. REYNOLDS. No; I am glad the Senator mentioned that, because this is but one case as to which I am overanxious to be fair with my opponents, because in this case I have "got the goods"; I have the facts. I have the evidence, and I want to reveal all the facts and all the evidence. That is the reason why I flung down the gauntlet; why I threw down the challenge to any Member of this body to go to the Labor Department and pick out at random or have Commissioner MacCormack or anybody else pick out cases, a hundred of them, and bring them here and try them; and if this body thinks the persons involved in those cases ought to remain in this country, of course, they are going to stay; but I know that the Members of this body are interested in American citizens first, and then their sympathies can extend to the foreigners.

Before I leave the point in regard to which my good friend asked me, namely, if I picked out just the good ones, I want to say, as I stated yesterday, that I went to the Department with a stenographer. There were two or three cases that I wanted to examine. The only reason I wanted to see them was because each morning when I arrived at my office at 7 o'clock, as I usually do—and I will make the confession now that I am saying that for the benefit of my constituents in North Carolina; I want to be fair about everything, so I am going to be fair about everything in this argument—I found a little paper there called the American Citizen, and it had the names of two foreigners—aliens, anarchists, revolutionists—on the front page. So when I was conversing with Commissioner MacCormack I asked him kindly to give me a report upon those two men. Finally he condescendingly sent me a letter, and I am going to take that up when I review all these cases. After looking at those cases—I was working on some other cases in the library—and asked a gentleman, whose name I have forgotten, and I do not see him in the gallery today, though he has been here virtually every day, I assume, looking after the interest of the Department of Labor, kindly to go in and pick out 20 or 30 cases and bring them in. He said, "Certainly; what kind of cases do you want?" I said, "Bring in the lily-white cases." That is classification no. 1. It represents the perfumed ones, the best they have. So he brought them in. I have them here, and I am going to read them; and as soon as I read them I am going to ask Representative STARNES to pick me out a no. 1 case.

* * * * * * *

Mr. REYNOLDS. Mr. President, I could never agree to permit the passage of sections 3, 4, and 5 of the pending bill, because those three sections really make this an importation bill and not a deportation bill. I made that statement yesterday on the floor of the Senate; and, since the Senator has been good enough to mention that aspect of the matter, I wish to go further in explanation and state to the Members of this body that if sections 3, 4, and 5 of the bill are enacted into law they will make the bill an importation bill instead of a deportation bill. Those sections really provide for bringing in aliens instead of deporting them. If this bill is passed as now proposed, it will keep here all those who are here; and all those whose stay is legalized under sections 3, 4, and 5—and the bill legalizes their stay here—will have the right and privilege, under the immigration laws of the country, of bringing in the members of their families who now are abroad. So, instead of closing the floodgates of immigration, we shall be opening them up; and if we pass the bill there will be such a flood of immigrants that the recent physical floods cannot be compared with the thousands upon thousands who will be permitted legally to come into this country.

Unfortunately, very few persons understand anything about the Kerr-Coolidge bill. Most persons think it is an immigration bill. A great many persons think that all the individuals we are talking about here are persons of excellent character, as stated in the report in today's newspaper.

Mr. COOLIDGE. Is this the same George?

Mr. REYNOLDS. This is the same George. We will never forget George. Further, he stole an airplane. In the first place, he violated the immigration laws of our country by coming into the country. In the second place, he deserted from the army of his country.

We permit immigration into this country only for the purpose of adding to the strength of our country, benefiting our country, improving our country. There is no reason on earth why we should permit anyone to come into this country unless we want him, and the only reason why immigration is permitted is for the purpose of helping our country; it is not for the purpose of helping the alien.

What good would this man be to our country? If he did not have enough love and respect for the country of his birth, what do we want with him?

Mr. DAVIS. Mr. President, did I understand the Senator to say that he stole an airplane?

Mr. REYNOLDS. He stole an airplane.

Mr. DAVIS. Could he operate the plane himself?

Mr. REYNOLDS. Evidently.

Mr. DAVIS. Did he take it from one field and fly to another?

Mr. REYNOLDS. The record charges him with stealing an airplane.

Mr. COOLIDGE. Did he land in this country in an airplane?

Mr. REYNOLDS. He evidently landed safely.

Mr. COOLIDGE. Did he land in this country in an airplane?

Mr. REYNOLDS. He must have done so, according to Commissioner MacCormack, because he was painted so lily-white that he must have dropped out of the skies. That must have been how he got into this country. I never thought of that before. Commissioner MacCormack painted him so lily-white, perfumed like the lovely white rose in the springtime garden, that I can understand now how he got into this country. The Commissioner painted him so lily-white and perfumed so deliciously that I could not imagine the man slipping across the border. Now, I see how he got into the country. He must have flown over here and dropped down in a parachute from the skies.

Now, I desire to state something else about this man:

That he gave false testimony in applying for United States citizenship.

He perjured himself.

That he was convicted of a bastardy charge.

The Senator from Utah is a member of the Committee on Immigration, and that time, as I recall, he was sitting with the chairman of the Committee on Immigration, the Senator from Massachusetts [Mr. COOLIDGE]. The Senator from Utah asked the question:

"Those 2,800 deported are not habitual criminals and are not tainted with any acts of conduct which would make them unfit for citizenship?"

Commissioner MacCormack, who was on the stand, answered under oath:

"Absolutely not."

What in the world did Commissioner MacCormack mean? Commissioner MacCormack was before the Senate Committee on Immigration. Commissioner MacCormack, I assume, had been sworn. I assume Commissioner MacCormack was testifying under oath. If he was not under oath, at least he was testifying; and, regardless of whether or not the oath had been administered to him, he was supposed to tell the truth, the whole truth, and nothing but the truth, because the Senate Committee on Immigration was sitting as a body for the purpose of getting sufficient information on which intelligently to pass upon this most important legislation.

Commissioner MacCormack answered:

"Absolutely not."

He said "absolutely not." That is what he told the Senate committee. He said none of them were tainted.

Mr. BARKLEY. What is the Senator's theory as to those who ought to pass upon the cases and decide whether or not they should remain here? Congress cannot do it.

Mr. REYNOLDS. Oh, yes, we can, Senator.

Mr. BARKLEY. We cannot take up every individual case and pass an act concerning that case. We never could do that.

Mr. REYNOLDS. There are a number of bills pending before Congress now, known as private bills, giving relief to such individuals. Further, I wish to say to the Senator that I could not trust, and I do not believe anybody else could trust, the Immigration and Naturalization Service to pass upon these cases after Commissioner MacCormack testified before the committee of the Senate that they were all lily white, that there was nothing in the world wrong about them, that there was nothing about them that would not make them good citizens.

Perhaps we can come to some conclusion concerning a commission or a committee to pass upon such cases. One could go through a hundred of those cases in the Department every day and get the facts, if one were willing to work 8 or 10 hours a day, and pass upon these cases, and present a bill covering each case. But what is asked to be done in the pending bill is to blanket into this country 2,862 criminal aliens, 98 percent of whom have violated the criminal laws of this country, as admitted by Commissioner MacCormack; and it might mean, with respect to a million such cases in the next 3 years, that the same Department of Labor shall be given power to say whether or not the aliens shall be permitted to violate the laws of this country.

Listen to what Commissioner MacCormack says. On page 202—and this was brought to the attention of the Senate a moment ago by the Senator from Vermont [Mr. AUSTIN]—

"Every stayed case has been repeatedly reviewed."

He testified to that before the committee.

He says that "in the first 2,000 cases about a dozen bad ones were found."

Mr. President, continuing with the suggestion made by way of reference to the hearings before the Senate committee, Commissioner MacCormack said:

"Every stayed case has been repeatedly reviewed. In the first 2,000 about a dozen bad ones were found.

"They came in to us from the field and had all the superficial evidences of being within the class which we are proposing to stay, but when they were reviewed we found a number of bad ones."

In other words, they took out the bad ones and left the 2,862.

"Senator AUSTIN. Just what do you mean by 'bad ones'?

"Mr. MACCORMACK. Criminals. Each case, however, has been reviewed several times. In the first 2,000 we found a dozen really bad ones, including criminals. These and hundreds of others have since been rejected because they did not meet the conditions stated in the bill, or even if they met the conditions stated in the bill, because it did not appear in the public interest that the stay be granted. For example, a man might be of good character, no criminal record, have lived here a long time, with his wife and children, but yet be no use to his family, not support them. A case like that is rejected.

"Senator KING. He would be deportable?

"Mr. MACCORMACK. We have done that in hundreds of cases. We have only stayed cases that to a careful administrator, looking out for the interests of the United States, seemed to warrant a stay. There has been no sentiment about it. The cases have been scrutinized by Shaughnessy here and his hard-boiled board of review, and there is darned little sentiment entering into the decisions."

I wonder what came over that "hard-boiled" board of review when they let George G. Grenier stay on the list of 2,862.

Mr. ROBINSON. Mr. President, will the Senator from North Carolina yield to me to enable me to call up another matter?

Mr. REYNOLDS. I am delighted to yield to my good friend from Arkansas for that purpose.

RIGHTS OF COMMUNITIES—ADDRESS BY DAVID E. LILIENTHAL

Mr. NORRIS. Mr. President, I ask unanimous consent to have inserted in the RECORD a speech delivered by Mr. David E. Lilienthal, Director of the Tennessee Valley Authority, before a joint meeting of the civic clubs of Florence, Sheffield, and Tuscumbia, Ala., on March 9, 1936, entitled "The Community Also Have Rights."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE COMMUNITY ALSO HAVE RIGHTS—A REVIEW OF THE EFFORTS OF THE CITIES OF FLORENCE, SHEFFIELD, AND TUSCUMBIA, ALA., TO SECURE POWER FROM WILSON DAM

A hundred years ago there presided over the Supreme Court as its Chief Justice a man who, prior to his elevation, had fought against odds to free the Nation from a monopoly over money, the powerful Bank of the United States. As Andrew Jackson's Secretary of the Treasury, Roger Brooke Taney saw this banking monopoly ride roughshod over the public welfare, not hesitating to buy public officials and newspaper opinion. Taney did not forget that experience when he succeeded John Marshall and became the Nation's Chief Justice. And in one of the first public utility decisions in the Supreme Court, Chief Justice Taney wrote these words, which I commend to you:

"While the rights of private property are sacredly guarded, we must not forget that the community also have rights, and that the happiness and well-being of every citizen depends on their faithful preservation" (*Charles River Bridge* v. *Warren Bridge*, 11 Pet. (U. S.), 419, 547).

I want to take that statement as the starting point of my remarks to you tonight, for here in the tri-cities we have a modern illustration of the same conflict between private monopoly and the rights of a community that roused Andrew Jackson in his fight on the Bank of the United States a century ago.

The cities located here in the Muscle Shoals area, within sight and sound of Wilson Dam, have clearly and emphatically expressed their desire to supply their citizenry with electricity through facilities owned by the communities themselves and with power generated from the falling water of the Tennessee River. Your long effort to supply yourselves with this essential commodity is more than a local issue. This story is a matter of moment to every community, wherever situated. The whole country has its eyes on you, for in a spirit of moderation and fairness to private investment you have had forced upon you an issue of national concern: Does an American community still possess the right to serve itself with electricity, a necessity of life?

It is important for us to review the facts in this situation. What you do here to assert this community right will be the subject of wide public discussion. From past experience we know that an effort will be made to misrepresent the facts and confuse the public mind. The country should know the facts, so that this issue of the essential rights of a community may be appraised by every community through the country in the light of the truth. Let us review the situation together:

(1) The people in these communities, by a well-nigh unanimous vote, at elections provided for by State law, have expressed themselves as desiring to acquire municipal distribution systems, to go into the business of distributing power to the citizens of these communities, and to secure that power from Wilson Dam.

The right of these cities to engage in the power business, to issue securities for the purchase and construction of distribution systems, and to contract with the Tennessee Valley Authority for a supply of power was expressly conferred by an act of the Alabama Legislature, and the validity of that enactment has been sustained by the Supreme Court of Alabama.

(2) The franchises of the Alabama Power Co., serving these three cities, have expired. The communities have definitely declined to renew or extend those franchises and the company is now operating without a franchise. The Alabama Power Co. purchased the distribution facilities in these communities with full knowledge that the franchises had but a few years yet to run. These facts were, of course, known to the Alabama Power Co., and presumably known to the investors in that company for a period of years.

(3) These cities have repeatedly sought to purchase the property of the Alabama Power Co. and to pay a fair price to the power company and its investors for those facilities. Florence, for example, engaged competent engineers to determine the value of the power company's property. These engineers concluded that $120,000 was the maximum present value of the property in the city of Florence. At one time this same property was offered to the Tennessee Valley Authority for $160,000, but the only price and the lowest price at which this property was ever offered to Florence was $195,000.

Let it be clearly understood that these communities have repeatedly and persistently sought to purchase the property of the power companies in the tri-cities. The investors in the senior securities of this company should bear this fact in mind. As recently as February 27, and for several months prior thereto, the city of Florence has attempted to reopen negotiations with the Alabama Power Co. for the purchase of its local system. The city of Florence has been unsuccessful even in obtaining a conference for that purpose.

(4) The service in the tri-cities is unsatisfactory and inadequate. I am authoritatively advised that the system in Florence, for example, is overloaded throughout the city; that there are numerous sections of the town in which citizens are unable to secure a supply of electricity for appliances, such as ranges and heaters; that the Florence hospital is unable to install a sterilizer because the power lines in that area are overloaded; that there are numerous sections

of Florence and its environs in which new homes have been constructed in recent years which have been refused service entirely unless the total cost of the new installation is paid by the consumer and paid for in cash. This condition is a matter of common knowledge to you who live in the tri-cities.

(5) The profit being made by the Alabama Power Co. in the tri-cities is spectacular.

In a proceeding before the Alabama Public Service Commission recently, the Alabama Power Co. estimated that the people of Florence in 1934 would pay it $172,570 for electric service. This means that in a single year the company would receive $52,000 more in gross revenues than the present value of the distribution facilities here, as estimated by your engineers, and $12,000 more in a year than the price at which they offered to sell the property to T. V. A. The power resold to you comes from Wilson Dam, at your gates, and is purchased by the power company at T. V. A. wholesale rates. The company estimated that in 1 year, 1934, there would be $127,474 available after expenses, for interest, depreciation, and profit on property valued by them at that time at $240,000, and offered to T. V. A. at $160,000. In 1935 the revenues on this investment were even more remarkable, the people of Florence paying $186,591 during the year for electric service.

(6) At every step in your efforts to assert your rights as a community, you have had to contend with litigation. Suits were filed testing the State law and the T. V. A. contract, and this suit was carried to the Supreme Court of the State of Alabama. Suits were filed in a State court against Sheffield and Tuscumbia which were decided in favor of those cities. Injunctions were issued against all three cities in the District Court of the District of Columbia; these suits have not yet come to trial. The tri-cities were enjoined by Judge Grubb in the Ashwander case, which has just been decided by the United States Supreme Court in favor of the cities.

All through the Tennessee Valley—at Knoxville, Decatur, Bessemer, Tarrant City, Paris, and many other places—law suits have been the consistent practice. This resort to a labyrinth of litigation is a matter of great public moment. For it is well known that such litigation is attended by delays and by great expense. During the delay the power company continues in possession of the field, in spite of its lack of a franchise, as in the tri-cities, and in spite of the expressed wishes of the community to the contrary. As a result of the expense, the cities are hard put to it, pitted against a powerful opponent which can charge the great cost of this maze of law suits in its rates, against almost every home in the State of Alabama. Even you here must help pay the lawyers of the Alabama Power Co. to defeat your own solemnly expressed wishes.

No one should forget for a moment the nature of the business of supplying electricity, for it is the essentially public character of electricity that is at the heart of your effort over these years to provide this service for your citizens. Electricity is not like any ordinary business. It has long been recognized—in the courts, in the legislatures, and by public opinion—that electricity is a public business, whether that service is rendered by a private corporation or by a public agency. As the United States Supreme Court said many years ago, speaking of a public utility: "Though the corporation was private, its work was public, as much so as if it were constructed by the State" (*Pine Grove Township* v. *Talcott*, 19 Wall. (U. S.) 666, 676). "Such a corporation was created for public purposes. It performs a function of the State" (*Smyth* v. *Ames*, 169 U. S. 466, 544).

Occasionally an effort is made to frighten the business of supplying electricity, by the same token it may also go into the business of selling groceries or dry goods, and that therefore a broad issue of private versus public enterprise is involved. Nothing could be further from the truth. Let me repeat: for a hundred years public-utility service, of which electricity is a modern example, has been recognized as a public business to be sharply distinguished from the ordinary competitive private businesses of buying and selling goods and merchandise.

Now, in securing this community necessity the people of a city clearly can supply it through their own public agencies (and many cities have done so) or the community can delegate this public activity to a private corporation. Here in the tri-cities, and in most cities of the country, the people have delegated to their servant, a private corporation, the rendering of this public service. Can it possibly be that the servant can become more powerful than the master? Can it be that the community can be prevented by its agent from resuming this public service?

This is precisely the situation in which you in the tri-cities find yourselves. In good faith you have delegated this public service, which you might have done yourself, to a private agent. The term of service of that agent has expired, and you have said to the agent: "This community now wants directly to perform a public service to our citizens which years ago we delegated to you. We want to perform that service ourselves because we want to keep the profits here at home; because we want lower rates; because we are not satisfied with the service. We are ready to buy you out at a fair price." And now you find that your agent, the Alabama Power Co., declines to accept the almost unanimous directions of the people from whom it derives all of its powers and authority and is engaged in fighting the community itself.

The people of the tri-cities are determined to be fair about this matter. I am convinced that they believe, as I do, that the rights of private property, as Chief Justice Taney said, are to be "sacredly guarded." But it is apparent from the record that you also believe that the community has rights, and that the very preservation of private property requires the subordination of private interests to the community's well-being.

Whether electricity shall be supplied by private corporations or by public agencies is a matter for each community to decide for itself. It certainly is no concern of the Tennessee Valley Authority or any other agency outside the community. That has been the T. V. A. policy from the outset, as you know. But when the policy of the community has been determined at the ballot box by an overwhelming vote, and when the community in good faith has offered to purchase the property of the private utility at a fair price, can any private agent of a community and, specifically, can the Alabama Power Co. properly continue to oppose and obstruct the expressed desires of the community? There is a serious question which will have to be determined not only here in the tri-cities, but wherever the same issue has been raised under comparable circumstances.

ATTITUDE OF JAPAN TOWARD THE PHILIPPINES

Mr. GIBSON. Mr. President, when the congressional party, under the leadership of the Vice President, visited the Philippines to participate in the establishment of the Commonwealth government, it was accompanied by some of the able newspapermen of the country, among them being Mr. James G. Wingo, an American-born Filipino, representative of the Philippines Free Press here in Washington. He has written for that newspaper an interesting article entitled "Japan Shatters Independence Hope." I ask unanimous consent that this article may be inserted in the CONGRESSIONAL RECORD.

In presenting this, and other statements of a similar nature, it is not my purpose to be critical of the Philippine Commonwealth, for my best wishes go out for its success with the hope that there may be built in the Orient a substantial government that may rest on a safe and enduring foundation, and that a government may be reared in the east as a monument to the genius of America and an outstanding example to other nations of unselfishness in keeping a promise.

Such a government will further a policy in the Orient based on our own democracy as a safeguard to future peace in that quarter of the world.

In presenting this article, and others, it is my purpose to warn the Filipinos of the dangers that confront them so that they may guard against those forces which mean ruin to the hopes and aspirations they have nurtured for more than half a century.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philippines Free Press]

JAPAN SHATTERS INDEPENDENCE HOPE

(By James G. Wingo, Free Press Correspondent in Washington)

Most likely it was not the intention of Eiji "Eye Deny" Amau, Japan's foreign office spokesman, to do so, but when he said the other day to foreign correspondents that his country would be averse to any pact guaranteeing the neutrality of the Philippines, he shattered one of the strongest hopes, if not the strongest, of an independent Philippines.

Significantly the spokesman said: "The Japanese Government renounces the idea of great powers concluding agreements guaranteeing the freedom, integrity, or neutrality of other nations."

Upon Japan's willingness to a pact among Pacific powers guaranteeing the independence of the Philippines have liberty-loving Filipinos long relied unquestioningly. Upon it have banked also the United States Senators and Congressmen who voted for the Philippine independence act, including those who did so with ulterior and entirely selfish motives.

PERPETUAL NEUTRALIZATION

To help insure the independence of the Philippines and to allay apprehensions of a dark future, Congress inserted in the McDuffie-Tydings Act a provision requesting the President of the United States, "at the earliest practicable date, to enter into negotiations with foreign powers with a view to the conclusion of a treaty for the perpetual neutralization of the Philippine Islands, if and when Philippine independence shall have been attained."

Concerning this proposed treaty, The United States in World Affairs in 1934–35, an up-to-the-minute record of international events, written by Whitney H. Shepardson in collaboration with William O. Scroggs and published recently by Harper & Bros., New York, says pointedly:

"It was assumed that a pact of this nature would meet with the hearty approval of all European powers having colonial possessions in the Pacific, since they were already concerned over Japanese territorial expansion and commercial aggressiveness. It was further assumed that Japan could not hold aloof from such an agreement without placing herself in a difficult position before the world. But critics cited the failure of the Nine Power Treaty to safeguard the

territorial integrity of China as proof both of the inadequacy of the method and of the insensibility of Japan.

"COMPLEX SITUATION

"According to their argument, events in the Far East since 1931 had shown the United States and European powers either could not or would not enforce treaties to which they had subscribed. There appeared no valid reason for adding another such agreement to the list. In lieu of a multilateral pact, therefore, it was suggested that the United States negotiate directly with Japan and try to reach a satisfactory solution not only of the Philippine question but of other related issues which involved dangers of economic warfare, naval rivalry, and possibly an eventual struggle for domination in the Pacific. Meanwhile, during most of 1935, American opinion, looking forward, was apprehensive concerning the consequences of the Independence Act. Looking backward and trying to understand what had come to pass, it found no clear answer. Was the act just another concession to the demands of organized farmers and organized labor analogous to domestic legislation sponsored by the New Deal administration? Or was it primarily a demonstration of the policy of the 'good neighbor' extended beyond Latin America to the Pacific area? Or was it chiefly motivated by the desire to remove one source of friction with Japan? Whatever its motive, it had not simplified a complex situation, and it had created the possibility of plenty of trouble."

The pronunciamento of the Japan foreign office was given out on the eve of the Japanese delegation's walking out of the London Naval Conference. Commenting on the Japanese determination to build up a navy regardless of ratios, the Washington Star said editorially:

"Insofar as this plain-speaking applies to Japan, it means that the western nations see in her ambition to become more powerful at sea nothing but an intention to assure her mastery of Asia and diminish the possibility that it can ever be challenged. Current Japanese activities in North China are fresh notice to the world of Japana's program for Far Eastern supremacy. Nor is her refusal to join in a guaranty of Philippine independence exactly a reassurance of the innocence of her purposes. * * *

"The Japanese have elected to go their own way. That Britain and America will be guided accordingly with respect to their own naval policies and their legitimate interests in the East is a foregone conclusion."

On the same drastic step taken by Japan, the Newark Evening News, whose Walter Karig, one of the newspapermen brought to Manila to attend President Quezon's inauguration, has been writing articles on the Philippines, commented:

"Japan's withdrawal at London was face-saving to this group, which must have known in advance that her aspirations to treaty parity would not be accepted.

"American naval policy inevitably will be affected by what the Japanese do or refrain from doing. Ostensibly we are out of the Philippines. In a decade, unless plans miscarry, we shall be actually, and well out, of them. It is no secret, however, that Japan, whose present plans for expansion are directed to North China, covets our erstwhile island possessions. If, as now seems probable, they are unable to maintain their independence unaided, the United States as a Pacific power will be concerned as to their future, and so, by the same token, will the British. That eventuality will be kept in mind in any American naval program."

Under the McDuffie-Tydings Act the Commonwealth of the Philippines will not be completely on its own before July 4, 1946. The Japan foreign office's declaration forestalled any effort President Roosevelt might have made toward entering into negotiations with Japan on Philippine neutrality.

However, it is barely possible that the President may make agreements with other Pacific powers, like Great Britain, France, the Netherlands, and Russia, regarding Philippine independence, the conditional granting of which last year Franklin D. Roosevelt considers as one of his administration's greatest achievements. In fact, in December, when he accepted an honorary doctor of laws degree from Notre Dame University, in a special convocation commemorating the establishment of the Commonwealth of the Philippines, he said:

"I consider it one of the happiest events of my office as President of the United States to have signed, in the name of the United States, the instrument which will give national freedom to the Philippine people."

The Japanese would consider the granting of Philippine independence also among the happiest events in the Far East. Japanese imperialists consider the Philippines a part of that great Japanese Empire they dream of and fight for all the time. Even the administrations of American Governors General were unable to pevent the establishment of a Japanese colony in Mindanao, which dominates the hemp industry in the Philippines, and the falling of practically the entire Philippine fishing industry into the hands of the Japanese. As everyone knows, they are also steadily replacing the Chinese as the leading retail merchants of the Philippines.

DEPEND ON MAC ARTHUR

The Japanese spokesman's statement added much weight to the grave fears of many observers that Japan will move into the Philippines as soon as the United States gets out.

In the elaborate National Defense Act there is no mention of a Philippine navy, which should seem important to the archipelago, considering the Philippines is composed of 7,091 islands. The defense planners have elicited the opinion that the establishment of a navy is untimely, that the country cannot afford it, and that the lack of it "emphasizes the defensive character of our Military Establishment."

Under the Philippine Independence Act the United States can retain all her naval bases, if she so desires, when the islands get their final freedom papers. In the light of recent events this provision of the independence act becomes very important.

Members of Congress expect General MacArthur to make a thorough study of the strategic situation of the Philippines. They expect him to be able to tell them whether or not he honestly believes an independent Philippines can withstand aggression of a major power like Japan.

In fact, when asked to comment on Roy Howard's statement last month that "the Filipino dream of independence is fading fast", some Senators and Congressmen pointed out that MacArthur's findings and recommendations would have tremendous influence on Congress in making any changes in the McDuffie-Tydings Act.

Florida's Park Trammell, chairman of the Senate Naval Affairs Committee, and one of the Senators who attended the inauguration of the Commonwealth of the Philippines, favoring building the Navy to treaty limits as rapidly as possible and advancing beyond those limits if the other powers lead the way, declared the other day:

"Steps should be taken at once to build up the naval establishment at Manila."

What do these recent events and recent declarations indicate? Just a year ago almost every Member of Congress thought the Philippine question was solved for all time as far as the United States was concerned. And now the gentlemen on Capitol hill are thinking of strengthening the naval fortifications of the islands. Did General MacArthur and the other defense planners have advance knowledge of all this? If they did, that would explain why they did not provide for the establishment of a Philippine navy.

A MIGHTY BLOW

Types of dependencies are divided into spheres of influence, protectorates, colonies, self-governing dominions, and mandates. The commonwealth of the Philippines is a self-governing dominion of the United States; Japan considers the islands within her sphere of influence.

When the congressional party invited to attend the inauguration of President Manuel L. Quezon was passing through Japan, the local newspapers published statements considering the Philippines already independent. Typical was that of Baron Sakatani, who gave this gratuitous advice:

"In order to safeguard the future welfare of the new republic, two things should be observed. First, the United States should consistently abide by the high motives which led to the grant of independence. It should no longer act in a motherly fashion toward the Filipinos, meddling in their affairs, and causing trouble. Second, the Philippines should always be grateful toward the United States. In their foreign relations they should adhere to the policy of the open door and equal opportunity, scrupulously avoiding any behavior which might create international trouble, and they should keep internal peace, giving no room for a rise in internal discontent."

A great Japanese excuse for breaking the Nine Power Treaty, concluded in Washington in 1922, to guarantee the independence and territorial integrity of China, is the extermination of bandits. To perform similar service for the islands, Japan would not hesitate to break any Philippine neutrality treaty. However, such treaties sometimes do cramp Japan's style. With unusual frankness, Japan's spokesman said the other day, "Such agreements are humiliating to the nation they are supposed to benefit."

To Filipinos long eager for independence, the Japanese spokesman's frank words were a mighty blow. Only a fortnight before the spokesman's pronouncement Senator KEY PITTMAN, who was one of the strongest advocates of Philippine independence in Congress, declared that Japan now plans to seize the Philippines. "What are we to do if they grab the Philippines, which is almost sure to come?" Senator PITTMAN asked rhetorically.

"The League of Nations has turned out a terrible failure, particularly in dealing with Japan", added the Senator, who had long supported that international body. The Filipinos had long since given up hope in the League of Nations for their future security, but they were unprepared to learn that Japan was averse to any neutrality pact.

THE PHILIPPINES—THEIR POSITION AND POSSIBILITIES

Mr. GIBSON. Mr. President, I ask unanimous consent to have inserted in the RECORD an illuminating statement on the Philippines published in the Cincinnati Enquirer of May 25, 1936, and prepared by a distinguished American lawyer and leading businessman in the Philippines, Hon. John W. Haussermann, former Government official and Army volunteer officer, and the leading gold miner in the Philippines.

Judge Haussermann's statement reveals his friendliness and admiration for the Filipino people; discusses the political and legal status of the Philippine Commonwealth, as well as the international situation in the Far East; pleads for a square deal for the Filipinos and for the liberalization of the economic provisions of the Tydings-McDuffie Act; points to

the mutual interests of the Philippines and the United States; and sets forth the present and potential economic and strategic importance of the Philippines.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Cincinnati Enquirer of May 25, 1936]

HOME FOLKS KNOW LITTLE OF "GOLD KING"; GREAT INDUSTRIALIST TELLS OF PHILIPPINES

Despite the fact that one of the world's great industrialists is living within a "stone's throw" of Cincinnati, probably less is known about him in this section of the country than is the case in the great business centers and political capitals of the world.

He is John W. Haussermann, affectionately called the "gold king of the Philippines", who is now in New Richmond, Ohio, on a periodic visit to his ancestral home. With him there are his wife and younger son, the latter a musical composer of note. His elder son is in Manila serving as general manager of his mining properties.

The amazing career of Judge Haussermann—he is "judge" by virtue of his service as Attorney General of the Philippines—has been the subject of widespread attention in magazines and newspapers over all the world. Some months ago the magazine, Fortune, described his life in a lengthy article. Under the title "From Romance to Gold", the Wall Street Journal devoted a full page to Judge Haussermann's career in the Philippines. He has been interviewed by leading newspapers in Washington and New York.

Three weeks ago an article in the Enquirer told of his plan to rebuild his ancestral home near New Richmond.

Yesterday, in an interview, Judge Haussermann, reluctant to talk much about himself, was more than willing to talk about the islands in the Pacific, which he loves and respects and which he regards as his "second home."

After being graduated from the Cincinnati Law School in the early nineties, Judge Haussermann went to Kansas, where he practiced law and dabbled in Republican politics. When the Spanish-American War broke out he responded to President McKinley's call for volunteers, and landed in the Philippines in 1898 as an officer of the Twentieth Kansas Infantry.

Soon after he was assigned to the legal department of the Army, later became city attorney of Manila, then Assistant Attorney General. After a few years he entered private practice. Since 1915 he has been engaged in the mining business.

At present he heads and controls two gold mining companies in the Philippines which are conservatively valued at about $65,000,000. Recently he started to mine chromite, the "coming metal", according to industrialists and metallurgists, on account of its industrial and strategic importance.

Judge Haussermann is sanguine about the future of chromite. The United States consumed last year 260,000 tons, of which only about 500 tons were produced here. It is the general belief that consumption will increase substantially and diversified uses developed as soon as it is known that there is an available supply under the American flag, he said.

In the Philippines Haussermann is interested in at least two deposits, one of 300,000 tons of high-grade ore and another of 10,000,000 tons of a lower grade, but said to be higher than that produced in Cuba, which is now utilized satisfactorily in refractory materials like brick and cement. The most important use of chromite is an alloy to make steel stainless. It is used also in the dyeing, tanning, and pigment industries.

The discovery of chromite in the Philippines has produced worldwide repercussions, Judge Haussermann said, but the Japanese are most eager of all to obtain financial control of the industry, as well as the gold mines, manganese, and the half billion tons of iron ore deposits in the southern part of the islands.

He also stated that the Japanese are already about to control the Philippine hemp industry, and they have their eyes on other agricultural products which still remain undeveloped, such as rubber, quinine, camphor, and forest products. The Japanese are fast displacing the Chinese as distributors and shopkeepers, and, through inadequate protection, Japanese goods are driving American goods from the islands, Judge Haussermann declared. The Filipinos, he said, must be given credit for their readiness to protect American goods effectively, but they were blocked in Washington, probably through a misunderstanding.

Stressing the fact that he is not anti-Japanese but only a loyal American and sympathetic to the Philippines, Judge Haussermann declared that "if Japan should some day control and develop the Philippine agricultural, metallurgical, and hydroelectric resources it would mean the formidable strengthening of Japan's economic might and hence her military power." The misguided pacifist, he said, would sneer at this statement as jingoistic, but every level-headed American would take it as common sense in the interest of self-defense and self-preservation for America.

Asked about the new Philippine Commonwealth, he said that it is functioning satisfactorily under President Manuel Quezon, who, he said, is cleaning up the government, putting it on an efficient basis, and making it serve the best interests of the people. He mentioned that High Commissioner Frank Murphy is the right man in the right place, adding that "all of us are pulling together to make the Philippine Commonwealth a success."

Contrary to general belief, he went on, the Philippines is not yet an independent nation and the United States has still "complete, absolute, and plenary sovereignty over the Philippines", which will obtain until complete independence is granted in the future.

He explained that the new organic law has not given the Philippines "an international juridical personality" but effected only certain structural changes, such as an elective chief executive, complete Filipinization of government personnel, and unhampered local self-government, thus placing the responsibility for the success of the government on Filipino shoulders.

At this point Haussermann expressed the opinion that under the present Philippine set-up America has authority commensurate to its responsibility. He explained that the President of the United States, through the high commissioner at Manila, has the power to annul laws, suspend executive orders and contracts, administer the customs in case of default, forestall government bankruptcy, protect the currency reserves from depletion, and prevent involvement in international complications. "Experience in the coming years shall be the guide in making adjustments in this connection when found necessary," he emphasized.

Asserting that he is genuinely interested in the welfare of the Filipino people, he said he hoped Congress will in the near future liberalize the economic provisions of the new organic law, especially considering that the 14,000,000 Filipinos are the only people under the American flag who do not receive any aid from the Federal relief and rehabilitation funds. "Imagine," he exclaimed, "that Puerto Rico, with one-tenth of the Philippine population, has received $45,000,000 from those funds and not a dollar has gone to the Philippines."

The Filipinos, Haussermann affirmed, are loyal, friendly, and grateful to America, and "they have responded magnificently to our policy of square deal, equal opportunity, political democracy, economic upbuilding, and social amelioration." He went on to say that "America's treatment of the Filipinos is a proud monument to our honor and generosity as a nation."

The Philippines are an asset to the United States in every way, economically, politically, and strategically, he said. He called particular attention to the fact that the new Philippine army which Gen. Douglas MacArthur is whipping into shape will make the Philippines a positive military asset. On the other hand, the protection of the United States, both economic and political, is a priceless boon to the Filipino people, he pointed out.

"As a token of my affection for the Philippines, born out of 37 years of work and struggle there, I am helping in every way I can in the promotion of the best interests of the Filipino people, and my ideas and hopes as to their future are dictated solely by the considerations of their real welfare and contentment'," he said as he reminisced of the day long ago when he set sail for the Philippines.

His belief is that the mutual, vital interests of the United States and the Philippines dictate their remaining together as partners under one flag with the Philippine Commonwealth standard symbolizing Filipino local self-government. He contended that the Filipino people as well as the American people will have to assume that coequal relationship voluntarily in order to give it both validity and stability.

Judge Haussermann pointed out that between the two countries an economic arrangement could be devised easily that would make their economic interests complement each other to their mutual advantage, stressing that the United States is a temperate country and the Philippines a tropical one which can produce a substantial portion of the tropical raw materials which America now imports from foreign sources.

In ending the interview Judge Haussermann said that the presence of the American flag in the Philippines exerts a stabilizing influence in the Far East; that Japan will not go to war with America over the Philippines; and that the oriental peoples, numbering more than 1,000,000,000, look to America's Philippine accomplishment as an object lesson of human progress. He also stated that the Anglo-American cooperation in far eastern affairs which exists today is a guaranty of tranquillity in the Pacific.

THE SILVER POLICY AND FOREIGN TRADE—ARTICLE FROM WASHINGTON POST

Mr. PITTMAN. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Washington Post of Sunday June 7, 1936, entitled "Silver Policy as Aiding Foreign Trade." I call attention to the fact that the article is based upon a report from the Alexander Hamilton Institute.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SILVER POLICY SEEN AS AIDING FOREIGN TRADE—DIRECT BUYING REPLACES ACTIVE BIDDING IN WORLD MARKETS

NEW YORK, June 6.—The new agreement for the purchase of silver from China recently announced by Secretary Morgenthau marks the final stage of the development of the Treasury's new silver markets, as it did for about a year and a half after the passage of the Silver Purchase Act of 1934. The Treasury is now seeking to expand its silver stocks chiefly by direct purchases from foreign governments.

This new buying policy has two distinct advantages over the old method of competitive bidding in the international silver markets, according to the Alexander Hamilton Institute. In the first place, it avoids sharp fluctuations in market prices which result

from large-scale purchases and the resulting speculative activity. Thus the pronounced rise in silver prices in the London market prior to April 1935 caused by the operations of the Treasury proved a great boon to speculators.

More important, however, is the fact that direct negotiations with foreign governments enable the Treasury to bargain for economic and financial advantages. Thus the willingness of the Treasury to buy large amounts of Chinese silver is probably the principal reason that the Chinese Government has not pegged its currency to the pound sterling as many observers expected after the silver standard was abandoned. The Japanese were also interested in having the Chinese dollar pegged to the yen, since the existence of a stable currency relationship would facilitate trade and financial relations with China.

CHINA'S CURRENCY

However, the Chinese Government has announced that it intends to maintain "an independent currency system not linked to any foreign monetary unit." It is very doubtful whether it would have been able to undertake this policy but for the sale of silver to the United States. In order to operate a managed-currency system it must have gold and foreign balances and these are being provided by the United States Treasury in payment for Chinese silver.

The fact that China intends to use the proceeds of its silver sales for currency management is evidenced by the opening of a branch of the Bank of China in New York. Thus, insofar as the Treasury has prevented Great Britain or Japan from obtaining an advantage in trade with China, it has accomplished something for the benefit of American foreign trade.

POWER OF STATES TO PASS WELFARE LEGISLATION

Mr. BONE. Mr. President, a recent decision of the Supreme Court of the United States dealing with the welfare legislation enacted in the State of New York has created some very practical and very difficult problems for every legislative body in the United States. In connection with this decision, I ask to have printed in the RECORD an editorial appearing in the Tacoma Times, one of the outstanding Scripps newspapers of the West.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Tacoma (Wash.) Times of June 3, 1936]

TIME WE ADOPTED REMEDY

Creation of a "no man's land" where obviously needed legislation cannot be legally enacted under the Federal Constitution offers a concrete problem to the Nation that should be tackled without further ado. Decision of the United States Supreme Court nullifying the New York State measure fixing minimum wage laws for women only intensifies the necessity for getting around the technicalities that tie up the Court. True enough, the 5-to-4 decision is close, but even so, steps should be taken to avoid such unofficial approval of a "twilight zone" for popularly accepted social legislation.

The net result of the appellate court's decision is to take away from States power to legislate for economic welfare of its citizens. The Court holds Congress has no such power, either, so where do we get off? We have reached an impasse; paralyzed by a ruling that even conservatives do not defend. What of the 16 States, including Washington, that have minimum-wage laws for women? These statutes have operated well in those States. But they need to go further. And now comes the Supreme Court to say, "No; you cannot enact such legislation in favor of women." The judges might have added, "nor in favor of any downtrodden men, women, or children."

Apparently the only way out is an amendment to the Federal Constitution specifically empowering Congress to permit States to enact such wise, humanitarian laws as the minimum wage for women. Otherwise, we will get nowhere and achieve nothing but strife in our efforts to improve the social welfare of our citizenship. It is high time constructive action was taken to overcome this "twilight zone" created by legalistic dictates of reactionary jurists.

TAXATION OF GASOLINE

Mr. COOLIDGE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Tulsa (Okla.) World of May 21, 1936, entitled "Sensing the Enormity of Gasoline Taxation", and also an editorial from the Daily Oklahoman of April 30, 1936, under the heading "Gasoline and Senator GORE."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Tulsa World of May 21, 1936]

SENSING THE ENORMITY OF GASOLINE TAXATION

Visual incitement against the overtaxing of gasoline is a feature of the International Petroleum Exposition. There is increasing consciousness of overloading, both within the oil industry and among the users of gasoline. On the grounds are the overloaded family car and various illustrations of the remarkably deep cut government takes from a great commodity. The eagerness with which people sign the petition for omission of the Federal 1-cent tax has definite meaning for the taxing powers. That an uprising of motorists is likely is generally sensed, and the uprising is measurably speeded by every new note of realization.

That gasoline taxes can be reduced is plain. New York State has just accomplished what many people have supinely agreed could not be accomplished. By legislation there was a reduction of 1 cent a gallon, and that 1 cent was an item of diversion. New York motorists had been paying $14,000,000 a year under a 1-cent emergency levy. A few elections occurred recently and gasoline tax was the issue; the men opposed to the tax were elected. This is a plain hint to Oklahoma voters. Most of our legislature is to be elected this year.

An additional crumb of comfort was afforded by a high New York court, which held that State gasoline tax must be excluded in computing the amount of a general State tax. The State had been levying its sales tax both on the cost of motor fuel and Federal and State gasoline taxes. All such taxation is being forced into the open.

That the fight upon the Federal gasoline tax can be made successful is certain. It is a matter of the people keeping their minds upon the subject. As an emergency tax it was bearable, but as a standard revenue tax it is not bearable. All gasoline taxes turned into general revenues or applied to anything besides road improvement is simply taxing one class of people for funds the whole public ought to pay. The manifest unfairness of the scheme can be realized by anyone. Persons realizing that unfairness can easily make their wishes known to legislators. Downright, hard-headed attention on the part of victims is needed whether the victims suffer from grossly overdone taxes, State or Federal.

The issue of diversion will not down. That is a principal evil of the whole gasoline taxation system. In Oklahoma the violation of the motorists' rights was flagrant. The people were paying a heavy gasoline tax to get the roads and then the State dipped heavily into the funds to get more money to fill the holes made by political raids.

The New York Legislature was confronted by the fact that gasoline, an essential commodity, was bearing a 35-percent tax. Diversion was stopped and the State taxes were reduced to 3 cents a gallon. That can be done in almost any State. The action in New York was partly based upon a showing that in a decade gasoline taxes had risen alarmingly and that, if continued at the same rate for another 10 years, would reach an average of $400 a motor car. That sort of logic is behind the current movement now in evidence at the exposition grounds and now taking hold of the public consciousness.

First, let there be realization of the enormity of specially taxing motorists for general revenue purposes. Diversion is the natural first point of attack. Stopping of diversion leaves the way open for actual use of money on roads, and the amount of taxes hereafter can be determined by the state of the roads. Realization of the general burden and the special abuses will quickly lead to action.

People should not say that taxes cannot be reduced. For the first time since the depression started a major tax has been reduced, and the operation should be repeated many times. The people who pay the gasoline taxes are the ones to throw off the burden; the politicians who impose the burdens will, if unmolested, add to them. United in action, the abused gasoline-tax payers will rather easily put many gasoline-tax schemes in the junk pile.

[From the Daily Oklahoman of Apr. 30, 1936]

GASOLINE AND SENATOR GORE

There is considerably more than a mere political side remark in Senator GORE'S assertion that increasing prosperity should be accompanied by a corresponding reduction in taxation, and his suggestion that a reduction of the gasoline tax would mark an appropriate beginning.

Gasoline admittedly is the most highly taxed of all American commodities. Of the $10,000,000,000 collected in taxes in 1935, gasoline bore one-twelfth of the total burden. The Federal tax alone is equivalent to a sales tax of 20 percent of the average refinery price of gasoline. The Oklahoma tax is tantamount to an additional 80-percent sales tax. But curiously enough, people pay this 100-percent sales tax on every gallon of gasoline they purchase and make no protest, although they give a fair imitation of the antics of "Hell's hot angels" when forced to pay a State sales tax of only 1 percent.

Although the State tax on gasoline is four times as great as the Federal tax, there is little chance that the State tax will be reduced. The need for highway improvements and the need for gasoline revenues to maintain the State's financial structure make it extremely improbable that the tax will be reduced. But the Federal tax should be repealed utterly. Gasoline should not be required to pay one-twelfth of the total cost of Government. This 20-percent Federal sales tax on gasoline should be suspended, just as Senator GORE suggests.

In the aggregate this Federal tax on gasoline exacts a burdensome tribute from Oklahoma. It took $3,200,000 from the gasoline purchasers of Oklahoma in 1935. It took $910,000 from the farmers of Oklahoma. It even took $211,000 from Oklahoma farmers as a tax on the tractor and engine gasoline that is exempt from the State tax entirely. In combination with other taxes on gasoline it subtracted from the wages of every oil field worker, from the price received by every farmer who sold a lease, from the receipts of every royalty owner, and from the profits of every refinery and

filling station. Oklahoma would profit many millions of dollars annually from the repeal of the Federal gasoline tax law.

Senator GORE has opposed the imposition of a Federal tax on gasoline from the day such a law was first proposed. He fought the tax to death in a Senate caucus of Democrats as long ago as 1913. He fought the tax and voted against it when it finally became a law. He has opposed every extension of it. It is the natural thing for him to think of this injustice to a major Oklahoma commodity when he mentions taxes that should be reduced or repealed.

Curiously enough, two of Senator GORE's opponents in the present senatorial race have voted for this imposition of a 20-percent Federal sales tax upon gasoline. They were not representing the best interests of Oklahoma when they voted for this tax. In view of the large and important part played by petroleum and its products in the business life of the State it is passing strange that any Oklahoman would add to the burdens of a business that pays one-twelfth the total cost of all Government operations in America. It was Senator GORE who represented the welfare of Oklahoma when this Federal tax raid was under consideration.

DEPORTATION OF ALIEN CRIMINALS

Mr. COOLIDGE. Mr. President, I desire to have printed in the RECORD an article appearing in the Washington Daily News of Friday, May 29, 1936, entitled "Labor Withdraws Its Opposition to Kerr-Coolidge Bill."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of May 29, 1936]

LABOR WITHDRAWS ITS OPPOSITION TO KERR-COOLIDGE BILL—GREEN'S ADVOCACY OF MEASURE, AFTER SUGGESTING CHANGES, MAY LEAD TO PASSAGE

The American Federation of Labor has withdrawn its opposition to the Kerr-Coolidge deportation bill.

In a letter to Senator COOLIDGE, Democrat, of Massachusetts, chairman of the Senate Immigration Committee, President William Green, of the A. F. of L., suggests a number of amendments to the bill and urges that Congress pass it with these changes.

The Labor Department has no objection to amendments proposed by Green. He wants a limit of 8,000 or 10,000 placed on the number of "hardship" cases in which deportation may be stayed. He also wants a declaration that after 3 years "no further legislative relief shall be given in delaying the deportation of all persons who shall have entered the United States illegally or otherwise subjected themselves to deportation."

Green would add to the bill a section providing that no stay of deportation shall be granted except on showing "of great and unusual hardship", and that in no case shall the stay cover more than a year.

He points out that the first two sections of the bill, providing for deportation of alien criminals, "add strength to the present deportation law."

ORDER OF BUSINESS—RETIREMENT OF ALASKA RAILROAD EMPLOYEES

Mr. ROBINSON. Mr. President, the Senate meets today under somewhat unusual conditions. As all Senators understand, a concurrent resolution has been adopted to the effect that when the two Houses shall conclude their sessions today they will stand in adjournment for 1 week. The object, of course, is to permit Senators on the other side of the Chamber and such other misguided persons as might desire to do so to attend the Republican National Convention. [Laughter.] Under the circumstances I do not feel that the Senate should transact legislative business except by unanimous consent. There are many matters that may be disposed of today under that limitation. There has been no agreement on the subject, but the body at the other end of the Capitol will only receive conference reports and appoint conferees and send messages to the Senate concerning such action. Under those circumstances I feel that today the consideration of legislation should not be forced.

There is a bill on the calendar to which I call the attention of the Senator from Oregon [Mr. MCNARY]. It is Calendar No. 2272, Senate bill 2293. A similar bill is pending in the body at the other end of the Capitol, and probably may be reported today. This bill provides for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States. Under the law as it now exists, while employees of the Panama Railroad who are citizens of the United States are entitled to retirement, and while employees of private railroad companies both in the United States and in Alaska are entitled to retirement privileges, there is no provision of law authorizing the retirement of the employees of the Alaska Railroad, which is a Government institution or corporation.

The bill to which I refer, introduced by the Senator from Washington [Mr. BONE], providing for the retirement of employees of the Alaska Railroad, has been unanimously reported by the Senator from South Dakota [Mr. BULOW], chairman of the Committee on Civil Service; and, as is already indicated by this statement, is pending on the calendar as No. 2272.

The committee has recommended amendments which make distinctions between the employees of the Alaska Railroad and the Panama Railroad employees, namely: Under the Panama Railroad Act employees are entitled to retirement at the age of 55, while under the proposed Alaskan measure they would be entitled to retirement at the age of 62.

Thinking that the measure would not be objected to when briefly explained as I have attempted, I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the request of the Senate from Arkansas?

Mr. MCNARY. Mr. President, the statement of the Senator from Arkansas with respect to general legislation is very fair. I sincerely appreciate his attitude that the Senate should act only under unanimous consent. Conversations were had last week, and it was the general understanding that the adjournment of the Senate on Saturday last would mark the end of the legislative session until next Monday, June 15. It would not be fair to Members on the Republican side, after this courtesy has been extended to them, to take up general legislation. I am advised there are 16 absentees on this side today; that 9 Senators are in the city, one of whom is ill, so it seems only 6 or 7 Republican Senators are really available today. I again express appreciation to the Senator from Arkansas and other Democratic Senators for their kindness and consideration in adjourning the session until the Republican Members may be present next week.

Monday next will present a very different situation. Everyone has been advised that the Senate would resume its activities a week from today, at which time I expect there will come before the body the conference reports on the tax bill and on the work-relief or deficiency bill, probably on the Robinson-Patman bill, and other matters of a similar character. Every Senator on this side of the Chamber and Democratic Senators as well have been advised of the session at that time for the consideration of general measures which it is hoped may be concluded within 2 or 3 days, so that then the Congress may finally adjourn.

As to the proposal made by the Senator from Arkansas, I am very much in favor of the measure to which he has made reference. If the bill should be considered by unanimous consent, I wonder what other proposal may be made today? I am in a peculiar position. I must see that the interests of absentees are protected. I do not know how they feel toward the measure. I myself am in complete accord with it. But if this measure should be considered and passed, what would prevent any other Member present asking for the same consideration and employing this as a precedent for the consideration of other orders of business on the calendar? I submit that inquiry to the Senator from Arkansas.

Mr. ROBINSON. Of course any Senator obtaining recognition may ask unanimous consent for the consideration of a measure. It is not my intention to force or attempt to force the consideration of legislation today for the reason I have attempted to state clearly. It would seem that the adoption of the resolution to which reference has been made would imply that we would not take advantage of the absence of Senators.

The bill which I have asked the Senate to consider by unanimous consent was called Saturday on the call of the calendar and went over at the instance of a Senator on this side of the Chamber who had not had an opportunity to consider the proposed legislation. I have attempted to explain in a general way the terms of the measure. I do not believe there is or will be any objection to it. The reason for asking its consideration today grows out of the fact that it is not expected the Senate will long remain in session when it convenes again on the 15th of June, although there is no

limitation as yet on the length of time the session shall continue.

This measure being meritorious from the standpoint of everyone, it having been unanimously reported, it being manifestly discriminatory not to accord retirement privileges to the employees of the Government concerned, my thought is that we might dispose of the measure today by unanimous consent.

Mr. McNARY. Mr. President, I am in complete accord with the Senator from Arkansas with regard to the particular measure, but I cannot conceive of any factor that might enter the situation which would injuriously affect employees of the Alaska Railroad between now and next Monday. Am I correct in that suggestion?

Mr. ROBINSON. The Senator has missed the point of my last statement. If the legislation is to be enacted during this session it is desirable to dispose of it today.

The attention of the Senator from Oregon is invited to the fact that any Senator who feels aggrieved by the action I propose shall be taken will have an opportunity of moving reconsideration. Manifestly the Congress would not wish to remain in session indefinitely to pass this bill. As the Senator from Oregon has stated, it is not particularly an emergency measure, and yet there are circumstances which I think would strongly appeal to anyone who has listened to me.

Alaska, as everyone knows, has a very severe climate. The employees of the Government in Washington, where conditions are highly favorable, and throughout continental United States, enjoy the privileges and benefits of retirement, but in the extreme climate of Alaska citizens of the United States who are employed by the Government in connection with the railroads are discriminated against. Employees of private railroad companies in continental United States enjoy retirement privileges, and the same thing is true as to employees of private railroads in Alaska. Why should we longer delay extending consideration to the Alaska employees of the Government who work on railroads, and why should we impose on private railroad companies obligations respecting retirement that we do not impose on the United States?

As I have pointed out, if the bill is to pass during this session it is desirable, not to say imperative, that it be passed by the Senate today. If any Senator desires to do so, he can later tie the matter up by entering a motion to reconsider the vote by which the bill is passed, and that motion would be on the table for consideration when the Senate reconvenes 1 week from today.

Under these circumstances I feel justified in requesting consideration of the bill at this time.

Mr. McNARY. Mr. President, the Senator from Oregon did not miss his mark. His inquiry was addressed to the question, Does an emergency situation exist which justifies action on this proposed legislation today? The Senator from Arkansas says there is no emergency. His appeal is based upon the theory that we should pass the bill today. I am willing to cooperate with the Senator next Monday; and if, next Monday, the Senator has the same zeal that he manifests today, we shall pass the bill before 1 o'clock. That is a sufficient answer to that proposal.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. McNARY. I am glad to yield.

Mr. ROBINSON. The Senator realizes that, of course, the bill must pass both Houses before it can go to the President.

Mr. McNARY. Yes; and both Houses will be in session. I further realize that passing the bill here today would not bring about its passage in the House. We should not have proceeded one inch forward by taking the action which is proposed. I was told today that the House would act upon no legislation today.

Mr. President, I have two very delightful colleagues who live just across the Columbia River from my home in Oregon. They are deeply interested in the ratification of a treaty which is now on the calendar involving the sockeye salmon. The treaty has been executed between Canada and the United States. There is no one in this body to whom I hesitate to say "no" more than to those two colleagues, the Senators from Washington [Mr. BONE and Mr. SCHWELLENBACH]. I also am interested in that treaty. My friend from Kentucky [Mr. BARKLEY] has a small bill from the Secretary of the Treasury, and spoke to me this morning about taking up that measure.

Even as a farmer, I know that much of life is based upon precedent; and the splendid lawyer from Arkansas [Mr. ROBINSON] has won many a lawsuit on the strength of a precedent. If I grant to him a thing that I must deny to my colleagues across the river, the Senator from Kentucky, and half a dozen other Senators, I shall be playing favorites, and that role I never play. I shall object.

VESSEL FOR RESEARCH WORK IN THE PACIFIC OCEAN FISHERIES—VETO MESSAGE (S. DOC. NO. 269)

The VICE PRESIDENT. The Chair wishes to cooperate with the Senate with reference to what is apparently a gentlemen's agreement; but there is on the desk a message from the President vetoing a bill. If there is no objection from the Senate, the Chair will lay it before the Senate.

Mr. ROBINSON. Mr. President, I call the attention of the Chair to the fact that there is no agreement. I am yielding the right to insist upon legislation today, because I believe it is the fair thing to do.

The VICE PRESIDENT. Then the Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read the message, which, with the accompanying bill, was referred to the Committee on Commerce and ordered to be printed, as follows:

To the Senate:

I return herewith, without my approval, S. 3989, an act to provide for the construction and operation of a vessel for use in research work with respect to Pacific Ocean fisheries.

This bill provides that the Secretary of Commerce is authorized and directed to cause plans and specifications to be prepared for the construction and equipment of a vessel for use in such research work with respect to Pacific Ocean fisheries as the Secretary finds will be useful to persons engaged in the fishing industry; to contract for the construction and equipment of such vessel, and authorizes appropriation of $500,000 for these purposes.

The annual cost of maintaining and operating the vessel contemplated by this bill would be not less than $50,000.

This is a wholly unnecessary expense so far as it relates to constructing a special vessel. The Bureau of Fisheries can take some out-of-date naval or Coast Guard ship, such as an old Coast Guard cutter, fit her out at very low cost, and maintain her usefully for many years to come.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 8, 1936.*

STRUCTURES ALONG RIVERS AND HARBORS

Mr. SHIPSTEAD. Mr. President, on last Saturday I gave notice that I should move a reconsideration of the action of the Senate in adopting the conference report on Senate bill 3071, providing for the placing of improvements on the areas between the shore and bulkhead lines in rivers and harbors. At the request of the author of the bill, the Senator from New York [Mr. COPELAND], I promised that I should make the motion at the earliest possible moment; and I now make the motion. I am ready, if necessary, to be heard on the motion. I do not like to discuss it when the Senator from New York is not here.

The VICE PRESIDENT. The Chair understands that the Senator from Minnesota enters a motion to reconsider the vote by which the conference report on the bill referred to by him was agreed to. The motion will be entered.

Mr. SHIPSTEAD. I ask unanimous consent that the action of the Senate in adopting the report be reconsidered.

The VICE PRESIDENT. Does the Senator desire to call up the motion at this time?

Mr. SHIPSTEAD. I wish to consult the Senator from Arkansas [Mr. ROBINSON] and the Senator from Oregon [Mr.

McNARY] regarding that. I shall not insist on action at this time.

Mr. ROBINSON. I suggest that the Senator let the matter go over until next Monday.

Mr. SHIPSTEAD. Very well.

The VICE PRESIDENT. The Chair understood the Senator from Oregon [Mr. McNARY] to say that so far as he could prevent it, he did not intend to have the Senate act upon any proposed legislation today. Is that correct?

Mr. McNARY. That is absolutely correct. I suggest to the Senator from Minnesota that he might enter his motion now.

The VICE PRESIDENT. The Chair is now advised that the motion was entered on Saturday. It is now pending.

Mr. SHIPSTEAD. Mr. President, I thought that on Saturday there was only a notice of intention to enter the motion.

The VICE PRESIDENT. The Journal shows that the Senator entered the motion on Saturday.

ELIMINATION OF GRADE CROSSINGS

Mr. McKELLAR. Mr. President, the Senator from Iowa [Mr. DICKINSON], in the course of his speech in the Senate on May 18, made the following statement:

> We all remember, I hope, how he [Mr. Hopkins] was planning to eliminate all the dangerous grade crossings. Even the President talked extravagantly about the proposal following a frightful accident at Rockville, Md., in which 14 school children were killed. I should like to challenge Mr. Hopkins to name a single grade crossing which has been eliminated by him since that accident and since he broadcast his plan more than a year ago.

That statement is to be found in page 7439 of the CONGRESSIONAL RECORD of May 18, 1936.

In reply to the charge of the Senator from Iowa it may be stated that 13 grade-crossing projects had been completed as of April 30, 1936; 680 more were under construction, and an additional 508 projects had been approved for construction.

Under the terms of the Emergency Relief Appropriation Act of 1935 funds for the elimination of grade-crossing hazards are apportioned by the Secretary of Agriculture to the several States in accordance with a formula prescribed by the act. The work is performed under the Bureau of Public Roads of the Department of Agriculture, not under the Works Progress Administration.

Considering the elaborate preparations which are necessary before a grade-crossing project is undertaken, this record of progress reveals real accomplishment on the part of the Bureau of Public Roads in the elimination of grade crossings.

In connection with this statement I ask unanimous consent that there may be printed in the RECORD as a part of my remarks a table showing the current status of United States works program grade-crossing projects as provided by the Emergency Relief Appropriation Act of 1935.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Current status of United States works program grade-crossing projects (as provided by the Emergency Relief Appropriation Act of 1935) as of Apr. 30, 1936
[Bureau of Public Roads]

State	Apportionment	Completed			Under construction				Approved for construction				Balance of funds available for new projects
		Estimated total cost	Works program funds	Number eliminated by separation or relocation	Estimated total cost	Works program funds	Number		Estimated total cost	Works program funds	Number		
							Eliminated by separation or relocation	Protected by signals or otherwise			Eliminated by separation or relocation	Protected by signals or otherwise	
Alabama	$4,034,617	$9,124	$9,124	1	$2,276,607	$2,276,607	24		$1,473,819	$1,473,819	12	5	$275,067
Arizona	1,256,099	47,412	47,412	1	814,319	664,815	8		158,526	158,526	1		385,346
Arkansas	3,574,060				1,057,577	1,053,890	23		1,179,707	1,177,877	22		1,342,294
California	7,486,362				6,018,361	5,774,181	35		385,220	384,122	4		1,328,059
Colorado	2,631,567				1,116,543	1,095,543	18		150,000	150,000	2		1,386,024
Connecticut	1,712,684												1,712,684
Delaware	418,239												418,239
Florida	2,827,883				1,424,039	1,421,728	13		277,906	277,906	2		1,128,248
Georgia	4,895,949				10,581	10,581			344,859	344,859	5		4,540,510
Idaho	1,674,479				852,091	852,091	12						822,388
Illinois	10,307,184				2,295,648	2,295,648	24		3,758,231	3,758,231	32		4,253,305
Indiana	5,111,096				1,996,918	1,996,918	17		1,515,168	1,515,168	5		1,599,010
Iowa	5,600,679	7,303	7,000	1	1,518,955	1,451,000	30		1,220,745	1,164,500	29		2,978,179
Kansas	5,246,258				2,182,819	2,182,819	24		2,773,990	2,773,990	29	1	289,450
Kentucky	3,672,387				957,612	957,612	12		1,804,573	1,279,545	9		1,435,230
Louisiana	3,213,467				48,202	48,202			1,587,938	1,291,651	17		1,873,614
Maine	1,426,861				366,936	366,603	6		295,480	295,480	8		764,779
Maryland	2,061,751				60,000	60,000	1		965,247	942,778	6		1,058,973
Massachusetts	4,210,833				956,239	956,239	6		416,981	416,981	3		2,837,613
Michigan	6,765,197	121,850	121,850	1	4,519,252	4,519,252	36		1,197,200	1,197,200	8		926,895
Minnesota	5,395,441				1,014,882	1,008,832	17		1,194,618	1,194,618	23	8	3,191,991
Mississippi	3,241,475				1,458,857	1,458,857	29		550,817	550,817	13	1	1,231,800
Missouri	6,142,153				1,409,308	1,409,308	11		3,362,170	3,348,902	20		1,383,942
Montana	2,722,327				2,165,879	2,165,879	34		441,025	441,025	3		115,424
Nebraska	3,556,441				1,502,013	1,502,013	46		622,739	622,739	20		1,431,689
Nevada	887,260	40,669	40,669	1	278,735	278,735	6		388,882	388,882	3		178,974
New Hampshire	822,484				207,624	207,624			164,763	164,763	3		450,097
New Jersey	3,983,826				685,340	685,340	4		367,714	367,714	1		2,930,771
New Mexico	1,725,286	136,191	136,191	3	378,820	378,820	5		559,674	547,503	1		662,773
New York	13,577,189				5,859,232	5,597,586	19		2,549,670	2,549,390	5		5,430,213
North Carolina	4,823,958	10,268	10,268		1,132,832	1,132,832	13		475,497	475,497	7		3,205,360
North Dakota	3,207,473				201,184	201,184	5		440,764	440,764	17		2,565,525
Ohio	8,439,897				206,498	206,498	1		828,050	818,050	7		7,415,349
Oklahoma	5,004,711				1,156,729	1,156,729	23		1,263,250	1,258,250	19		2,589,731
Oregon	2,334,204				920,425	919,886	10		1,438,537	1,314,364	9		99,954
Pennsylvania	11,483,613				912,186	880,819	16		2,502,462	2,482,596	21		8,120,198
Rhode Island	699,691				665,505	635,386	4						64,305
South Carolina	5,059,956				958,685	954,232	20		244,723	244,723	5		1,861,001
South Dakota	3,249,086	51,774	51,774	1	531,697	531,697	12		317,092	317,092	9		2,348,523
Tennessee	3,903,979				365,701	365,701	9		248,032	248,032	4	7	3,290,246
Texas	10,855,982	34,420	34,420	2	3,163,714	3,042,357	41		3,246,266	2,845,758	32		4,933,448
Utah	1,230,763				392,410	392,410	4		246,951	234,897	4		603,456
Vermont	729,857				432,826	431,467	5		75,066	75,066	4		223,323
Virginia	3,774,287				550,432	489,103	11		934,089	934,089	30		2,351,095
Washington	3,095,041				1,722,370	1,717,570	19	1	178,600	178,569	4	7	1,198,902
West Virginia	2,677,937								387,238	387,238	2		2,290,699
Wisconsin	5,022,683				2,345,175	2,336,297	20		635,807	635,807	7		2,050,579
Wyoming	1,360,841	55,366	55,365	2	112,085	112,085	1		102,599	102,598	1		1,090,793
Dist. of Columbia	410,804				166,697	166,697	2		253,264	238,616	1		5,491
Hawaii	453,703				296,218	295,333	3						158,370
Total	196,000,000	514,377	514,073	13	59,666,758	58,645,006	679	1	43,525,949	42,010,992	479	79	94,829,929

LOW-COST HOUSING PROGRAM

Mr. WAGNER. Mr. President, on Saturday last I stated that on this day I would attempt to secure consideration of a bill which I have introduced, the so-called housing bill. Of course, in view of the agreement which has been stated by the Senator from Arkansas, with which, of course, I am in accord, and which will guide me, I am not able to secure consideration of the proposed legislation, but if the parliamentary situation permits I shall at the first opportunity a week from today attempt to secure consideration of the bill.

INTERNAL-REVENUE TAXATION—AMENDMENT BY SENATOR M'ADOO

Mr. McADOO. On Friday last I submitted an amendment to the revenue bill on behalf of my colleague, the senior Senator from California [Mr. JOHNSON] and myself, which was adopted by the Senate. I ask unanimous consent to insert in the RECORD at a convenient time the reasons which prompted me to submit the proposal.

The VICE PRESIDENT. Is there objection? The Chair hears none, and permission is granted.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 3247) to amend title II of the National Industrial Recovery Act as amended by the Emergency Appropriation Act, fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMPSON, Mr. DINGELL, and Mr. CROWTHER were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendments numbered 7, 12, 14, 16, and 44 to the bill (S. 3440) to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LAMBETH, Mr. BARRY, and Mr. RICH were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. SAMUEL B. HILL, Mr. CULLEN, Mr. VINSON of Kentucky, Mr. COOPER of Tennessee, Mr. TREADWAY, Mr. CROWTHER, and Mr. WOODRUFF were appointed managers on the part of the House.

BOUNDARY LINES OF THE NAVAHO INDIAN RESERVATION

Mr. HATCH. Mr. President, for many, many years the settlement and adjustment of the boundary lines of the Navaho Indian Reservation has been a matter of concern and interest to the residents of the State of New Mexico. Many different bills relating to this more or less perplexing and troublesome problem have been introduced in the Senate and in the House of Representatives.

I would not think of taking the time of the Senate to discuss this matter had it not been that in the past few days and weeks several matters have arisen in connection with a bill which is now pending before the Indian Affairs Committee of the Senate. Merely in order that the RECORD may be kept straight, and that the record of the representatives of the State of New Mexico in the Senate may be made certain and clear on this subject, I venture at this time to occupy a few moments of the time of the Senate to give something of the history of the bill to which I refer.

In 1934 a bill was introduced fixing and settling the boundary lines of the Navaho Indian Reservation. At that time I received many objections from citizens of my State to the proposed boundaries. I objected to the bill and it did not pass at the session of 1934.

In 1935 the bill was again introduced. During the interval of time between the session of 1934 and that of 1935 much investigation had been made, not only on my part but on the part of other representatives of the State of New Mexico, and by the Indian Bureau, by officials of the State of New Mexico, and by various citizens. A compromise was agreed upon at that time, a compromise which, I was informed and believed, dealt fairly with the situation.

I might say that it has been my opinion at all times that the boundaries should be fixed and should be definitely settled and located for the interest of all parties involved. So in the spring of 1935 I withdrew previous objection which I had made to the bill, and, in fact, offered in the Senate an amendment which embodied a substitute and a compromise agreement.

On May 28, 1935, the substitute measure was reached on a regular call of the calendar. I did not object to the passage of the bill and it passed the Senate. My colleague the junior Senator from New Mexico [Mr. CHAVEZ] had just then become a Member of this body. I believe he had been a Member but 8 days. He was out of the Chamber at the time the bill passed the Senate by unanimous consent. When he entered the Chamber he came to me and asked about the bill, and I informed him that it had been passed. He said he was not satisfied with the bill and not entirely familiar with the compromise which had been agreed upon. Thereupon, at his request, I asked the Senate, on the same day, to reconsider the vote by which the bill had been passed, and requested that it be placed on the calendar in order that my colleague should have an opportunity to familiarize himself with it.

Mr. President, that is not of importance, except to show that I did for my colleague on that occasion what I would have done for any other Senator. At any time when I am interested in a bill which passes by unanimous consent, and a Senator comes to me and tells me that he is likewise interested in the bill and desires to have an opportunity to consider it, I believe it to be my duty to accord him that courtesy and that consideration, as I did on the day referred to accord to my colleague. As I have said, that is not important. I merely mention it in passing because there has been some slight criticism of my conduct in that regard.

I might add, in that connection, that on the last calendar day before the one last Saturday a bill passed the Senate in which I was interested. I had been chairman of the subcommittee which considered the bill, and I was called from the Chamber and told that the chairman of the full committee desired to offer an amendment to the bill. I returned to the Chamber and asked that the vote by which the bill had been passed be reconsidered, and that was done.

After I had, at the request of my colleague, had the vote by which the boundary bill had been passed reconsidered, my colleague asked that the bill be recommitted to the Committee on Indian Affairs, where it was sent and where it is today.

I happen to be a member of the Committee on Indian Affairs, but I am on several other committees, and my work has been such that I have not been able to attend many meetings of the Committee on Indian Affairs during this session. I knew that my colleague, the junior Senator from New Mexico, was thoroughly familiar with the Indian question. Since he comes from the particular part of the State affected by the proposed legislation, and has lived among the Indian people and knows them, I felt that he was entirely competent to look after the boundary bill in the Committee on Indian Affairs.

Only a few days ago I received a telephone call to attend a meeting of the Committee on Indian Affairs, and I went immediately, leaving another committee meeting. Just as I arrived at the committee meeting the Secretary of the Interior, Mr. Ickes, was concluding his statement before the committee concerning the Navajo boundary bill.

I have not read the statement of the Secretary of the Interior, and I did not hear it in its detail. I did hear and I have read in the newspapers that the Secretary believes that there is danger of an Indian uprising in New Mexico if the proposed legislation shall not become a law promptly and immediately.

Mr. President, I have a very high regard for the Secretary of the Interior, and I am quite sure he believes the statement he has made, but in that respect I differ with the Secretary.

While I never like to prognosticate what will happen in the future as the result of the passage or failure to pass any proposed legislation, I cannot see how the situation differs greatly today from what it has been during the past several years, and I do not believe there is any danger of an Indian uprising in New Mexico.

At the meeting of the Committee on Indian Affairs, a sharp conflict of opinion arose between the Commissioner of Indian Affairs and the Secretary of the Interior on the one side and on the other side my colleague the junior Senator from New Mexico [Mr. CHAVEZ], who had with him that day many papers and documents from citizens in our State protesting against the passage of the bill.

Mr. CONNALLY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Texas?

Mr. HATCH. I yield.

Mr. CONNALLY. I beg the Senator's pardon for interrupting him, but I did not hear the Senator's entire statement. Do I understand that someone appeared before the Committee on Indian Affairs predicting that unless the bill in question were passed there would be an Indian uprising; and if so, who was it?

Mr. HATCH. That remark has been attributed to the Secretary of the Interior, Mr. Ickes.

Mr. CONNALLY. Was it a warning intended to bring pressure on Congress to act?

Mr. HATCH. I have not said that.

Mr. CONNALLY. I did not mean that the Senator from New Mexico had said so; but was it a warning to Congress that unless the bill were promptly passed there would be an uprising of the Navajos?

Mr. HATCH. No, Mr. President. Let me say, in justice to the Secretary, that he was speaking very earnestly before the committee, and he is very much in earnest about the situation. I am quite sure he believes fully and emphatically in the view he expressed, and he thinks there is a most grave and a most serious crisis as regards the Navajo boundary. I think it was to impress us with his earnestness that he made the statement that blood would be shed. I believe his statement was that "blood might be shed." I have not read the Secretary's statement. I do not wish to do him an injustice. The newspapers have quoted him, however, as having said that. Perhaps my colleague [Mr. CHAVEZ], who was present when the Secretary testified, may give more enlightenment on that subject.

Mr. CHAVEZ. Mr. President, I have the same feeling about the matter as has the senior Senator from New Mexico—that the Secretary of the Interior, probably in his zealousness and overenthusiasm to have the bill passed, made the statement that blood would be shed in New Mexico. I think that statement was due to lack of information regarding conditions in New Mexico.

Mr. CONNALLY. The Senator from Texas is planning a trip west this summer. He simply wishes to know what the situation is, so that he may route his journey.

Mr. CHAVEZ. I assure the Senator from Texas that he is at all times welcome to New Mexico and that no blood whatever will be shed.

Mr. HATCH. I may assure the Senator from Texas that it is entirely safe for him to make his contemplated trip through the State of New Mexico. His scalp will not be lifted.

Mr. CONNALLY. Does the Senator refer to travel by air, or what mode of travel?

Mr. HATCH. Any mode of travel the Senator chooses.

Mr. CHAVEZ. The only scalp that the Indians in New Mexico are after is the political scalp of the Commissioner of Indian Affairs.

Mr. HATCH. Mr. President, be that as it may, on the occasion when this conflict arose, the chairman of the committee asked whether or not it would be possible to pass the bill at this session; and I emphatically joined my colleague, the junior Senator, and said it would not be passed by unanimous consent. That is still the position of the delegation from New Mexico in the Senate, at least—that the bill shall not be passed by unanimous consent at this session. I say "at this session", Mr. President, because I am just as anxious and desire just as greatly as do the Commissioner of Indian Affairs and the Secretary of the Interior to have this problem settled; but when it is settled I wish to have it settled fairly and justly, not only to the Indians of the State of New Mexico but also to all the citizens of the State of New Mexico. That is my chief concern and my chief interest in the matter.

Following that meeting, another meeting of the Committee on Indian Affairs was held the other day. I see that two members of the committee are now present, the Senator from North Dakota [Mr. FRAZIER] and the Senator from Wisconsin [Mr. LA FOLLETTE]. Both were present at the time to which I now refer; and as I am speaking entirely from memory, and certainly do not wish to distort the facts in any way, if I am in error in anything I may say I trust that they and my colleague [Mr. CHAVEZ], who is also here, will correct me.

On that occasion the Senator from North Dakota [Mr. FRAZIER] handed to the chairman of our committee a statement, saying in substance that he had not read the statement, but it had been prepared by Mr. T. M. Pepperday, publisher of the Albuquerque Morning Journal, and it was desired to have it inserted in the record. As I recall, the chairman of the committee said, "Without objection, the statement will be inserted in the record." Being somewhat of a curious mind, I reached over and picked up the statement myself; and, hurriedly glancing through it—I did not even read it—I observed that the statement made by Mr. Pepperday reflected in some measure and degree upon both the Senators from New Mexico. I then said to the chairman of the committee—I think these were my words—"I do not know that the committee desires to receive this statement. There appear to be in the statement references to the Senators which are reflections on them", or words to that effect. I further added that if the statement should be received the persons referred to should have an opportunity to reply to the statement.

I did not, Mr. President, ask that the statement be rejected from the record, and I do not now ask that it not be considered by the Indian Affairs Committee. My position simply was and is that to whatever statement is before a committee or placed in the record the persons referred to in the statement should have an opportunity to reply. As I recall, the chairman of the committee then said that the statement would not be received; but then I added, having examined the statement further, that there were material things in the statement which perhaps the committee should receive and should have before it; and thereupon the chairman of the committee instructed the clerk of the committee to delete from the statement all portions reflecting on Senators.

That closed the matter so far as I was concerned and so far as I have any knowledge. I believe I have stated exactly what happened before the Indian Affairs Committee; and if not—if my memory has played me false in any detail—I should like very much to be corrected at this time.

However, Mr. President, that is not important; and the only reason whatever why I mention it is that there have been some newspaper reports, perhaps in the State of New Mexico, which have not completely and fully set forth the real facts. I am not complaining about the newspapers. I am sure they have reported the controversy with the accuracy with which they always report such cases, and give the facts only as they have been informed about them. However, as I have related the circumstance here today, it is exactly what transpired before the Committee on Indian Affairs.

Mr. President, in the statement of Mr. Pepperday it was said that the people of New Mexico were unanimous in desiring to have the Indian boundary bill pass, and that my colleague the junior Senator from New Mexico was moved by political purposes in asking that the bill be not passed at this session.

My colleague is able to speak for himself. He is here in the Chamber and may say to the Senate whatever he cares to say on that subject; but I wish to present to the Senate

a little evidence as to whether or not this question is entirely political or whether there is real disagreement in the State of New Mexico as to what should be done as to the Navajo boundary bill.

Before passing to that subject, however, I wish to say that at one of the meetings of the Indian Affairs Committee I made the suggestion that, in view of the disagreement and the conflict between the citizens of my State and the Commissioner of Indian Affairs and the Secretary of the Interior, the Indian Affairs Committee should go to New Mexico and investigate the situation for itself.

There would be ample time this summer for the committee to make the investigation and report at the next session. I was moved to make that suggestion because just at the moment it occurred to me I observed sitting at the head of the table the chairman of the committee, the Senator from Oklahoma [Mr. THOMAS], whom I had known for many years before I came to the Senate. I know he comes from a section of Oklahoma which is in the heart of the Indian country. I know he understands Indians and their problems, and I know he is able and competent to deal with this matter in every possible way and every proper way. I also observed at that time that there was present another committee member, the Senator from North Dakota [Mr. FRAZIER], who is thoroughly familiar with Indian matters, having served for a great number of years as chairman of the Indian Affairs Committee. I mentioned the two names, and suggested that those two Senators or any other Senators go as a subcommittee to New Mexico and examine this problem from every standpoint and report to the full committee and to the Senate what should be done.

Mr. President, I know that regardless of what motives might inspire the senior Senator from New Mexico, and regardless of any motives which might inspire the junior Senator from New Mexico, the Committee on Indian Affairs will not go into New Mexico and settle the boundary matter or any other matter from a political standpoint, or from any standpoint except that which is fair and just to the Indians, to the Bureau of Indian Affairs, and to the citizens of my State.

That, Mr. President, is all I ask for myself, for my colleague, or for the people of my State. I ask that the Indian Affairs Committee go into New Mexico, examine the problems in New Mexico, not only the problems of the Indians but also the problems of the State government, which have grown greater in recent years with conditions of drought, with the removal of property from the tax rolls by Federal action, and because of other factors. I only ask the committee to consider all these problems fairly, wisely, and intelligently, as the committee will do, I am sure.

Mr. President, I pass again to the question of whether or not there is any disagreement in the State of New Mexico as to an investigation of this sort or as to the boundary commission. First, on this question, I think I shall call as a witness the editor of the Albuquerque Morning Journal, the newspaper which is published and owned by Mr. Pepperday. I shall read to the Senate an editorial which appeared in that newspaper a day or two after the suggestion had been made to send the Indian Affairs Committee into New Mexico. This is what the editor of that newspaper says:

NAVAJO LAND INQUIRY

The conflicting reports as to conditions on the Navajo Reservation will be clarified by a thorough scrutiny of the Senate Indian Affairs Committee investigation that was ordered Friday, to be made during the summer.

The investigation should be welcomed by the Indian Bureau, by the Indians, and by the livestock interests which have been accused of fomenting trouble over land problems.

The paragraph I just read states exactly my own position, that all the various interests should welcome the investigation by the Indian Affairs Committee.

This Navajo land bill has been blocked again because of the objections raised by Senators CHAVEZ and HATCH, and no action will be had on it until after the inquiry.

Senator CHAVEZ blocked the bill once before on the pretext that it was opposed by cattlemen even before the measure had received general consideration, and the committee in its investigation should delve into reasons for his opposition because of reports then that his stand was due in part to his efforts to enforce patronage demands upon the Department of the Interior.

I am reading exactly what the editorial says; and, I repeat, as I said awhile ago, that if the junior Senator from New Mexico or the senior Senator from New Mexico have any ulterior motives in blocking the Navajo boundary bill, let them be investigated; let the Indian Affairs Committee investigate our actions and conduct in connection with that bill to the same extent and with the same degree of intelligence and honesty that it investigates every other matter involved in this problem. I ask nothing more, and I shall, Mr. President, demand nothing less.

Continuing reading from the editorial:

Cattlemen apparently are opposed to the land bill and take vigorous exception to Secretary Ickes' statement before the Indian Affairs Committee of the danger of "disorder and bloodshed", but the Secretary would hardly lay himself open to attacks if he could not support the charges he has made. Mr. John Collier, Indian Commissioner, likewise knows the situation, and he would hardly let his superior go so far astray.

The State and Congress need enlightenment on the issues through a thorough investigation into all phases of the Indian land bill and also—

Mr. President, I call attention to this next remark, because it is of vital importance, and I am in exact accord with the editor of the Albuquerque Morning Journal when he asks to have included in the investigation—

the herd-reduction program which is said to be arousing concern among the Indians. These are vital problems to the Navahoe, and it should be determined to what extent the Indians are supporting the Bureau in the programs, what the opposition is, and whether there are any sinister motives that have not been brought out.

I again join, Mr. President, with the editor of the Albuquerque Morning Journal, and ask that the investigation be made, and if there be sinister motives any place let them be revealed; let the Congress of the United States and the people of the State of New Mexico know what they are and whence they come.

I also call as a witness the editor of the Albuquerque Tribune, another newspaper of State-wide circulation. The editorial is headed "The Navajo Situation."

THE NAVAJO SITUATION

Secretary Ickes, we fear, indulged himself in a little unseemly sensationalism yesterday when he predicted bloodshed on the Navajo Reservation.

Commissioner John Collier, never to be outdone, predicted doings as grim as the late Apache uprising.

I digress long enough to see if the Senator from Texas is in the Chamber. I would not want him to hear that prediction.

Mr. LEWIS. Mr. President, if the Senator from New Mexico will allow me, I should like to ask him, in view of what appears to be a speech of considerable information, does the Indian Bureau under the law operate under the direction of the Secretary of the Interior?

Mr. HATCH. The Indian Bureau is a bureau within the Department of the Interior.

Mr. LEWIS. The nomination of Mr. Collier for the office which he at present fills fell to my consideration some time ago. I should like to know has he complete or sole jurisdiction in the discharge of his duties as Indian Commissioner, or is he subject to the supervision of the Secretary of the Interior?

Mr. HATCH. I should say certainly that he is subject to the supervision of the Secretary of the Interior.

Mr. LEWIS. Has he no original initiative?

Mr. HATCH. He is active and does have complete charge, I should say, but subject to the supervision and control of the Secretary of the Interior.

Mr. LEWIS. Would not the Senator from New Mexico assume that the Commissioner would know more than would others of the details concerning the matters referred to in the editorials which impute either lack of knowledge on the part of the Secretary of the Interior or misrepresentation?

Mr. HATCH. There is no conflict between the Commissioner of Indian Affairs and the Secretary of the Interior. They both made identically the same statements.

Mr. LEWIS. Does the Senator feel there was ground or foundation in the facts for their statements?

Mr. HATCH. Certainly, I should say, in answer to the question, that no Secretary of the Interior, no Commissioner of Indian Affairs would make a statement without ground therefor.

Mr. LEWIS. Have subsequent developments shown there were grounds sufficient to indicate that there might have been a terror such as indicated in the editorials?

Mr. HATCH. I do not know from what source the Secretary of the Interior and the Commissioner of Indian Affairs obtained their information. I am certain that they had information which they at least believed justified their statements. The sources of information which I have do not lead me to believe such as was expressed by the Secretary of the Interior and the Commissioner of Indian Affairs.

Mr. LEWIS. But the Senator feels that the Secretary of the Interior, Mr. Ickes, must have been informed and sincere in his fears in the matter.

Mr. HATCH. Certainly, I would not seek to create any other impression, because I am sure that otherwise the Secretary of the Interior would not have made a statement of that sort.

But continuing with the editorial from the Albuquerque Tribune:

It is always dangerously easy for those who don't know to minimize a situation, and we do not want to fall into that error. But we do doubt very seriously that conditions on the Navajo Reservation are as they were pictured at Washington yesterday. Stockmen who live on the reservation say both statements are absurd.

It is well, in view of the uncertainty, that a senatorial committee is to come out here to investigate.

Mr. Collier maintains that Navahos are being pushed from their ranges. He holds that extension of Navajo boundaries is imperative.

Many New Mexicans, including livestock men from the Northwest, say bluntly that what the Navahos need is water and training in the care of their flocks. They declare that contrary to popular report the Navaho is not a natural herdsman; they say the Indian has much to learn about utilizing the range for the maximum benefits. They say water and training should be one of the first concerns of the Indian Service.

Others opposed to Collier's Indian policy say that his herd-reduction order is the cause of discontent. They say that the Indians, having disposed of part of the flock, expect erosion control and soil conservation to transpire immediately, which of course it does not.

We confess that we do not understand the Navajo situation. We wonder if anyone does. We know positively that an understanding of reservation problems cannot be had from our own swivel chair in Albuquerque. From Washington, perhaps, yes.

Congress can separate facts from prejudices and actualities from propaganda by sending a committee of level-headed solons to the scene. The sooner it is done the better for all concerned.

Mr. President, again the editorial emphasizes my own views, views which I entertained when I asked that the committee go to New Mexico to investigate for itself, because it is quite true that such a committee could "separate facts from prejudices and actualities from propaganda." That is all the citizens of the State of New Mexico ask or desire.

Mr. President, I have in my files numerous letters, communications and newspaper comments concerning the situation. I do not want to take the time of the Senate unduly. I have already spoken longer than I had intended. However, some of these matters are very important. It is important to show, as the editorial which I have read does show, that there is a decided conflict of opinion in the State of New Mexico, that the matter is not settled, that further information is needed, and that it is desirable to have a committee go into the State and learn the facts.

The facts which I have presented, and further facts which the committee would undoubtedly learn, I submit, clearly show that the junior Senator from New Mexico [Mr. CHAVEZ] and I were amply justified in asserting an opposition to the bill and asking that thorough investigation be had. In fact, as the matter appears to me today, I believe we would not have been faithful to our duty to the people of our State if we had permitted the bill to become a law without asking for full and complete investigation.

I ask permission to insert in the RECORD at this point several letters, newspaper clippings, and resolutions which relate to the Navajo situation.

There being no objection, the letters, newspaper clippings, and resolutions will be printed in the RECORD, as follows:

THE TAXPAYERS' ASSOCIATION OF NEW MEXICO,
Santa Fe, N. Mex., May 4, 1935.

Hon. CARL A. HATCH,
United States Senate Building, Washington, D. C.

MY DEAR SENATOR HATCH: With reference to the purchase of lands now in private ownership in New Mexico by the Federal Government, the Taxpayers' Association of New Mexico agrees with the contention that no further purchases should be made by the Federal Government of land to be added to Indian Reservations. Such purchases reduce taxable values for State, county, and school purposes in the State and serve as a hardship upon those who are now using land for grazing purposes.

It has been the contention of the Taxpayers' Association that there are certain areas adjacent to national forests which would receive better care and be in the public interest if owned by the Federal Government and made a part of the national forests. One example of this is found in the region near Cloudcroft. There are forest areas in that region which should not be permitted to fall into the hands of private owners for lumbering purposes. One of New Mexico's greatest assets is found in the recreational areas afforded by the national forests. These areas should be enlarged as much as possible and it is our hope that some way will be found whereby the Federal Government may, by purchase or exchange, add lands that are suitable for recreational forests to the national forests.

We join in the protest against the buying up by the Federal Government of large areas of grazing land to be added to Indian reservations or to be used for any other purpose except such as are now served by the national forests.

Very truly yours,

RUPERT F. ASPLUND, *Director.*

GALLUP, N. MEX., *May 13, 1935.*

Hon. CARL A. HATCH,
United States Senator,
Hon. J. J. DEMPSEY,
Member of Congress,
Washington, D. C.

GENTLEMEN: The Taxpayers' Association of McKinley County, of which I am president, is on record as opposed to the extension of the Navajo Indian Reservation, and that opposition has not at any time been withdrawn.

At various meetings that have been held to discuss the proposed extension the taxpayers have not been given a chance to express themselves. Recently a meeting was held in Santa Fe for the purpose of reaching an agreement, but this association had no representative there and we had not been advised of the time of the meeting. It appears that under the agreement reached at Santa Fe, San Juan County secured the elimination of several townships in that county. But McKinley County, practically unrepresented, secured nothing of value.

This county has a heavy bonded indebtedness, and to take thousands of acres of land from the tax rolls will increase the burden on the taxpayers. This is only one of several objections, but it alone is sufficient.

If this bill is likely to come up for passage again at this session, we wish to be given time in which to make our protest stronger.

Our opposition to the extension was recorded in the minutes of a meeting of the association held more than a year ago, of which the Senate committee has a copy.

We cannot conceive of anything more detrimental to the county than this proposed extension, and we wish to express our appreciation to our representatives who have protected us from what we cannot otherwise view than as a curse to the county. We are friendly to the Indians and desire to aid them in every way, but we are against the extension.

Thanking you for keeping us advised, I remain,

Very truly yours,

I. H. FORD,
President, McKinley County Taxpayers' Association.

Résumé of facts concerning Navajo Reservation extension in New Mexico:

1. All meetings have been called on too short notice, due to the fact that very few people in country have phones, a great number of them receiving mail only once a week, and that we have nothing but weekly newspapers, it has been impossible to notify more than a small percentage of the taxpayers.

2. San Juan County has at present 78 townships inside reservations and 77 outside reservations, this 77 including quite a number of Indian allotments which are nontaxable.

3. The Indian Department is at present and has been for a number of years leasing the bulk of the Jicarilla Apache Reservation and the Ute Strip Reservation to white stockmen in San Juan County. Is it fair or sensible to take this valuable land from the tax rolls of the county and give to Indians when they have a surplus of Indian lands to lease in this manner?

4. The Indians at present holding allotments on the proposed strip in San Juan County lease their allotments to white stock-

men for at least 6 months of the year, some of them leasing for a period of 5 years. This should be ample proof that they have more land than they need at the present time. Many of these Indians have no other source of livelihood except for their blanket weaving.

5. The people now using this land have at great expense built reservoirs, wells, corrals, etc., at great expense to themselves and now stand ready and willing to lease these same lands under the Taylor Grazing Act.

6. Indians now living on this strip, if they need more range (which they do not) should lease the necessary acreage under the Taylor Act, just as any other stockman. In that way each individual Indian would get just what he needed, but no surplus of nontaxable land to lease back to his white neighbors.

7. This proposed strip will take approximately 468 square miles out of San Juan County alone; also 30 linear miles and 35 square miles of stock drive which is very necessary for the delivery and moving of livestock in this country. The Government says that this stock driveway will be allowed to stand as it is, but to what use as long as it is inside the reservation.

8. The proposed purchase of 4,000 acres of land just south of Bloomfield, N. Mex., in San Juan County. This is a legitimate buy, but at the same time it removes just that much more land from the tax rolls of the county. It is proposed to water and improve this land for the benefit of the Indians. Had the Indian Department not bought this land, it would in all probability have been watered and improved for the white man. If not, it pays a nice sum in taxes to the county, as it is being used by a white stockman.

9. This county is at present unable to keep school teachers paid without Government aid, and taking this land from the tax rolls will greatly endanger our school system, of more importance to the country than the few additional miles the Indians will gain by the extension.

10. The Government representatives promise that they will build roads and telephone lines to the day schools; if and when built, will be of no benefit to the taxpayers of the country, for the reason that these lines will go from Crown Point to the day schools and be of benefit to no one except possibly the trader near the school.

11. Government representatives promise that there will be no further extensions asked for. Have these gentlemen the authority to guarantee the actions of some future Commissioner or administration?

12. We find on personal contact with the taxpayers that they are practically 100 percent opposed to this extension. We are sending Senator HATCH a petition that represents not more than 2 hours' work and is a 100-percent sign-up by those to whom presented. We feel that this is representative of the feeling all over the country. The only persons whom we have found who favor the extension bill are those few who have some personal ax to grind—mostly those who are in the Indian Department or doing some kind of work for that body.

13. If this extension is made there will be a large number of stockmen who will just have to quit, as it is a well-known fact that the public-domain grazing land is stocked to the limit; hence they will have no other place to go.

14. At the meeting held in Durango recently the Government representatives stated that there were only two sections of State school land being leased by stockmen. We have a letter from Mr. Vesley, our State land commissioner, in which he shows that there is in reality 46 sections of school land being leased by white men, and these sections are all improved at great expense.

15. We are glad to state that Mr. Clarence Iden, of Las Vegas, N. Mex. (president of the New Mexico Taxpayer Association), will be in Washington Monday the 29th and will represent us in this matter. He will represent not only San Juan County but the whole State in opposing this proposed extension.

Senator CARL A. HATCH.

DEAR SIR: We wish to take this opportunity to thank you for your assistance in this matter and assure you that you have our whole-hearted support in continuing your opposition to this bill, which we feel is very unfair and unreasonable.

Yours respectfully,

FRUITLAND TRADING CO.

THE FIRST NATIONAL BANK OF ROSWELL,
Roswell, N. Mex., July 31, 1935.

Senator CARL A. HATCH,
Washington, D. C.

MY DEAR HATCH: I see from the newspaper reports that the plan is on to add some seven or eight hundred sections of land to the Navajo Indian Reservation. Now, this matter was up when I was Governor, and I went into it fairly and furnished all the data to Senator Jones, who beat it at that time. Also, I think it was up once since that time, and was beaten. If this goes through, it will not only deprive many old settlers who have been living there for 50 or 75 years, but it will take some 200 sections of our school lands, all of which is leased for grazing or for minerals, and we have the mineral rights to all those sections.

The Government, of course, proposes to give us lieu land for these sections, but they haven't any lieu lands left of anything like equal value. As you probably know, the State of New Mexico has in round numbers 13,000,000 acres of State land, about 8,000,000 of which belongs to public schools and the balance to the various institutions. All of this has been selected land, except a few outlying sections in place such as 16, 36, 2, and 32. For all such sections that were on land grants and the Indian reservations, etc., they have given us lieu lands, which were all selected lands.

What I am getting at is the fact that the Government only has in round numbers 13,000,000 acres of unappropriated land in New Mexico, and this is cull land, naturally, as all the others have been selected lands, including the homesteads. Therefore, any kind of a trade that the State will make with the Government we will get the worst of it. Our last legislature foolishly offered an amendment to let the land commissioner trade our State lands for the Government lands, but it has come up for a vote on the 17th of September, and, of course, this has to be approved by Congress, and I hope we can beat such an amendment here and that Congress will not insist upon such a transaction.

The Taylor bill is making enough trouble; and if carried out along the lines as now proposed, it is going to be bad for the stockmen and will put many of them out of business.

I have no interest in this whatever, except my interest in New Mexico, as I am not in the stock business nor the land business.

I hope you folks will do all you can to protect us in this emergency.

Yours very truly,

J. F. HINKLE.

INDIAN ALLOTMENT AND RESERVATION LANDS

There is now pending before the Congress of the United States an act entitled "The Navajo Boundary Bill", which will greatly increase the Navajo Indian Reservation, thereby taking out of taxation a large amount of privately owned land in northwestern New Mexico and working an extreme hardship upon those people engaged in the livestock industry in that area.

We urgently request that our Representatives in Congress work diligently in defeating this measure, and further request that the Indian allotment law be repealed at the present session of Congress.

There is now withdrawn, by Executive order, a million and one-half acres adjoining the Navajo Reservation, which prevents this area from being incorporated within the Taylor Grazing Act.

We respectfully urge that this Executive withdrawal order be relinquished and the land involved placed under the administration of the Taylor Grazing Act.

(Adopted by the New Mexico Cattle Growers Association at annual convention, Silver City, N. Mex., Mar. 6 and 7, 1936.)

SAN JUAN LIVESTOCK ASSOCIATION STILL OPPOSING EXTENSION—AGAINST ENLARGEMENT OF RESERVATION, THESE LETTERS SHOW

That the San Juan Basin Livestock & Grazing Association, of Durango, has not altered its position in opposing the extension of the Navajo Indian Reservation is shown by the following correspondence. This is contrary to the report that the association had acquiesced to the extension.

The New Mexico Wool Growers Association, recently in session at Roswell, passed a resolution against it. McKinley County stockmen are likewise against extension. So far as the livestock industry is concerned, opposition to extension is practically unanimous.

MARCH 21, 1935.

MR. J. E. WILLIAMS,
Gallup, N. Mex.

DEAR SIR: Acknowledging receipt of your letter of the 19th, in answer to one written by myself under date of March 16.

It would appear to the uninitiated that some people make statements that suit the occasion and for a particular purpose. One cannot help but believe that certain individuals interested from several angles in the promotion of the proposed extension of the Navajo Indian Reservation will resort to any kind of method in order to hoodwink the people in acquiescing in the views. They do not want it to appear that they have made a failure in their undertakings.

I am enclosing a copy of letter which is self-explanatory. We have at no time rescinded from the stand therein taken.

Yours truly,

SAN JUAN BASIN LIVESTOCK & GRAZING ASSOCIATION,
By C. L. RUSSELL, *Secretary-Treasurer.*

Senator BRONSON CUTTING,
Congressman EDWARD T. TAYLOR,
Washington, D. C.

GENTLEMEN: Calling your attention to letter under date of February 27 relative to a certain resolution passed in which it might appear that the San Juan Basin Livestock & Grazing Association had authorized such action, permit the suggestion that meeting was called at the special instance and request of officials of the Indian department upon short notice, and not by the association. And any action taken at such meeting did not voice the sentiments of this association, and such meeting was not called by the association, and if so construed was not a legally called meeting of either its members or board of directors and consequently the association and its members could not be bound by any action taken at such meeting. It was the sentiment of those present, with the exceptions therein noted, and is binding upon those present, some of whom were not members of this association, and not upon any others.

A meeting of San Juan County (N. Mex.) stock growers was held in Farmington, N. Mex., March 4 upon request of the San Juan County Livestock and Grazing Association for the sole and only

purpose of explaining to the stock growers there present the purposes and objects of said organization and the benefits to be derived from membership therein.

At this meeting extraneous matters were brought up and considered. There were 42 present, other than members of the association. A motion was made and carried, with but one dissenting voice, requesting the secretary of this association to address you, advising that those stock growers present were going on record as unqualifiedly opposed to any extension of the Navajo Indian Reservation at this time or at any future period. It was brought out at this meeting that San Juan County, N. Mex., embraces 155 townships, of which 78 are in the Navajo Indian Reservation, all to the detriment of the State of New Mexico, the County of San Juan, and the stock growers of said county and State and those outside stockmen who winter-graze in said county, should this proposed extension go through.

Also, at this meeting, a petition was presented by taxpayers in and around Fruitland and Waterflow, in San Juan County, protesting the extension of said Navajo Reservation, and it was requested of the secretary of this association that he forward same to you. The original of said petition being enclosed in letter to Senator Cutting. You will note therein they have 36 signers secured within a radius of 3 miles and within 45 minutes of time spent in securing same. It was claimed to be a 100-percent signing within the area mentioned.

We wish it fully understood that this letter represents the sentiments of those stock growers present at this meeting and is the authorized expression of the San Juan Basin Livestock & Grazing Association. However, this association still stands by its opinion expressed in telegrams and letters of dates prior to February 27, which were authorized by our board of directors. We believe that all stock growers and taxpayers are entitled to express their views in relation to this proposed extension of said Indian reservation and that their opinions should be given serious consideration.

This letter is addressed to you at the request of the stock growers present at the meeting held in Farmington last Monday. It is to be hoped that you will give them the same consideration as is given the representatives of the Indian Department, who are anxious to put over their program of extension.

Yours very truly,

SAN JUAN BASIN LIVESTOCK AND GRAZING ASSOCIATION,
By C. L. RUSSELL, *Secretary-Treasurer.*

Mr. HATCH. Mr. President, to show that opposition to the Navajo boundary bill is justified, I now desire to present for the consideration of the Senate a letter which I have just received from a very eminent citizen of my State, a man who is my personal friend, an attorney, a former judge of our supreme court, and at one time Republican nominee for Governor of our State. I rate him as one of the most outstanding men in the State of New Mexico from the standpoint of legal ability, honor, integrity, and public-spiritedness. I desire to read the letter which he wrote, not in my behalf but because of articles appearing in the newspapers stating that my colleague and I were perhaps unduly objecting to the passage of the bill and that there was no sentiment in New Mexico to support our action. The letter is addressed to Hon. LYNN J. FRAZIER, chairman of the Committee on Indian Affairs.

Mr. LEWIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Illinois?

Mr. HATCH. I yield.

Mr. LEWIS. Before the Senator reads the letter, may I ask whether the committee which the Senator from New Mexico and his colleague ask shall enter into New Mexico for investigation means the Senate Committee on Indian Affairs or a special committee?

Mr. HATCH. Under a resolution which I am informed was adopted sometime ago, the Committee on Indian Affairs of the Senate was authorized to send a subcommittee into our State to examine into such questions. We are not asking that the full Committee on Indian Affairs go, but that a subcommittee authorized by the committee shall do so.

Mr. LEWIS. No expense for a junket is involved?

Mr. HATCH. None whatsoever, except what would necessarily be entailed by the trip of such a subcommittee.

Mr. LEWIS. I thank the Senator.

Mr. HATCH. The letter to which I have just referred reads as follows:

ALBUQUERQUE, N. MEX., *June 3, 1936.*

Re Navajo boundary bill.
Hon. LYNN FRAZIER,
Chairman of the Senate Indian Affairs Committee,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR FRAZIER: The Associated Press, under a Washington date line of yesterday, carries a story of a statement made before your committee yesterday by T. M. Pepperday, publisher of the Albuquerque Journal, in which it appears (1) that Mr. Pepperday advised your committee that the State of New Mexico is entirely in favor of the immediate passage of the pending Navajo boundary bill, and (2) that he charged Senators HATCH and CHAVEZ with political motives in urging a postponement of action. The Associated Press story is somewhat meager as to details, and on that account I may misconstrue the purport of Mr. Pepperday's statement, though from the information contained in the story it seems that the foregoing is the gist of what Mr. Pepperday said.

On the point of the opinion of this State as to desirability of the passage of this bill, you are advised that at a meeting of the land-use committee of the New Mexico State Planning Board, held last July, at which were present representatives of the Bureau of Indian Affairs, both from Washington and from local points, and in pursuance of a request from the Bureau of Indian Affairs that our committee endorse the Navajo boundary bill, we went into the subject with a great deal of care, and thereupon unanimously adopted a recommendation with respect thereto, copy of which I enclose.

I do not intend to express any personal opinion as to the merits of the bill, nor do I undertake to advise you as to the opinion of the people of New Mexico other than as expressed in the recommendation just mentioned. I also enclose copy of another recommendation made at the same meeting with respect to the Federal land purchases in the State, which the Bureau of Indian Affairs at that time was claiming the right to administer for the benefit of the Indians, since that subject is so closely connected with the one now under consideration.

In order that you may form an idea as to whether or not the land-use committee is in a position to express a State-wide opinion, you are advised that it is an official committee appointed by the State planning board, and consists of the Commissioner of Public Lands, the State game and fish warden, a representative of the New Mexico Cattle Growers Association, a representative of the New Mexico Wool Growers Association, a representative of the State game protective association, a representative of the University of New Mexico, a representative of the New Mexico College of Agriculture and Mechanic Arts, a representative of the Department of Agriculture, a representative of the Department of the Interior, and myself, representing the Southwestern Conservation League. The committee is recognized by the Department of the Interior as the agency through which the Division of Grazing under the Taylor Act cooperates with the State. These members come from widely separated portions of the State, and, as you see, represent various and divergent interests. The two recommendations above mentioned were adopted unanimously, except that the representatives of the Departments of Agriculture and Interior on the committee, at their request, were excused from voting.

The committee had no interest in any political motives, if any, that may be influencing Senator HATCH or Senator CHAVEZ in the position they have taken against the bill, but, aside from any such, since copies of these recommendations were sent them at the time of their adoption, I think you will agree they had substantial support from the State for their position.

From several newspaper stories I have seen it appears that collateral matters are being injected into the picture which will not assist your committee in arriving at a proper solution of your problem, and I fear Mr. Pepperday's statement has a tendency to confuse rather than to clarify the matter.

Respectfully yours,

C. M. BOTTS,
Chairman, Land-Use Committee, State Planning Board.

The resolutions referred to were in opposition to the Navajo boundary bill.

I think I have said all I should say about the matter at this time, except that there is a very serious problem which was called to my attention day before yesterday to which I must divert my attention for a moment, because it may involve the welfare of all the Navaho people in New Mexico.

Mr. President, perhaps you are not familiar with the program which the Commissioner of Indian Affairs has adopted in my State—a soil-conservation program of vast importance, but by which the Navaho people have been induced to reduce their herds very greatly. I have no criticism of the program, and I believe the Commissioner is acting with all the wisdom he possesses in what he believes to be the best interests of the Navahos; but on Saturday an article appeared in the New Mexico newspapers to the effect that the Navahos now face an increased reduction, which will make a total reduction of 56 percent in their herds, and that the land management director declares that this reduction is necessary for ranges. It is said that this additional increased reduction in the herds is to be put into effect about the first of September.

Mr. President, I hope that statement is not correct. I hope the Commissioner of Indian Affairs will not insist upon further reducing the herds of the Navaho Indians, because

the people who are closest to the Indians, the people in that State who, in my opinion, know more about the Indians than do anyone else, tell me that the reduction is altogether unnecessary, and that it will amount to a great injustice not only to the Indians but also to the people of New Mexico as a whole.

I have in my hand a letter which was written on June 6—last Saturday. It came by air mail today. It is from Mr. Clarence Iden, president of Gross, Kelly & Co., a large wholesale grocery house in Las Vegas, N. Mex. In this letter Mr. Iden comments on this particular question and makes this firm declaration:

> The Navajo Reservation is not overstocked, and in my frequent trips over the reservation I hear much from the Indian of the serious plight in which he is already placed, due to reduction in his sheep and goats, and many of the families are now down to the point where the returns from the sheep they still have are not sufficient to enable the Navaho and his family to exist.

In the light of that information, I hope the Commissioner will not insist on a further reduction of the Navaho herds.

I could speak a great deal longer on this subject. Many things have been said lately which do not appeal to me. There have been declarations that the citizens of New Mexico represent predatory interests which are preying on the Indians, and that the stockmen, cattlemen, and sheepmen of my State are, according to some alleged charges, thieves, stealing the cattle and stock of the Indians. I am not going to comment on that charge at length, as I should like to do, but I shall say that I know the cattlemen and the sheepmen in New Mexico. I know the homesteaders, the farmers, business groups, and the citizens of every part of the State. I know that any man, whoever he may be, who insinuates or charges that they are not high-class, honorable citizens, speaks that which is not fair or just to them. The citizens of New Mexico are honorable and high-class people, and they are not thieves preying on the Navahos or any other group of citizens.

Finally, let me again say my only concern is to have the Navajo boundary settled fairly to all. To accomplish that I am willing to cooperate with all agencies of government, the officials, and citizens of my State. I believe an investigation by the committee will be helpful, but whether it is or not my opinion is that the early part of the next session will see this question finally settled fairly to all. That, Mr. President, is my purpose and my desire.

Mr. CHAVEZ. Mr. President, I have heard more about the difficulties of the Navahos in the city of Washington than I have heard in New Mexico in a lifetime.

I believe I understand the orderly procedure by which Congress passes legislation; and I should not take the time of the Senate this afternoon were it not for the fact that it appears that a bureau of the Government, instead of trying to follow the orderly procedure so long recognized by the Congress, would pass legislation by methods of propaganda, by misinforming the unsuspecting, and by trying to put the citizens of my State in a bad light.

Mr. President, there is now pending before the Senate Committee on Indian Affairs Senate bill 2213, better known as the Navajo boundary bill. This bill was not introduced by the senior Senator from New Mexico nor by the junior Senator from New Mexico. It is my recollection that no Senator or Representative from New Mexico at any time has ever introduced a bill of the purport of Senate bill 2213, which comes before Congress by departmental request.

The Committee on Indian Affairs, on account of the controversial aspect of the proposed legislation, has decided to make a complete investigation of the subject matter, and consider the measure from the standpoint of the Indian, the stockgrower who has been grazing his stock in the area affected, the revenue from taxes that will be lost to the State of New Mexico, and which will naturally affect the schools of that area, and give the matter the committee's best attentions, and try to bring before Congress a bill that will meet the approval of the Indians and the whites.

Evidently, however, the Indian Commissioner is not willing to trust a committee of Congress to handle the proposed legislation, for there appeared in the New York Times a special article with a Washington date of June 5, with headlines as follows:

> Says Navahos face death in land grab. Collier charges livestock barons in New Mexico are starving the Indians.

It is further stated that the Navaho Indian Tribes are in danger of extermination because some livestock barons and Senator CHAVEZ, of New Mexico, are holding up action on the Navajo boundary bill, which would give the Navahos, mind you, exclusive right to an additional 2,000,000 acres of New Mexico grazing land. Anyway, that is the effect of the Indian Commissioner's charges. On behalf of the livestock growers of New Mexico, on behalf of the State of New Mexico, on behalf of the taxpayers of the State, on behalf of the schools of the State which I in part represent, and on behalf of the Navahos, I resent the ridiculous and absurd but nevertheless serious charges of the Indian Commissioner.

The tribe is not in danger of extermination except as it may be swallowed up by the Indian Bureau. When the Navahos were placed in the particular area they now occupy in New Mexico, there were only about 13,000 of them. Now, Mr. President, there are something like forty or forty-five thousand Navahos. That fact alone disproves the Indian Commissioner's charges that ruthless and barbaric white men of New Mexico are exterminating the Navahos.

Mr. President, New Mexico, if any State in the Union, has a right to be proud of its treatment of the Indians. From the time of Spanish occupation, through Mexican rule, and since American sovereignty, the Indians of New Mexico have been treated better than the Indians in any other section of the United States. They are still living, which is more than can be said for the Indians of many other sections of the United States.

The article proceeds to state that Secretary Ickes has said he fears bloodshed as a result of a tense situation created among the Indians. The honorable Secretary evidently knows very little about New Mexico, and his informants have neglected to give him correct information. There will be no bloodshed except in the vivid imagination of those who would perpetuate themselves in bureau power. There is no doubt in my mind but that plenty of Indians would love to scalp politically the Bureau head of the Indian Service. I have in mind particularly a well-known and prominent lady of my State, who accuses the Indian Bureau of interfering with her domestic tranquillity, she being married to an Indian; and there is no doubt but that she would like to scalp, politically anyway, the Indian Commissioner.

Mr. President, there is a tense situation among the Indians; but it has been created by the Bureau itself, by its despotic and arrogant efforts to make the Indians subservient to the Bureau's whims and caprices. The Navahos inform me that there has been hunger in some instances, but it has been brought about by the ruthless efforts of the Indian Bureau to cut the Navahos' herds, reduce their number of cattle, reduce their sheep and goats, and if they are hungry it is because the Indian Bureau may prefer them to eat South American canned corned beef when the Indians prefer their own goats.

This is a matter of my own knowledge; for the Indian Bureau cut down the number of their goats and their sheep and their cattle, and at the same time has in the past shipped South American corned beef in cans to the Navajos. They, being good Americans, prefer their own goats to John Collier's corned beef from South America.

The fear of bloodshed exists only in the mind of the Bureau. A majority of the white population of that area come from every State in the Union. A vast number are from the State of Utah. These former residents of Utah are hard-working, family-loving, God-fearing citizens, and I resent either the insinuation by the Secretary of the Interior or by the Commissioner of Indian Affairs that there is going to be any bloodshed by the fine native people of

my State or those who come from Utah, from Texas, from Missouri, and from the State of the Senator now presiding over the Senate [Mr. LEWIS in the chair]. I happen to know some citizens in that region from the State of Illinois, and I know they are not going to kill any Indians.

The Indian Bureau need have no fear that that class of citizens will annihilate anyone. I have received a telegram from Mr. Jacobs, president of the Northwest Growers Association. He is not a livestock baron.

Mr. President, our stock growers are poor, practically down and out, and to have them considered as grasping barons and land grabbers is more than New Mexico can stand, even from an officious Indian Commissioner. Mr. Jacobs has lived among the Indians for years and he called Secretary Ickes' statement of an uprising ridiculous. The Governor of my State refers to the statement as amusing.

A tense situation does exist, and, as stated before, has been brought about by the present Indian Commissioner of the Bureau. Let us see for a moment what the Indians themselves, Navaho Indians, think about the situation. There is issued in the city of Washington a publication known as the American Indian. It is published by the Southwestern Tribal Council of American Indians, with offices at San Diego, Calif.; San Jacinto, Calif.; and Farmington, N. Mex., in the midst of the Navajo area. Let us see what the Navahos complain about.

The article is headed "Situation Among Navahos Bewildering."

Tragedies in the great Navajo country are being enacted today which are without parallel during the last 60 years—since the United States made treaties with their powerful chiefs in 1868.

The article discusses what is said by the people who live in the Indian country, both Indians and their white neighbors.

Those who live in the Indian country, both Indian and his white neighbor, attributes the mental uprising of the Navaho to the pressure being put on certain districts because the whole tribe of some 44,000 administered the Wheeler-Howard bill a crushing defeat. The Navaho people, always an independent and proud race and an outstanding example of Indian thrift in sustaining themselves by their sheep and weaving, refused to be intimidated or rushed. It is now coming to light that the proud Navaho people had not accepted Mr. Collier's policies and sweeping changes which he put over in such quick order following his appointment in 1933.

The mistakes made with the Navahos were similar to those made in many other Indian areas—arbitrarily ignoring the desires of the Indians themselves—inexperienced officials bent on making the Navahos fit their plans, instead of the sensible rule of consulting the Indian.

Probably the leading cause of the split between the Bureau and the Navaho was the glaring mistake of closing all of the six agencies, to which they had been accustomed for so many years.

Authority on Indian affairs is quoted:

Mr. M. K. Sniffen, of the Indian Rights Association, which has at times shown the courage befitting its name, visited the Navaho country last fall and brought back a record full of mismanagement and inefficient rule.

* * * * * * *

Mr. Sniffen found the citizens of Gallup (formerly referred to as the Indian capital) frankly criticising the New Deal (Indian) being handed the Navaho. He put the question, "What do you think of the Navaho situation now?" to some of the leading merchants of the thriving city, and got such answers as, "It is a mess." "It is one h——l of a mess." This able writer traveled some 2,500 miles in the Navajo country during his 3 weeks' investigation "with ears and eyes wide open", and concludes with the words, "My informants had been conservative in their description of conditions."

A PROGRAM OF FREAKS

Persons interested in the present officials of the Indian Bureau should read the full report of Mr. Sniffin, but there may be trouble in locating a copy because all available copies were grabbed and destroyed.

We quote these New Dealers (Indian) who seemed charged with putting over the program on the Indians, seemed to be a group of supereducated freaks or sentimentalists, almost fanatical in their admiration of their misconception of old Indian life, Indian culture, and its sufficiency for present-day conditions; they appeared to hold that the Indian could do no wrong—in effect, putting him on a pedestal to be glorified. They were preaching an impossible idealism, and if those who knew how foolish all this was tried to hold the New Dealers (Indian) down to earth, they were guilty of treason.

I proceed to read something of what the Indians think of the Bureau. The point I am seeking to make is that it is not the particular bill to which reference has been made that makes the Indian dissatisfied, but it is the treatment he has been getting from the Indian Bureau itself. I read further from the American Indian:

Recently Commissioner Collier went out to the Indian country to induct Mr. Freyer into office, and the praises with which the ceremony was marked would lead one to believe that the new man had a lot of political pull, even if he did lack experience and judgment befitting the office.

What Freyer lacked in wisdom, apparently, he decided to make up in speed and action, and he promptly trained his guns on the Shiprock district where the Navaho had displayed such courage in defeating the Wheeler-Howard Act.

What I shall read now indicates that the information which the senior Senator from New Mexico [Mr. HATCH] has is correct, that what the Indians want is not more land but more water:

Some 3 years ago an irrigation project was started on the San Juan River near Shiprock, and it was understood that tribal funds would complete the job, with ditches, etc. Indians were happy and promptly agreed to donate some of the labor, and which they did. They are unanimous, practically, in claiming the Bureau engineers in charge volunteered the plan of allotting to each family 20 acres of irrigated lands under the ditch. In the early part of last January, so the Navaho people state, a meeting was called by the Bureau officials for the purpose of carrying out the agreement. The Bureau official in charge appointed an Indian committee of three to whom was given the power to allot the lands out as the plan called for. There was no dissenting voice, they claim, and the task was completed.

However, in the early part of April, following his appointment as general superintendent over the tribe of 44,000 Navahos, Mr. Freyer sent his representative to Shiprock and proclaimed that the orders from Freyer called for only 10 acres for each family, and that in addition those who accepted the assignment of the 10 acres would have to dispose of their sheep and goats. If they kept their flocks, however small, they could have no land. The Indians, rightfully, were indignant.

They are indignant, just as Mr. Collier says, but it is not against their neighbors, the whites, it is not against their own people, but it is against the Bureau; and they have a right to be indignant. I read further:

Superintendent Freyer decided to take a hand in the irrigating allotment matter and called a meeting of Indians and proceeded with his staff to Shiprock, where he met with the chapter officers and interested Indians. He announced his policy; it called for only 10 acres and required that anyone who took the land must sell his sheep and goats. Indians were shocked, and, when they protested in an orderly but frank manner, Freyer, we are advised, was frantic.

He pounded his fist on the table and said that the Indians can object or oppose the program from now on till doomsday; it is going to be carried out. He meant the sheep reduction will continue along with the balance of his program.

If they are hungry, if they have nothing to eat, why should they not be indignant, when the Indian Commissioner insists on taking away their goats, their sheep, and their cattle?

Listen to this:

And while it can readily be seen that Agent Freyer does not know his Indians, he is adept in Bureau methods, for he resorts to practices of the dark past and sends poisoned propaganda over the Nation accusing certain Indians and traders of inciting the natives into an uprising of violence and bloodshed.

That is the information we have.

We can also see Commissioner's cunning hand in the news story, for he says, "We know whom to blame."

In this instance he prefers to put the blame for any uprising in New Mexico on the poor cattle grower or sheep grower in my State. We are not going to stand for it, so far as New Mexico is concerned.

Again, if the Indians are hungry, it is because the Bureau has taken away their stock and the Bureau does not keep its promises. But we could be more practical—abolish the Indian Bureau, get rid of thousands of Bureau agents who are sapping the very lives of the Indians and who are receiving good salaries and a per diem, when in the field, of the money that is appropriated by Congress for the Indians' use.

The personnel in the Bureau of Indian Affairs is becoming so vast that it will not be long before we shall have a larger

personnel in the Bureau than there are Indians. I should not wonder if the Indians would starve under such conditions. So there is complaint and righteous indignation among the Indians, but it is not against their white neighbors. It is against the Bureau. Catholic priests, Presbyterian ministers, clergymen of every denomination from New Mexico, have stated to me that the lot of the Indian in the State is in many respects desperate, and lay the blame at the door of the Indian Commissioner. There is not a tribe, either nomadic or pueblo, that is satisfied with the way Indian matters are being handled by the Indian Office. Taos is in a turmoil, not against its neighbor or the whites but against the Indian Bureau. The same thing may be said of Santo Domingo. This complaint is not confined to the Indians in the State of New Mexico or to the citizens in the State of New Mexico.

In the CONGRESSIONAL RECORD of May 20, page 7619, Representative AYERS, from the State of Montana, is recorded as follows with reference to the Indian Bureau:

> The efforts of the Indian Department, Mr. Speaker, is not to rehabilitate the Indians over the United States, but, on the contrary, the Indian Department is trying to communize and retard the Indian in this country. From a humanitarian point of view and from a development and constructive point of view I firmly believe that the Indian Bureau is the biggest handicap we are confronted with in our public affairs today. During my 4 years in Congress this Bureau has been the surprise of my life. Its every effort is to take the Indian backward and not forward.
>
> The Bureau's only objective is to build up its own organization and its own personnel at the expense of the Indian, whom it is supposed to help and advance.

The same day, May 20, a statement was made by the good lady from the State of Arizona, Hon. ISABELLA GREENWAY, a noble figure, the intelligent Representative from the State of Arizona, who knows the Indians, who knows the stockmen, and knows the citizens of her State. What does she say with reference to the Bureau of Indian Affairs? Speaking for the RECORD on the same date, page 7619, Mrs. GREENWAY said:

> Mr. Speaker, it has been my privilege to serve on the Committee on Indian Affairs, and I am glad my colleague the gentleman from New York brought up the issue of the history of the unstable policy over many years and the extravagance of that Bureau. I think it should be carefully and finally abolished, and the Indians should be given the privilege and opportunity of actual citizenship instead of subsidized isolation as a nation within a nation.

That is the situation in the State of New Mexico. We are not having any difficulties with the Indians. New Mexico for hundreds of years has treated the Indians better than has any other State of the Union. The fact that the Indians reside in the State of New Mexico, that they live with the white people there, can go to school and take their chances of life like the rest of us, if it were not for the Bureau of Indian Affairs, indicates that New Mexico has not treated the Indians so badly as some have contended. We certainly resent any propaganda to a different effect being sent out from the city of Washington.

The trouble with the Indian in this country today, the handicap under which he suffers, is that there is too much Washington, instead of letting him solve his own problems. What good does it do Congress to appropriate thousands of dollars to send the Indian to school in Phoenix, in Albuquerque, in South Dakota, or Wisconsin, and train him in your way and my way of living, and then bring him to Washington and put feathers on him?

I know more Navahos by their first names than do both the Secretary of the Interior and the Commissioner of Indian Affairs. Those Indians desire to take advantage of American education, American ideas, and try to fit themselves into American citizens to follow American traditions and ideals. They hate to be pampered. They do not wish to be pitied. They wish the Congress of the United States to give them real justice, and not bureau justice. They desire honest-to-goodness, first-class American justice, and if they get that there will be no complaint from the Navahos in the State of New Mexico.

The Indian Commissioner asserts that a handful of wealthy livestock operators who are factors in New Mexico politics are responsible for the Indians' plight. I resent that charge. I have stated heretofore that in our State we have no wealthy livestock operators. Our livestock operators are decent citizens from every State in the Union. That is the class of citizens living in a neighborly and peaceful fashion with the Navahos. Politics has not entered into this matter in any way whatsoever. I know several stock growers in that vicinity who happen to be of Republican tendencies, but I resent the intimation that they are using political methods just because they dare to try to be at peace with the Indians and at the same time try to exist.

Mr. Collier makes the charges that these livestock operators have used whisky to persuade desperate and starving Indians to surrender their breeding stock and thus lose their land allotments. That is another "pipe dream" of the Indian Commissioner. Our whisky problem among the Indians is not any different than our problem with any other class of citizens, and the Department of Justice and the United States court in the State are trying to meet it. It is not the white man's fault any more than it is the Indian's. An indication of this is the fact that at the last sitting of the United States grand jury for the district of New Mexico a report of conditions was made to the court, and it recommended that if the Government really desired to stop liquor traffic with the Indians the Indian purchaser should be subject to penalties as well as the seller.

Mr. President, I have personal knowledge of what I am about to say. There are some Indians in the vicinity of Gallup, N. Mex., who, of course, do not represent the Indian ideas of the Navaho Tribe, but, nevertheless, have become so accustomed to testifying before the United States courts on pretended violations of liquor laws that just as soon as a deputy marshal arrives at Gallup they come running around to inquire whether he is looking for them, so that they may go at Government expense to Albuquerque and to Gallup, living at Government Indian schools and hospitals, but collecting their per diem from the Government. The Government takes them to Santa Fe. The Government pays them to go there. However, as I said, they stay in an Indian hospital or an Indian school. Those Indians do not represent the majority. The Navaho Indians are just like the rest of the citizens of this country, good, bad, and indifferent; no better, no worse.

Mr. Collier proceeds in his statement to the New York Times to say that only by permitting the purchase with Navaho tribal funds of 530,000 acres held by whites in northwestern New Mexico can Indian sheep herds be rehabilitated and Indians again win a living. That statement tells practically the whole story as to the opposition, which is not a divided opposition, but is a solid opposition from the State of New Mexico to a bill which will not take into consideration the rights of the Indians and the rights of the whites.

Mr. President, New Mexico is a poor State so far as revenue is concerned, but it is a progressive State. We are getting new citizens. We are getting people from every State of the Union, from Illinois, from Massachusetts, from Idaho, from Texas, from Wyoming, from all over the country. We wish to provide schools for their children. We desire to give them good schools. However, if the Bureau of Indian Affairs, in its mad effort or idle dream to do I do not know what, proceeds to take away all our private lands, where are we going to get the money with which to put those schools in operation? It is a problem.

When it is said that the State of New Mexico is for the bill in its present form, those who say so are not stating what is correct. Representatives from our State university, our State agricultural college, the State land commissioner, our Governor, our taxing authority, the president of the State game commission, the president of the State Taxpayers' Association, a representative of the Wool Growers' Association, a representative of the Cattle Growers' Association are members of our State planning board; and they have to worry, Mr. President, about revenue in our State. They adopted a resolution opposing the bill in its present form.

All that the senior Senator from New Mexico and all that the junior Senator from New Mexico desire is simply to proceed in an orderly way by having a committee of this body

go into my State and investigate the Indian problem, investigate the effect of taking away lands from our tax rolls, the effect it would have on our schools, and then come back and present to the Senate a bill which we could all accept.

I very much resent the fact that efforts are being made by the Indian Commissioner to try to force me, and even to force the Congress, to accept a bill by giving fantastic stories to the newspapers of the East.

I may say, in conclusion, that I will welcome the Senator from Texas [Mr. CONNALLY] to the State of New Mexico. There will be no bloodshed there whatsoever. I will even take him among the Indians, and he will hear no complaint against the whites or the Indians, but I should not be surprised if he should hear plenty of complaints against the Indian Bureau.

Mr. President, I ask to have printed in the RECORD at this point, as a part of my remarks, an editorial published in the Albuquerque Tribune of June 3, 1936.

The PRESIDING OFFICER. Without objection, it is so ordered.

The editorial is as follows:

[From the Albuquerque (N. Mex.) Tribune of June 3, 1936]

GET THE FACTS

The Tribune does not believe the Navajo boundary bill should now be passed pending an impartial investigation, one unaffected by partisan political animosities in New Mexico.

We do not like the rush act of Secretary Ickes and Commissioner Collier. If white stockmen are debauching the Indians with whisky and taking their herds and lands as Commissioner Collier charges in a signed statement in the New Mexican then the remedy is not immediately in passage of a bill by Congress but directly in the hands of Mr. Collier's law-enforcement agency.

There has been opposition from the Navahos to some of the Collier policies on the reservation. The new controversy comes shortly after that opposition has been openly expressed. Let us find out what it's all about. Let the Senate dig into the basis of excited charge and countercharge.

The Ickes-Collier statement that an uprising impends is either highly serious or it is inexcusably inflammatory. We think the latter.

It is vital to the welfare of New Mexicans, Indians and non-Indians, that the senatorial investigation be conducted at the earliest possible moment. The committee need spare no one.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION

A message from the House of Representatives by Mr. Haltigan, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

S. 1073. An act for the relief of Louis Finger;

S. 3818. An act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and Public Health Service;

H. R. 4688. An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes;

H. R. 6772. An act to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes;

H. R. 7690. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y.;

H. R. 8234. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of the city of Elgin, Ill., and the erection of a heroic Pioneer Memorial;

H. R. 8271. An act to amend the act entitled "An act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics and related subjects, and for other purposes", approved May 22, 1928;

H. R. 8455. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 9183. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 11533. An act to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg;

H. R. 11687. An act to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes;

H. R. 11920. An act to increase the efficiency of the Air Corps;

H. R. 12329. An act to reenact section 259 of the Judicial Code relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 12848. An act to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky, and to amend section 83 of the Judicial code, as amended; and

H. J. Res. 467. Joint resolution authorizing the erection of a memorial to the late Haym Salomon.

CIVIL SERVICE AND THE ROOSEVELT ADMINISTRATION

Mr. O'MAHONEY. Mr. President, there has recently been introduced by the senior Senator from Wisconsin [Mr. LA FOLLETTE] and myself a bill (S. 4747) to extend and improve the civil-service system. It is, of course, impossible to expect action at this session of Congress; the day of adjournment is too close at hand and the subject is one of such far-reaching importance that it merits much closer study than could be afforded now. Because of that fact, however, and in order that there may be a formal record of the proposal, I feel that I am justified in taking the time of the Senate this afternoon to discuss certain aspects of this measure and of the civil-service problem in general.

It is only proper to say at the outset, with respect to this bill, that it has been discussed in various phases with Representative RAMSPECK, of Georgia, the distinguished chairman of the Committee on Civil Service of the House, and with others, in and out of Congress, who have recognized the need of additional legislation in this field. That title of the bill which has to do with the extension of the civil-service law to postmasterships of the first, second, and third classes is, except for minor modifications of language, the same measure which was jointly introduced in the House and in the Senate at the last session by the able chairman of the House Committee on Post Offices and Post Roads, Hon. JAMES M. MEAD, of New York, and myself. My own attention was first directed to the drafting of such legislation early in the present administration when I was serving as First Assistant Postmaster General under Mr. Farley, the very efficient head of the Post Office Department. He had been directed by Mr. Roosevelt to have a study of the subject made, and inasmuch as the division of postmaster appointments is under the jurisdiction of the first assistant, the task fell to my lot. The original bill was the result.

Much to my amusement, let me say, the measure immediately provoked partisan criticism from gentlemen who, throughout the long years their party was in power, had lifted never a finger to extend the merit system in the Post Office Department. "The bill is not to go into effect until January 1, 1938," they said, "so that all postmasterships may be filled with Democrats in the meantime."

The thought in my mind in fixing the effective date at January 1, 1938, was to invite Republican support, by postponing it beyond the presidential election, so that, in the unlikely event of the success of the Republican candidate, an opportunity would be afforded the new President to make certain that the principles of the merit system would apply with respect to any Democratic appointee. Thus was a gesture of good faith made the occasion of attack by those who

when they were in power were quite content to rock along with what they now call the spoils system.

SUMMARY OF THE MEASURE

The measure which the senior Senator from Wisconsin and I present goes much further, however, than the inclusion of postmasterships in the classified civil service. It undertakes a complete revaluation of the personnel system of the Government. Briefly it may be summarized as follows:

First. It extends the civil service to all postmasterships.

Second. It expressly authorizes the President to bring within the classificed civil service by Executive order any position or group of positions in any executive agency, whether or not expressly excluded by law, except those which are for specified terms and those which are in temporary emergency establishments.

Third. It creates a Federal personnel council under the chairmanship of the head of the Civil Service Commission to coordinate the personnel administration of the entire executive branch of the Government.

Fourth. It provides for a general survey and report by the council on the extension to all bureaus, establishments, and agencies of the Classification Act of 1923, the law by which salary grades are fixed.

With respect to postmasterships it will be sufficient to say that only fourth-class offices, namely, those of which the receipts are less than $1,500 annually and in which the postmaster's salary cannot exceed $1,100 per year, are now under the civil-service law, the postmasters being appointed by the Postmaster General from eligibles selected by the Civil Service Commission. All other offices, of which the first class consists of those having annual receipts of $40,000 or more, the second class of those having receipts of from $8,000 to $40,000, and the third class of those ranging from $1,500 to $8,000 are Presidential. That is to say, they are filled for terms of 4 years by Presidential appointment. From the earliest times it has been customary for the Postmaster General to recommend to the President for appointment the candidates suggested by Members of the House or, when a district is represented by an opposition Member, by some other official spokesman of the party in power.

President Wilson set aside this tradition and provided by Executive order that candidates should be tested by the Civil Service Commission and that the person standing highest on the list of eligibles should be appointed without regard to any other consideration, political or otherwise.

WILSON'S MERIT ORDER CANCELED

This order was canceled by President Harding immediately after his inauguration and the system of partisan selection was restored. Though the Civil Service Commission was still required to examine candidates, it was directed to certify the names of three eligibles, and a method was provided for the disqualification of persons certified by the Commission. During the short session of Congress immediately preceding the beginning of the Harding term the Republican Senate refused to confirm the nominees of President Wilson, selected by the strict merit system, thus preserving the vacancies to be filled by the incoming President according to the old rule. In strict accordance with the traditional practice, Democratic postmasters whose terms had not expired were requested by the hundreds to resign. The new administration went through the lists, and within a year little vestige was left of the Wilsonian influence and idealism. It is the representatives of the regime which actually destroyed the merit system that now hurl the charge of "spoils" at Mr. Farley and the Roosevelt administration. I ask these critics to name the administration Republican Senator or Representative, or the Republican Cabinet officer who, in the years from 1921 to 1933, even suggested the restoration of the merit system in the selection of postmasters.

MR. ROOSEVELT TAKES MERIT STAND

At the beginning of this administration the attention of the President was devoted to matters much more pressing than the selection of postmasters, but at the very outset he gave instructions that no postmaster should be removed without cause before the end of his term. If he had done nothing else, President Roosevelt by this order—and it was one that applied to every appointive office in the Government—established a new precedent in the treatment of partisan opponents. A change of administration had always previously meant an almost complete change of official personnel. Not only postmasters but United States attorneys and marshals, land-office officials, and all the others who had gained their offices by politics expected to and did lose them by politics—and that immediately. There was no such expulsion under Mr. Roosevelt. Every official confirmed by the Senate who was rendering proper service was allowed to finish his term. And this was the rule under Mr. Farley, as it was under every other Cabinet officer serving in the present Cabinet, and without regard to when the appointment was made.

During the campaign of 1932 one or two of the Assistant Postmasters General under Mr. Brown went through the country summoning the postmasters to conferences at certain central points and instructing them with respect to the political activity and cooperation that was expected of them. We knew about these meetings. We knew who participated in them and we knew what was done afterward. But the participants were not proscribed by Mr. Farley or the President, and no removals were made except upon actual showing of cause and investigation by postal inspectors.

It is proper to say here that the inspection service is the only one in which it is permitted to determine the political affiliation of the employees. It had long been felt that the best interest of the Government would be protected by maintaining equal representation of both major parties among inspectors, and President Wilson issued an Executive order on February 16, 1917, requiring the inspection service to be thus fairly divided. Mr. Burleson, Postmaster General under Mr. Wilson, was scrupulous in his demand that the equal division of inspectors between the two parties be maintained. Under his successors the Democratic proportion declined to a marked degree, and when this administration began, although the Executive order with force and effect of law was still unrevoked, there were only 165 Democratic inspectors out of a total of 540. Under Mr. Farley the old rule of fair and equitable division has been restored, and at this very moment, out of 555 postal inspectors under the so-called arch spoilsmen there are only 242 Democrats as compared with 313 Republicans. It was to this inspection service, the morale of which has been completely restored by the friendly, fair, and efficient rule of Mr. Farley, that the investigation of all postmaster-removal cases has been referred.

Having thus directed that postmasters be permitted to serve out their terms and changing the Executive order governing the selection of candidates for appointment to restore the provisions of the Wilson order permitting the recommendation of persons in the Postal Service without examination, the President formally requested Mr. Farley to survey the problem and make recommendations for the amendment of the law so that the selection of postmasters would no longer have to depend on unstable Executive orders.

As already indicated, bills were introduced by Representative MEAD and myself more than a year ago. Another bill was introduced by Representative RAMSPECK, of Georgia, and was reported favorably by the Committee on Civil Service. Called on the calendar, it was objected to, on behalf of the Republican minority in the House, by Mr. RANSLEY, of Pennsylvania. President Roosevelt has made clear his desire for the enactment of legislation placing the selection of postmasterships upon a firm basis of merit, so that every postal employee, on entering the service, may look forward to winning the highest posts.

That this is in fact the goal of the present administration may be judged from the circumstance that the Assistant Postmaster General in charge of postal equipment, including post-office buildings, is a civil-service career man who has devoted 38 years of his life to the Postal Service, rising from a humble clerkship to membership in the little cabinet,

Mr. Smith W. Purdum, of Maryland. In this connection it may be worth remarking that during Mr. Purdum's incumbency as an Assistant Postmaster General the whole vast, country-wide program of post-office construction has been under way.

POLICY TOWARD TEMPORARY AGENCIES

Let me turn now to the second phase of the new bill authorizing the President by Executive order to extend the civil-service law and regulations to any position or group of positions in the Government except those in temporary emergency agencies and positions which, under law, have specified terms. The reason why the temporary executive agencies are excluded will, of course, be immediately apparent. To bring such agencies into the civil service would be a long step toward making them permanent branches of the Government and certainly would constitute a serious obstacle to their demobilization when their purposes have been served.

No one, I am sure, will dispute the statement that it is highly desirable that every temporary agency be eliminated when the necessity for its existence has passed. Everyone will agree that the tendency of Government bureaus is to perpetuate themselves if possible. It must be perfectly obvious, therefore, that to give a classified civil-service status to such positions would only contribute to extend unnecessarily the life of the bureaus affected.

I am aware that an effort is being made to mislead the public on this point, and that certain political leaders whose object is to discredit the administration, and certain spokesmen for Federal employees who have an interest in maintaining a huge personnel in Washington, have been hurling the cry of "spoils" at the administration because some of the new agencies are not under the civil service. Through the daily press and the weekly and monthly magazines, over the radio, and from the releases of the Republican National Committee the country has been hearing the lamentations of those who profess to believe that the merit system, built up through long years of painstaking care, is now in danger of extinction at the hands of this administration.

It is difficult for me to believe that the charge is made in good faith, for its responsible purveyors well know why these establishments could not and should not have been created on the permanent civil-service basis.

In the first place, the emergency that confronted the President was in actual truth the most critical that has beset this Nation since the Civil War. The economic crisis threatened the immediate welfare of every community and of every citizen. Action was the need of the hour. The President had to move into battle without delay. To have allowed the setting up of his agencies to wait until the Civil Service Commission had issued its notices and held its examinations would have meant disaster, for these formalities often take months.

REPUBLICAN POLICY UNDER THE R. F. C.

It was, therefore, provided that they should be set up without regard to the civil-service law. But it was not the Roosevelt administration that established this precedent. It followed one already marked out for it by the Hoover administration. When the Reconstruction Finance Corporation was created by act of Congress, approved January 22, 1932, it was specifically written into the law that the Corporation should have the power to choose its employees without regard to any of the civil-service laws.

With what grace can gentlemen of the opposition who approvingly watched President Hoover pursue this policy with respect to the R. F. C., criticize the same course of action as "spoils" when followed by President Roosevelt?

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Wyoming yield to the Senator from Texas?

Mr. O'MAHONEY. Certainly.

Mr. CONNALLY. May I suggest to the Senator that President Wilson, when he originally put into effect by Executive order the regulation that postmasters should be exempt, provided that the highest eligible should be appointed automatically, irrespective of politics whatever; but President Harding, who came into office in March 1921, issued a new Executive order providing that the Postmaster General should appoint any one of the three highest eligibles, without any requirement as to relative rank. The Senator may draw his own deductions as to why that was done.

Mr. O'MAHONEY. The Senator is correct. It might be interesting to point out that under that rule of President Wilson numerous Republicans were appointed throughout the country because they happened to be first upon the eligible register, and were confirmed by the Senate.

Mr. CONNALLY. In my old congressional district, in the second city in the district, that very thing occurred. The highest eligible was a Republican, and President Wilson insisted that he be appointed, though quite a number of eligible Democrats were on the list.

Mr. O'MAHONEY. That happened in my own home city of Cheyenne. The gentleman who was then appointed by President Wilson and confirmed by the Senate is still the postmaster, and was recently again confirmed by this body.

In the second place, some of the establishments were created by Executive order under authority of the appropriation bills which provided for the emergency. These organizations expire with the funds that were made available for them. How perfectly absurd it would have been to have made them permanent civil-service agencies!

Consider, for example, the Works Progress Administration, which seems to be a favorite target for attack. This instrument of government exists only so long as the appropriation which supports it. Yet the critics who condemn the administration for maintaining it at all also condemn the administration for not having given its employees the same permanent status as those who carry the mails. In other words, in the same breath they condemn the establishment of the unit and condemn the fact that it is not a permanent establishment.

Demobilization of the admittedly large establishments brought into existence by the emergency would have been almost impossible had it been given the protection of the permanent civil service. For the same reasons that made it unwise in the beginning, it would, in my opinion, be positively against the public interest now to cover these agencies into the civil service. We can more quickly balance the Budget—an objective that is alleged to be dear to the hearts of the opponents of the New Deal—by keeping them out. Accordingly, in this bill authority to extend the civil service to temporary emergency agencies is withheld.

Mr. President, I cannot too strongly condemn the wholly unwarranted effort of the foes of this administration to create the impression that the Roosevelt administration has ladled out thousands of positions with political influence and political patronage as the only requisite for appointment. Nothing could be further from the truth. We have kept on a temporary basis the services which should be temporary, and we have placed under the civil service those establishments which were intended to be permanent.

NEW PERMANENT AGENCIES UNDER CIVIL SERVICE

I have here a list of agencies in which practically all positions have been placed under the civil service either by act of Congress or by Executive order of the President during this administration. The list includes:

The Securities and Exchange Commission.
Federal Communications Commission.
The Railroad Retirement Board.
Bituminous Coal Commission.
Motor Carrier Bureau of the Interstate Commerce Commission.
Social Security Board.
Labor Relations Board.
Public-utility regulation under the Wheeler-Rayburn Act.
Soil Conservation Service.
Alien Property Custodian.
Farm Credit Administration.
United States Railroad Administration.
Central Statistical Board.
Certain positions in C. C. C. camps.

The act establishing the Securities and Exchange Commission carried this paragraph:

> • • • and the Commission may, subject to the civil-service laws, appoint such other officers and employees as are necessary in the execution of its functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

The act setting up the Federal Communications Commission said this:

> The Commission shall have authority, subject to the provisions of the civil-service laws, and the Classification Act of 1923, as amended, to appoint such other officers, inspectors, attorneys, examiners, and other employees as are necessary in the execution of its functions.

The Tennessee Valley Authority was one of the agencies set up outside of the provisions of the civil-service requirements; but let me quote from the act establishing it:

> In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such employees or officials, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be made on the basis of merit and efficiency. Any member of said Board who is found by the President of the United States to be guilty of a violation of this section shall be removed from office by said Board.

It is generally agreed by competent and fair-minded critics that the Tennessee Valley Authority has been as successful as any organization possibly could be in selecting personnel on the basis of merit and merit alone. Certainly politics has had no part in the selection of employees.

Another bureau temporarily exempted from the civil service was the Rural Electrification Administration, which is performing a unique and very necessary function in the rehabilitation of the farming areas of the country. The system of selection has been functioning so well that it won the approbation of the senior Senator from Nebraska [Mr. NORRIS], a friend of the merit system, in these words:

> The organization has a system, which, so far as I can see, comes very near being perfect. While they have not been under civil service, no employees have been selected until they have demonstrated their capacity to perform the duties they are going to be called upon to perform.

CHARGE OF "SPOILS" UTTERLY UNWARRANTED

The charge that the Roosevelt administration has proceeded to break down the civil-service system is based upon a series of allegations appearing in the press and magazines, every one of which was made by writers who failed to obtain the facts before proceeding to indict the administration. Typical of this kind of misrepresentation was the charge that Mr. Roosevelt, during the first 21 months of his term, issued 3 Executive orders transferring to the exempt class 2,448 civil-service positions in the classified service. The figure is altogether misleading, for 1,145 of these persons were employees of the Prohibition Bureau, which, on July 26, 1933, was transferred to the Department of Justice. They were in exempt positions under President Hoover in the Treasury Department, and they continued in exempt positions when Mr. Roosevelt transferred them to the Department of Justice; so actually there was no change of status. Incidentally, a large number of these persons were originally Republican political employees who are still in the employ of the Government. The other changes were likewise made for service and not for political reasons.

Those who have misrepresented this situation to bring a false charge against the President have conveniently ignored the fact that during the same period he issued Executive orders transferring 8,511 positions from the exempt to the classified service. Certainly, if there was any move afoot to undermine the merit system, those transfers would not have been made.

I wish here and now to brand as utterly unfounded and unfair the charge that only persons who were politically alined with this administration were given employment in the temporary agencies established by the Federal Government. Every Senator in this Chamber knows that there has never been an administration in history which has been so generous as the Roosevelt administration has been in employing persons of merit, regardless of party affiliation. Literally thousands of Republicans who held office under previous administrations have been continued at their posts, and the files of the Federal Government show that to be the fact. Literally thousands of others who were Republicans or of other political faith were employed after this administration came into power.

I say that the Roosevelt administration lived up to its promise to establish the temporary emergency agencies on a nonpartisan basis and to conduct them with the sole thought in mind of doing what was best for the great mass of American people.

MERIT AND TRAINING IN THE A. A. A.

The Agricultural Adjustment Administration, one of the emergency organizations established by Congress outside of the civil-service law, is an excellent illustration. It had a specific job to do, a technical piece of work upon which depended the prosperity and the future happiness of the entire farming community of the country. The program was placed in charge of trained men and women—and I may add that perhaps a majority of them were enrolled Republicans, drafted from the agricultural colleges and universities of the country—and they were given an absolutely free hand in working out the task which was before them. Certainly there is not a man in the United States who can truthfully say that the A. A. A. was ruled by partisan Democratic politics. On the contrary, we know that many Democrats in the farming areas complained that they were actually excluded from its administration while the key positions had been handed over to the lifelong Republicans. I can hardly imagine anything further from spoilsmanship than that.

OLD AGENCIES OUTSIDE OF CIVIL SERVICE

To those who assume that these emergency agencies were the first to be excluded from the civil-service law, let me say that even permanent establishments have been frequently exempted in the past. A classic example is the Bureau of Investigation in the Department of Justice. With the exception of some fingerprint experts, it has never been under the civil-service system; but that does not mean that the Bureau of Investigation is not operated under the merit system or that it is a prey to the spoilsman. Far from it, as the events of the past year or two have amply demonstrated.

The Bureau is under the efficient direction of Mr. J. Edgar Hoover, who has shown great personal interest and meticulous care in the selection of personnel. I have never heard any demands from Mr. Hoover or others that his Bureau should be placed under the civil service. The success of the Bureau of Investigation in tracking down the public enemies of the Government is proof positive that it can operate in meritorious fashion as it is now constituted.

The Secretary of the Treasury years ago was authorized by Congress to employ persons for special and technical services in the Public Health Service without regard to the civil-service laws. Likewise the Bureau of Narcotics was established by the act of June 14, 1930, outside of the civil-service laws. The Supervising Architect of the Treasury in 1930 was granted like authority for specific services. The Census Act of 1929, passed by a Republican Congress, provided that supervisors and enumerators might be employed without regard to the civil-service law.

Mr. President, perhaps the most serious charge hurled against the Roosevelt administration in connection with the civil service is that when it came into power the morale of every technical service in the Government was badly crippled or destroyed because the members were immediately made subject to the spoilsmen's raid. One writer, without a vestige of fact to sustain him, said the charge was proved by the large overturn in personnel in those bureaus. A reporter for the New Republic went to the Congressional Directory for the answer to that charge. Here is what he wrote:

> Thumbing through these volumes it will be found that the ranking personnel of the Bureau of Chemistry and Soils is the same now as 3 years ago; in the Weather Bureau there has been only one change during the intervening period, Willis R. Gregg, who was Acting Chief at the beginning of 1933, having been promoted to Director; two changes have taken place in the Bureau of Standards during the past 3 years, both caused by death, and both filled by promoting workers who had long service records;

in the Food and Drug Administration two new jobs have been created, and both of these were filled by promoting old employees, but otherwise there have been no important changes.

Thus fully and effectively is the allegation of spoilsmanship answered.

Mr. President, I assert without qualification that no administration in the history of the country has been more loyal to the principle of merit in public service than has this. True, an effort has been made to prevent sabotage in the New Deal agencies by guarding against the appointment of Republican political workers. There have been those who were willing to seek and accept employment in New Deal agencies while at the same time working against the New Deal program, and it was only the exercise of common sense to try to exclude them—an effort which, I regret to say, has not been wholly successful.

EFFICIENCY IN THE POST OFFICE DEPARTMENT

I cannot leave this phase of the subject without referring again to the Post Office Department, because it is under the guidance of Mr. Farley, out of whom the reckless critics of the administration would make a bogeyman to frighten the guileless. In the June issue of the Union Postal Clerk, official organ of the National Federation of Post Office Clerks, I find an article by Mr. Thomas Quinn Beesley, executive director of the National Council of Business Mail Users, an organization which is interested in postal efficiency and not in politics, in which he produces figures to show that personnel efficiency is greater now than at any previous time in the history of the Post Office Department. I quote:

> In fact, if the chart had gone into minute detail, it would reveal a still more surprising picture of what has happened from 1931 to 1935. If the same ratio of employees had been maintained in that period, there would have been 39.8 more employees in 1935 than in 1931, where actually—in 1934—there were 22,000 fewer. In other words, the actual net increase in efficiency during that period is really higher than the chart shows.
>
> Justice requires that this compliment be shared with the management of the Department in that period of 1933–34. I am sure no one will begrudge it.

One could scarcely ask for a better demonstration that the morale of the employees of the Post Office Department has not been undermined by the present administration. As a matter of fact, there is a better feeling now among the civil servants in the Postal System under Mr. Farley than at any time in many, many years.

It is true that there are fewer employees now than in 1930, but that reduction has been due not to any "raid" upon the merit system, as opponents of the Roosevelt administration pretend, but to the fact that by the terms of a law signed by President Hoover on June 30, 1932, the departments were prohibited from filling any vacancies which existed on July 1, 1932, or occurred thereafter unless the President himself should certify that an appointment was necessary in the public interest. By the operation of this and similar laws the post-office personnel was reduced from 250,222 on June 30, 1932, to 236,927 on June 30, 1935. Incidentally, prior to October 1, 1933, post-office buildings were under the Treasury Department. They were transferred to the Post Office Department on that date. The change, together with the large number of new buildings constructed in the public-works drive of this administration, brought 11,000 new positions into the Postal Service, and every one of them is under the civil-service merit system. This alone is conclusive proof that the charge of spoils is baseless.

POLICY-FORMING OFFICIALS

In considering the public service, Mr. President, it should not be overlooked that the President of the United States is the only official who is selected directly by all the people. Members of the Senate and of the House are chosen by only part of the people to represent the several States and congressional districts. All other Federal officials are appointed. In these circumstances, it must be clear that if the people are to maintain control of the Government so that its policies may be changed when the people desire them changed, all officials who exercise a policy-shaping authority should be directly under political control. In no other way may the people protect themselves against bureaucracy and preserve their inherent right to maintain complete control over their own Government. It is for this reason that the new civil-service measure expressly reserves from the President the authority to put in the permanent civil service positions for which specific terms are provided by law. These are the officers through whom the President must act in a purely political capacity when he receives a mandate from the people.

All other employees, however, should have permanent tenure during efficient service. The Government needs highly trained intelligence and sound character, all on a basis of impartial merit, so that there shall be in fact "equal rights for all and special privileges for none" in the service of the people's Government.

To obtain this, our bill provides for a personnel council and for a personnel official in every department and independent establishment. Each of these officials, and the executive secretary of the council itself, we would require to file a sworn statement that he will administer the duties of his position without regard to either personal or political favoritism; this because personal favoritism exercised by officials in key positions is a far greater menace to the merit system than so-called political patronage.

This measure is presented at this time, Mr. President, in the belief that it will offer a basis of study for all who are interested in promoting the efficiency and protecting the integrity of our Government as an instrument of popular progress. While the President has not had the opportunity of studying this particular measure, we may be assured that any measure passed by Congress, intended and designed to improve the merit system, will receive the sympathetic support of President Roosevelt.

The enactment of the bill presented by Senator LA FOLLETTE and myself—or some similar one—is inevitable. In the meantime, I trust that we have had an end of untruthful charges that under this administration the civil-service system has been allowed to languish either through the inroads of the spoilsman or through neglect.

President Roosevelt has an incomparable record for appointing officials to office on the basis of merit and without regard to merely partisan affiliations. He can safely stand on that record.

Mr. President, I ask unanimous consent that the bill to which I have alluded be printed in the RECORD at this point as a part of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4747

A bill to extend the civil-service laws, to establish a Federal Personnel Council, and for other purposes

Be it enacted, etc.,

TITLE I—EXTENSION OF CIVIL-SERVICE LAWS TO POSTMASTERS

SECTION 1. On and after January 1, 1938, all postmasters shall be appointed, without term, by the Postmaster General in accordance with the provisions of the act entitled "An act to regulate and improve the civil service of the United States", approved January 16, 1883, as amended.

SEC. 2. (a) Subject to the limitations contained in section 3, appointments to the positions of postmaster of the first and second class shall be made by the promotion of any employee of the Postal Service employed at the vacancy office who is found by the United States Civil Service Commission to be duly qualified, except that the incumbent postmaster may be reappointed if the Postmaster General recommends said incumbent and the Commission finds, by a noncompetitive examination, that he is qualified for such appointment: *Provided*, That when the Postmaster General certifies to the Commission that no employee at such office is duly qualified and the incumbent postmaster shall not be found to be qualified by the Commission, appointment may be made, unless otherwise provided in section 3, of any person who satisfactorily completes an open competitive examination held by the Commission.

(b) Appointment to the position of postmaster of the third class shall be made by the appointment of any person who satisfactorily completes an open competitive examination held by the Commission, except that the incumbent postmaster shall be reappointed if the Postmaster General recommends said incumbent and the Commission finds, by a noncompetitive examination, that he is qualified for such appointment.

SEC. 3. (a) Except as hereinafter provided, no person shall be appointed to the position of postmaster of the first or the second class who has not actually resided within the delivery of the office

to which he is appointed, or within the town or city where the same is situated, for 1 year next preceding the date of such appointment.

(b) The provisions of paragraph (a) of this section shall not apply to an appointment to the position of postmaster at a post office having annual gross receipts of $1,000,000 or more, but no person shall be eligible for an appointment to such position who has not had (1) at least 4 years' actual experience in the Postal Service as a postmaster in a post office of the first class, or (2) at least 4 years' actual experience as a classified civil-service employee in a supervisory capacity in the Postal Service or as a postoffice inspector, or (3) at least 4 years' actual experience in an executive position in which he had supervision of not less than 250 employees.

(c) In any case in which an open competitive examination is held for the position of postmaster in any post office having annual gross receipts of less than $1,000,000 and the Civil Service Commission finds no person with the residence requirements provided for in paragraph (a) of this section who is eligible to take such examination, the Postmaster General may appoint to an office of the first class any classified civil-service employee who satisfactorily completes such examination and who has had at least 4 years' actual experience in a supervisory capacity in the Postal Service or as a post-office inspector, and he may appoint to an office of the second class any such employee who satisfactorily completes such examination and who has had 3 years' such experience.

SEC. 4. The tenure of office of any postmaster appointed prior to January 1, 1938, shall not be affected by any provision of this Act.

SEC. 5. The Postmaster General may remove any postmaster from office in accordance with the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555).

SEC. 6. (a) Effective January 1, 1938, the proviso of the first paragraph under the heading "Office of the First Assistant Postmaster General", of section 1 of the Post Office Department Appropriation Act for the fiscal year ended June 30, 1922, approved March 1, 1921, as amended (U. S. C., 1934 ed., title 39, sec. 39), is amended to read as follows: "*Provided*, That whenever the office of a postmaster becomes vacant, through death, resignation, or removal, the Postmaster General shall designate some person to act as postmaster until a regular appointment can be made; and the Postmaster General shall notify the United States Civil Service Commission and the General Accounting Office of the change. No person so designated shall serve for more than 6 months from the date of his designation except with the approval of the Civil Service Commission. The postmaster so appointed shall be responsible under his bond for the safekeeping of the public property pertaining to the post office and the performance of the duties of his office until a regular postmaster has been duly appointed and qualified and has taken possession of the office. Whenever a vacancy occurs from any cause the appointment of the regular postmaster shall be made without unnecessary delay."

(b) Effective January 1, 1938, section 31 of the Post Office Department Appropriation Act for the fiscal year ended June 30, 1880, approved March 3, 1879 (U. S. C., 1934 ed., title 39, sec. 63), is amended to read as follows:

"SEC. 31. Any person designated by the Postmaster General to perform the duties of postmaster at any post office shall receive for the term for which he performs such duties the compensation to which he would have been entitled if he were regularly appointed as postmaster: *Provided, however*, That whenever an employee in the classified civil service is so designated to perform the duties of a postmaster he may receive either the compensation of the postmaster, or the salary provided for his position in the classified civil service, whichever is the greater."

SEC. 7. Effective January 1, 1938, section 6 of the Post Office Department Appropriation Act for the fiscal year ended June 30, 1877, approved July 12, 1876, as amended (U. S. C., 1934 ed., title 39, sec. 31), is repealed.

TITLE II—EXTENSION OF CIVIL-SERVICE LAWS TO GOVERNMENTAL AGENCIES

SECTION 201. Notwithstanding any provision of law to the contrary, the President is authorized by Executive order to place within the classified civil service as defined by the act of March 27, 1922, (42 Stat. 470), any position or group of positions (other than those for which a definite term is fixed by law and those in temporary emergency branches or agencies created by law or Executive order after March 4, 1933) in the executive branch of the Government which are exempted by law in force on the date of enactment of this act from the provisions of the Civil Service Act of January 16, 1883, as amended (22 Stat. 403).

SEC. 202. The provisions of this title shall also be held to apply to positions and employees in any corporation created under authority of an act of Congress which is controlled or owned by the United States Government, whether or not the employees thereof are paid from funds appropriated by Congress.

SEC. 203. The incumbent of any permanent position which is affected by any Executive order issued under the authority of this title who does not already have a classified civil-service status may acquire such status in his position only upon receiving a new appointment as a result of an open competitive examination held by the United States Civil Service Commission for filling the position, unless the head of the department, executive branch, or corporation having jurisdiction of the position shall certify to said Commission in writing that the incumbent has served with merit for not less than 1 year, in which case said incumbent shall receive a new appointment and acquire a classified civil-service status upon the satisfactory completion of a noncompetitive examination held by said Commission.

TITLE III—FEDERAL PERSONNEL COUNCIL

SECTION 301. For the purpose of developing in the Federal Government a more effective and economical system of personnel administration, there is hereby created and established a Federal Personnel Council (hereinafter referred to as the Council), which shall consist of the heads of the several executive departments, the President of the United States Civil Service Commission, the Director of the Bureau of the Budget, the Chairman of the Interstate Commerce Commission, the Administrator of Veterans' Affairs, the Governor of the Farm Credit Administration, the Chairman of the Social Security Board, the heads of such other independent establishments as the President of the United States may designate by Executive order, and a civil-service employee from each of the aforesaid executive agencies to be named by the head thereof. The President of the United States Civil Service Commission shall serve as chairman of the Council.

SEC. 302. The Federal Personnel Council shall (a) establish a liaison system between the Civil Service Commission and the several departments and independent establishments; (b) obtain information and other data concerning the employee training activities of the several executive departments and independent establishments and make arrangements for the coordination of these activities; make available to the executive departments and independent establishments such training facilities as are at its disposal; plan, establish, and supervise such employee training activities and programs as may be deemed advisable; and make such arrangements as may be deemed advisable to permit the representatives and students of colleges and universities of recognized standing and representatives of governmental research associations to observe administrative practices in the Federal service; (c) in cooperation with other agencies and authorities, arrange for the development of a career service in the Federal Government, and encourage the transfer or promotion of competent employees within the Government service by preparing and effecting plans for presenting to authorities in the several departments and independent establishments information concerning the training, experience, and work records of employees of the Federal Government which may be used when appointments to vacant positions are under consideration; (d) through its own studies, or in cooperation with public personnel agencies or associations thereof, obtain information concerning personnel methods, practices, or policies in other governmental jurisdictions, and make such information available to authorities of the Federal Government; through its own studies, or in cooperation with advisory committees composed of representatives of industry, business organizations, or educational institutions, obtain and make available to authorities of the Federal Government information concerning the best developments in personnel administration outside Government service; and make available to the public and to educational institutions authoritative information regarding employment by the Federal Government; and (e) prepare specific plans for the improvement and coordination of personnel administration in the Federal Government and cooperate with such executive departments and independent establishments as may adopt such plans.

SEC. 303. In accordance with the civil-service laws, rules, and regulations, the Council shall employ an executive secretary, who shall be an expert in the field of public personnel administration and who shall receive a salary at the rate of $10,000 a year. In addition to such other duties and responsibilities as may be assigned him by the Council, the executive secretary shall have charge of all research and administrative functions of the Council, and may appoint and fix the compensation of such persons (not to exceed — in number), either permanently or temporarily, as may be necessary for the proper execution of the work of the Council. Upon the request of the Council, the head of each department, independent establishment, or other executive agency of the Government shall furnish the Council with such data and other information as may be necessary to the work of the Council and shall detail employees to work under the direction of the Council in preparation of the necessary data or information regarding his organization.

SEC. 304. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the establishment, organization, and annual maintenance and work of the Council: *Provided*, That the Council, without regard to the provisions of any other act, may, after estimate by the Bureau of the Budget and appropriation by Congress, pay the expenses of persons, not in the United States Government service who are experts in some aspect of personnel administration, in attending conferences with representatives of the Council or in consulting or advising with them; purchase manuscripts from, or meet the costs of special studies made by, private persons, corporations, or agencies at the request of, or in cooperation with, said Council; pay the expenses of the representatives of the Council to attend meetings of conferences on personnel matters; and pay membership fees or dues in associations of personnel offices or agencies or in organizations which issue publications to members only or to members at a lower price than to others, payment for which may be made in advance.

SEC. 305. The head of each executive department, independent establishment, and other executive agency of the Government shall create in his organization, if no such position has already

been created, one position the duties of which shall be (a) to supervise and direct the personnel activities of the department, independent establishment, or other executive agency in accordance with such regulations as the head thereof and other duly constituted Federal agencies may prescribe; (b) to plan and supervise training programs for employees; (c) to consult with departmental authorities concerning personnel problems and advise them as to transfers, promotions, and the proper placement of employees; (d) to cooperate with the Civil Service Commission and other authorities in the application of personnel laws pertaining to the Federal service; (e) to supervise the maintenance of personnel records; and (f) to perform such other general duties, not herein specifically mentioned or implied, as the head of the department, independent establishment, or other executive branch shall direct. An incumbent of any position already created, or hereafter created, within the intent of the provisions of this section shall, in the case of a department, independent establishment, or other executive agency the head of which is a member of the Council, serve as the civil-service member of the Council for such department, independent establishment, or other executive agency provided for in section 301 thereof.

SEC. 306. Nothing contained in this title shall be construed to prevent the creation, in the bureaus or other divisions of the several executive departments, independent establishments, and other executive agencies, of such positions, the duties of which may involve the supervision or performance of personnel activities, as are deemed necessary to secure effective personnel administration.

SEC. 307. In order to improve the methods of personnel administration in the Federal Government, and, in particular, to provide a more effective means of regulating and controlling the compensation of employees occupying positions not now subject to the Classification Act of 1923, as amended, it is declared to be the policy of Congress to extend the provisions of said act, as amended, to such positions, including those in the field services, as nearly and as soon as the conditions of good administration will warrant. To this end it shall be the duty of the Council to make a survey of the duties and compensation of all positions and groups of positions in the executive branch of the Federal Government, whether or not they are now subject to the Classification Act of 1923, as amended, and within 6 months after the effective date of this act, to report to the Congress through the President its recommendations as to the extension or further amendment of the said Classification Act of 1923.

TITLE IV—COOPERATION WITH STATE AND LOCAL GOVERNMENTS

SECTION 401. The purpose of this title is to enable those States, Territories, dependencies, counties, cities, and other local governments in the United States, which desire to do so, to utilize the services of the United States Civil Service Commission and its employees in the development and operation of the merit system in their respective jurisdictions.

SEC. 402. Upon the written request of any duly constituted public body which is considering the adoption of the merit system of public personnel administration within its jurisdiction, the United States Civil Service Commission may send to that body the person or persons on its staff available and best qualified to consult and advise on those personnel matters regarding which said body seeks advice and guidance: *Provided*, That said body shall pay the necessary traveling expenses of said person or persons and reimburse the United States Civil Service Commission for the salary paid said person or persons for the time he or they were absent from the official work of said Commission and engaged on work for the requesting public body.

SEC. 403. The United States Civil Service Commission is hereby authorized to enter into contracts with any legally constituted public body or any public personnel agency within the United States or its possessions whereby the United States Civil Service Commission will conduct, supervise, or direct research work to advance the personnel practices or procedures of said personnel agency: *Provided*, That said contract shall provide for the payment by such public body or personnel agency to the United States Civil Service Commission of a sum approximately equal to the cost of such work as the Commission may do under the contract on the special behalf of such public body or personnel agency.

SEC. 404. The United States Civil Service Commission is further authorized to enter into contracts with any legally constituted public body or public personnel agency constituted by law whereby the United States Civil Service Commission will give, or will cooperate in giving, at cost, appropriate civil-service examinations for any positions or classes of positions under the jurisdiction of such public body or personnel agency. Said contracts may provide that the United States Civil Service Commission shall supply such public body or personnel agency with special eligible registers of the names of those persons who have passed specified United States Civil Service examinations, said registers to be made up in accordance with the requirements of such public body or personnel agency with respect to such matters as sex, age, residence, veterans' preference, and other factors. Said contracts for special registers shall provide that the legally constituted public body or personnel agency shall reimburse the United States Civil Service Commission for the approximate cost of the additional work involved in the preparation, giving, and grading of necessary examinations and the preparation of said special registers. Nothing herein contained shall be construed as requiring the United States Civil Service Commission to give or cooperate in giving any test or examination that it does not regard as adequate and appropriate for testing the ability of applicants for the positions in which they are to be employed.

TITLE V—APPOINTMENTS AND PROMOTION OF CIVIL-SERVICE EMPLOYEES

SECTION 501. Hereafter, in the case of any appointment to a position in the classified civil service there shall be a 6 months' period of probation. At the expiration of such period the services of the appointee shall be automatically terminated unless the appropriate appointing authority shall certify to the Civil Service Commission, on or before the expiration of the probationary period and in accordance with such rules and regulations as the Commission may prescribe, that the appointee is deemed qualified and fit to receive a permanent appointment, in which case such appointment shall be automatically effected at the end of the probationary period.

SEC. 502. In order to improve the morale of civil-service employees and to bring about appointments and promotions on the basis of merit and efficiency, the executive secretary of the council and the personnel officers provided for in section 305 shall, upon entering the duties of their office or, in the case of an incumbent of any such position already created, within 15 days after the date of enactment of this act, file with the chairman of the council a sworn statement that in carrying out the duties of their respective offices they will not appoint or promote, or recommend for appointment or promotion, any civil-service employee on any basis other than that of merit and efficiency, and that in no case will they permit any personal or political favoritism to influence their action. If the council or any of its duly authorized representatives finds, after appropriate notice and opportunity for hearing, that said executive secretary or any of said personnel officers has violated any of the provisions of this section, said executive secretary or personnel officer shall be removed from office.

Mr. O'MAHONEY. I also ask that there be printed in the RECORD the memorandum from the Union Postal Clerk, by Thomas Quinn Beesley, containing a statement of the increased efficiency in the Postal Department.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Union Postal Clerk, for June 1936]

GENTLEMEN, TAKE A BOW!

(By Thomas Quinn Beesley, executive director, National Council of Business Mail Users)

One glance at the statistics accompanying this article reveals a picture of which every member of the Postal Service should be proud.

It is a picture of steady increase in efficiency—which is another way of saying that for a quarter of a century the employees of the Post Office Department have been making a large and important contribution to the economy and success of its operations.

In saying this, I am not overlooking the credit to which the management of the Department is entitled or the influence of improved methods and facilities. Full allowance has been made for these in advance of compiling these statistics—the purpose was rather to measure the performance of the employees by the standard tests of the business world and rate them by the results—which tell the story beyond question or dispute. The personnel of the Department have certainly been "delivering the mail!"

The value of any summary depends on the reliability of the sources from which the information used in making it was drawn and the method of measurement employed. The summary accompanying this article was based on official statistics of the Government—from (a) the Bureau of Labor Statistics of the Department of Labor, and (b) the annual reports of the several Postmasters General. The method of measurement is the standard formula commonly employed in business—(a) for a sufficient period of time to allow a comprehensive test and present any major variations that might have occurred; (b) in relation to the number of personnel used to do the work during this period; and (c) in relation to the revenues that came in during the period while the work was being studied.

Obviously, unless the unit of output per employee in the Postal Service increased faster than the number of employees, there would be no gain in efficiency. In fact, there might even be a decline.

Furthermore, unless output per employee kept pace with increase in revenues, there would be no gain in efficiency.

Finally, unless there was a steady and notable increase in output for the whole of the period studied, there would be no gain either.

Another glance at the figures will show you clearly what has happened. Let me summarize them briefly here:

1. (Summary A). In 28 years, from 1908 to 1936, the output per postal employee has increased more than two and one-half times, or 259 percent;

2. (Summary B). In 28 years, from 1908 to 1936, while the numbers of employees have increased by a little more than one-half or 52 percent, the unit of output per employee has increased one and one-half times, or 149.4 percent;

3. (Summary C.) In 28 years, from 1908 to 1936, the unit of output per employee has actually increased twice as fast as the revenues of the Department, a 100-percent gain as shown by the difference between 259-percent gain in unit output as compared with the 160-percent gain in postal revenues.

The year 1908 was chosen as a matter of necessity, since the first statistical data were collected in that year. Therefore the base for the study, or the 100 percent from which the analysis must start, is the year 1908.

In the 5 years following that starting point, employee efficiency increased 29.5 percent. In the 13 years next following, the efficiency ratio jumped by the handsome total of 144.1 percent. With increased efficiency at this point, the improvement would be expected naturally to slow down as we approached the next point which would be that of maximum efficiency. It might be compared to a distance runner "getting his second wind." From 1926 to 1931, therefore, the rate of gain was 5.3 percent. Coming into the stretch, or final period of the study, 1931 to 1935 inclusive, the speed again picks up, and another gain of 10 percent is recorded, or double that of the preceding 5 years.

It is obvious to anyone comparing these analyses with the records of gains or losses of postal revenue for these periods, that the increase of efficiency came in the periods of greatest growth of the post office.

In the 23 years between 1908 and 1931, the unit of output per employee increased 149.4 percent. In other words, each employee multiplied his work production two and one-half times. Note carefully that the number of employees increased only one-half during this period; note also that revenues were increasing at a faster pace than the number of employees.

At every point of the study, it became increasingly evident that the gain in unit of output per employee would finally be shown to be far in excess of the percentage of gain in revenue. To make sure there was no error, the figures were checked and rechecked by several independent analysts. The results agreed unanimously. The efficiency of the individual employee was a steadily rising line on the chart that began steadily to move away from and ahead of the line for revenues.

In fact, if the figures had gone into minute detail, they would reveal a still more surprising picture of what has happened from 1931 to 1935. If the same ratio of employees had been maintained in that period, there would have been 39.8 more employees in 1935 than in 1931, where actually—in 1934—there were 22,000 fewer! In other words, the actual net increase in efficiency during that period is really higher than the chart shows.

Justice requires that this compliment be shared with the management of the Department in that period of 1933–34. I am sure no one will begrudge it.

In 1913 the number of employes was 301,000 with a revenue of $226,000,000. In 1934 the revenue was $586,000,000, and the number of employees was 279,000. To point out the contrast is to paint the lily!

The question perhaps arising in your mind at this juncture is, How did we arrive at the unit of output? Here is the answer:

We divided the number of pieces handled into the cost of production as shown by the Bureau and Department figures. The base was 1908, when the total was 14,567,706,216. In 1926, for example, the number was 35,558,568,500, and therefore the unit of output was 244.1. In 1931 the number was 36,335,675,318, and the unit of output was 249.4. In 1934 the number was 34,337,214,275, and the unit of output was 259.

Certainly the personnel of the Postal Service have done their share to hold down the operating costs of the Department by increasing their output and their efficiency. There is no occasion here to add the obvious further comment that could be made on the way in which the personnel offered their share of the financial sacrifice during the trying economic period before business started its great, present upturn. The record of increase in unit of output speaks for itself, without adding any other praiseworthy factors.

To complete this comment it is worth noting that this study was a wholly voluntary and independent study made by the National Council of Business Mail Users in the summer and autumn of 1935. It was inspired by a desire to analyze the exact relation of the postal personnel to the Department's cost of doing business. The answer is that the postal personnel make a magnificent showing. Gentlemen, take a bow!

Unit of output per employee, U. S. Postal Service, for period shown

[Year 1908=100 percent]

(A) BY PERIODS	Percent
1913	129.5
1926	244.1
1931	249.4
1935	259.0
(B) IN RELATION TO NUMBER OF EMPLOYEES, 1908–31	
Increase in number of employees	52.7
Increase in output per employee	149.4
(C) IN RELATION TO GAIN IN REVENUE, 1913–34	
Postal revenues:	
1913	$226,000,000
1934	$588,000,000
Percent of gain	160.0
Unit of output per employee:	
1913	129.5
1934	259.0
Percent of gain	100.0
Number of employees:	
1913	301,000
1934	279,000

NOTE.—All figures used are from Bureau of Labor Statistics and Post Office Department official reports.

INTERNAL-REVENUE TAXATION

Mr. LA FOLLETTE. Mr. President, I very much regret that at the time the tax bill was under discussion I did not have in my possession a document which I have since secured, because I think it might have helped to drive home the argument which I was attempting to make. Since the debate was closed on the bill I have secured a photostatic copy of a memorandum which was made in 1923 by Mr. D. H. Blair, then Commissioner of Internal Revenue, to Hon. Andrew W. Mellon, then Secretary of the Treasury.

Some time in 1923, it appears from this memorandum, the Secretary of the Treasury asked his appointee as Commissioner of Internal Revenue to give him a memorandum setting forth some of the various ways by which an individual might legally avoid tax. This appears from the context of the opening paragraph in the memorandum, although I am advised that there is no copy extant in the files of the Department of the request made by the then Secretary of the Treasury, Mr. Mellon.

It seems very significant to me that this request should have asked for "some" of the ways of avoiding tax, and not all, since obviously had it been intended to be used for the purpose of considering legislation to stop avoidance of taxes, no doubt it would have required information concerning all of the ways in which taxes could be avoided. Secondly, it seems very significant to me that the memorandum called only for ways in which an individual might avoid tax, since had the information been desired for purposes of recommending remedial legislation, obviously methods for avoiding corporation and other types of taxation would have been asked for.

Also, Mr. President, I should like to state that it is my information that the evidence in the Government's tax case against Mr. Mellon shows that nearly all of the ways of avoiding tax legally which were set forth in this memorandum of Commissioner Blair to Secretary Mellon were employed by the Secretary himself while he was Secretary of the Treasury and afterward.

Mr. NORRIS. Mr. President, I wish the Senator would elucidate that last remark. The Senator said nearly all of these ways were employed. I ask the Senator whether it is not a fact that he means they were all employed by Mr. Mellon himself in reducing his own taxes.

Mr. LA FOLLETTE. What I meant to say was that I am advised that in the case against Mr. Mellon to collect taxes which the Government claims Mr. Mellon owes the Government, evidence has been adduced to indicate that Mr. Mellon used nearly all of the legal methods of avoiding tax which Mr. Blair furnished him in this memorandum.

I merely wish to take the time of the Senate to read the first method Mr. Blair suggested, and I read two paragraphs:

> Pursuant to your request for a memorandum setting forth some of the various ways by which an individual may legally avoid tax I am pleased to submit the following, which has been prepared by a member of the income-tax unit of this Bureau:
>
> A means by which individuals may avoid tax is to permit the earnings of a corporation to accumulate by not making a distribution of its earned surplus to its stockholders. Section 220 of the 1921 law provides that any corporation formed or availed of for the purpose of preventing the imposition of surtaxes upon its stockholders through the medium of permitting its gains and profits to accumulate instead of being distributed there shall be levied a tax equal to 25 percent of the amount thereof which shall be in addition to the tax imposed by section 230; but the fact that the gains or profits are in any case permitted to accumulate shall not be construed as evidence to avoid the tax unless the Commissioner certifies that such accumulation is unreasonable for the purpose of the business. This section has been found very difficult to administer.

I think it will be of very great interest to those who may chance upon this part of the CONGRESSIONAL RECORD to read the other ways Commissioner Blair furnished to Secretary Mellon by which he might avoid his tax.

My point, briefly, is that the principle which the President espoused in his message on March 3 has been attacked in some quarters as being a new and novel idea, and I tried to point out in the remarks which I made that it has been under consideration for a long time. Here is an indication

dating back as far as 1923 that the then Commissioner of Internal Revenue, Mr. D. H. Blair, was pointing out to Mr. Andrew W. Mellon that that was a very good way legally to avoid tax, and I think if Senators will take the trouble to read the annual statements of the so-called "Mellon companies" they will find that all of them have been adopting this procedure ever since.

Mr. President, I ask unanimous consent that the entire memorandum may be incorporated in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, 1923.

THE SECRETARY OF THE TREASURY:

Pursuant to your request (no copy in file) for a memorandum setting forth some of the various ways by which an individual may legally avoid tax, I am pleased to submit the following, which has been prepared by a member of the Income Tax Unit of this Bureau:

A means by which individuals may avoid tax is to permit the earnings of a corporation to accumulate by not making a distribution of its earned surplus to its stockholders. Section 220 of the 1921 law provides that any corporation formed or availed of for the purpose of preventing the imposition of surtaxes upon its stockholders through the medium of permitting its gains and profits to accumulate instead of being distributed there shall be levied a tax equal to 25 percent of the amount thereof, which shall be in addition to the tax imposed by section 230; but the fact that the gains or profits are in any case permitted to accumulate shall not be construed as evidence to avoid the tax unless the Commissioner certifies that such accumulation is unreasonable for the purpose of the business. This section has been found very difficult to administer.

In a case where the stock of a corporation is closely held it is possible for individuals to make loans from corporations and to give non-interest-bearing notes payable on demand to the corporation for such loans, thus escaping the surtaxes which would be applicable to an individual who had received a distribution in the nature of dividends.

A means which is very frequently resorted to by an individual is for him to make a division of his property in the nature of gifts to members of his family, the income from said property would fall in the lower surtax brackets, thus reducing the tax.

By forming a foreign corporation to handle operations in foreign countries and retaining the funds in a foreign country would prevent the United States Government from taxing any profits on sales made to the foreign corporation on goods shipped out of this country.

An individual may reduce his taxes by selling securities or other property which he would not ordinarily dispose of which have depreciated in value, thus taking his loss to apply against other income taxable in a particular year.

It is possible to avoid tax by the sale of property on an installment plan, receiving in exchange an amount in cash less than one-fourth the value of the property and notes for the remainder, payable over a period of years.

Another means very frequently resorted to is for an individual to form a partnership consisting of members of his immediate family, the income from the partnership being taxable to the individual members of the partnership whether distributed or not. The effect of such arrangement would keep the income from falling in the high surtax rates.

It is possible for an individual to avoid tax by deeding property which has appreciated in value to his wife or other members of his immediate family. The profit on the sale would be the same as it would have been in the hands of the donor or the last preceding owner by whom it was not acquired by gift but the effect would be that a wealthy man with a large income would be able to avoid the high surtax rates on such a sale and the profit would be taxed to the recipient of the gift at a lower surtax rate.

By the creation of a trust in favor of minor children by their parents, who are trustees, it is possible to distribute income from securities and other income-producing property and reduce the total tax. It could be said that the trust was primarily created for the purpose of keeping intact the amount received by a parent under a will who desired to pass the entire amount to his children at his death or that the trust was created for the purpose of protecting his family while engaged in a hazardous business. The effect, however, in either case would result in a saving in taxes.

By the forming of a corporation to take over the operations of an individual, the stock in which is either held by the individual who paid for the property or is distributed among those who would be the beneficiaries in the case of his death had the property been held in the name of the individual; the maximum tax paid by the corporation under the 1921 act would not exceed 12½ percent and the surtaxes to the stockholders would not apply to any portion of the undistributed income.

It is possible where stock of a corporation is closely held and the corporation may own assets which have appreciated in value and which the individual stockholders desire to sell for the purpose of realizing a profit to form a trust taking over the assets of the corporation, the trust then disposing of the assets at a profit which profit would be distributed among the members of the trust who were also former members of the liquidated corporation. The effect in reducing the taxes would be the amount of tax the corporation would have to pay in case the assets had been sold by said corporation.

To make investments in tax-exempt securities is a means of large savings in taxes to taxpayers of considerable wealth.

D. H. BLAIR, *Commissioner.*

REGULATION BY CONGRESS OF AGRICULTURE, COMMERCE, INDUSTRY, AND LABOR

Mr. ASHURST. Mr. President, the purpose of a government pretending any practical excellence is to make the life of its people more useful, easier, more graceful, and more nearly secure.

Americans believe it is the duty and function of our Government to concern itself with protecting the civil and political rights of its citizens, and that to protect the civil and political rights of citizens was the principal and controlling reason why our Government was established.

The fact that the American Government would use all of its resources to resist and repel any hostile invasion is eloquent evidence that our Government concerns itself with the physical safety of the citizen.

It is confusing to attempt to define "economic independence" and "economic security." As a rule those persons who are temerarious enough to try to define these phrases usually render them more indistinct and obscure.

For the purpose of this address, therefore, in order not to be too venturous, the phrases "economic independence" and "economic security" are employed in the sense in which they are generally understood by the majority of our countrymen.

Although trade and commerce and economic pressure had their not insignificant part in establishing the American Government, it cannot be said that the object of the founders of our Government was to guarantee the economic independence or economic security of the individual citizen.

The purpose, plan, and structure of our Government as originally established was that, while the Government protected the citizen's civil liberty, he must earn his own subsistence by the exercise of industriousness, frugality, zeal, prudence, intelligence, and honest business methods.

It was not until about the beginning of the present century, coincident with the enormous expansion of industry, that the Government began to make gestures toward assuring the citizen that he might be free from penury in his old age. During the first 105 or 110 years of our national life the citizen was left to his own resources and to his own devices to smite the obdurate face of nature and carve out a fortune or to earn a subsistence if he could. If he found himself penniless, the State did not concern itself with that fact. If he could not earn a living, his alternatives were to die a pauper or depend upon charity or the bounty of friends or kinsmen.

No plan of government or scheme will ever be discovered whereby mankind will subsist except through his own efforts. No easy way to achieve success has ever been or ever will be discovered. Poverty is not necessarily a badge of incompetence; many capable persons fail. Conversely, now and then some unworthy person without courage or integrity is awarded a prize by the legerdemain of chance or by the impishness of the dice of destiny, but, none the less, success gravitates toward those who are worthy of success. At the beginning of the human drama it was ordained that it shall be difficult to achieve success, even to earn a subsistence.

No one will ever circumvent fate on this particular point, for she has resolved that in obtaining success, or in subsisting himself, man shall be upon his mettle so long as he inhabits this globe.

It is nature's harsh but wise law that the person who receives a subsistence otherwise than through the fruits of his own labor will degenerate, and that the person who expects to "get something for nothing" has already begun to decay.

One of the reasons why the American Government, as established, did not provide for economic independence or for economic security for the individual citizen was that, as has been well said, in a pioneer community such as the country was when the Government began to function, an indi-

vidual, to survive, must needs personally have knowledge of crops, weather, domestic animals, wild animals, firearms, trees, seasons, industrial plans and poisonous plants, textile making, cottage industry, domestic science, smithing, carpentering, cooperage, storm phenomena, pasturage, treatment of wounds, and so forth. The daily obstacles to be overcome by the pioneer made him not only wise but also made him courageous, clever, self-reliant, bold, and independent.

The citizen of the present day, on the other hand, has no such strengthening and educative influences in his morning and evening trips between his home or his boarding house and the office, or between his home or his boarding house and the field, farm, factory, mill, mine, or shop.

Individual survival in a nation so highly mechanized and industrialized now depends not upon his surmounting the difficulties that beset the pioneer but depends rather upon his agility in dodging automobiles, his ability to understand train schedules and read timetables, observe warning signals, pay attention to labels on delicatessen foods, use the telephone, the telegraph, keep his hands and feet out of machines that may macerate him, and be familiar with dozens of gadgets supposed to bring creature comfort. The wildest hyperbole could not describe the changes in conditions and problems in America that have occurred within the past 150 years.

All these words have brought me to the question as to whether a changing or dynamic economy may be confined within a static or potential system. If we remain indifferent to the changes in the aims, habits, and methods of society—indifferent to the dramatic march of events—do we not run great risks? Whether or not we agree as to the wholesomeness of the changes we may not deny that they have come.

We are now in one of the great climacterics of the world, an era of change in thought and policy in which the question of acquiring and possessing property is being discussed. Enlightened persons perceive that the right to acquire and own property is in itself one of the cornerstones of human freedom.

The right to acquire and possess property, big and little, is just as true a portion of the liberty of an American citizen as is his right to vote, to hold office, or to possess the natural rights and immunities that accompany free men everywhere. The citizen must have not only freedom of speech, freedom of assembly, and freedom of worship but must also have opportunity to earn his own livelihood and to improve and increase his fortune so long as he does not interfere with the same rights belonging to everybody else.

The right to possess a home or a farm and to save a portion of earnings is one of the most wholesome factors in civilization. There must not be any artificial hindrance to the success of an honest, industrious, and capable person. On this question, however, we need have no fear, as under our American plan the Government, even if it desired to do so, could not give countenance or assistance to any scheme which would efface individuality, cancel excellence, or deprive ambition of its reward.

No observing man will fail to perceive that there are many persons—respectable in number and respectable in character—who, particularly in times of depression, cannot subsist without aid, and these citizens thus dependent or economically or socially insecure may be divided into the following groups, or, rather, the cause of their lack of means of subsistence has been brought about by any one of the following reasons:

Economic or social insecurity due to old age.

Economic or social insecurity due to infirmity, illness, or injury.

Economic or social insecurity due to calamities that no sagacity could circumvent.

Economic or social insecurity due to unemployment.

Economic or social insecurity due to death of family breadwinner.

Shall society say—shall the Nation say to such persons: "Your distress is solely your own concern"? I do not believe society will make any such answer or that a humane government will make any such answer.

I now introduce a proposed amendment granting to Congress the power to make laws "to regulate agriculture, commerce, industry, and labor."

This is the briefest amendment ever proposed, yet its seven operative words, "to regulate agriculture, commerce, industry, and labor", are ample to grant to Congress the power, within some limitations, to make such laws as were recently declared by the Supreme Court of the United States to be beyond the power of Congress to enact. This proposed amendment, if ratified, would give Congress power to regulate hours and conditions of labor, fix minimum-wage standards in any employment, regulate industry, business, production, agriculture, commerce, labor, and trade, and denounce unfair practices.

The Constitution is an instrument to defend liberty without opposing true progress. The Constitution will not be preserved by thwarting a well-defined, seasoned, sober second thought of the citizenry.

Nothing can be gained by an attempt to deny the plain fact that the Supreme Court of the United States is, and will remain, the authoritative interpreter of the Constitution.

If additional power be needed by Congress in order to enact social legislation, we must secure authority from the source of governmental power, the people themselves, by constitutional amendment, and not by insisting that the Supreme Court shall make strained constructions and interpretations of the Constitution.

Whether this proposed amendment will be ratified by the required number of States is a question to which no answer may be vouchsafed at this time.

There are, of course, some perils to be encountered in granting such authority to Congress; but candor and frankness require us to admit that the existing complexity and interdependence of American life and industry make necessary the national treatment of many problems.

There is, as was said by Dr. Glenn Frank, president of the University of Wisconsin, "an irreducible balance of powers between the States and the Nation" that may not safely be destroyed. If all power be centered in the Federal Government, we would go the melancholy way of nations that commit such folly.

This proposed amendment, if ratified, would augment Federal authority, but it would not constitute a fatal surrender of that irreducible and necessary balance of power between the Nation and the States.

Thomas B. Macaulay, whose talents and merits as a philosopher and historian were great, almost beyond the range of eulogy, speaking in the British House of Commons on parliamentary reform on September 20, 1831, among other things, said:

> The end of a government is not directly to make the people rich but to protect them in making themselves rich, and a government which attempts more than this is precisely the government which is likely to perform less.

I paraphrase Maccaulay's remark to say that the end of a government is not directly to feed the people but to protect them and assist them in feeding themselves, and the government which refuses to attempt this, is precisely the government which will probably never again accomplish anything.

In the present state of the public mind, President Roosevelt has two species of opposition against which to contend, namely, those persons who consider that in its social-security policies he has not gone far enough and those who considered that he has gone too far.

Mr. President, 40 or more years ago when the American cowboys—those excellent and racy spirits of so much native freshness, frankness, and verve—drove the thundering herds they sang their folklore songs. Many of the words have perished, but the cadence and the lilt of their songs still linger. Among their songs was one entitled "Get Along Little Dogies."

The "dogies" were the feeble, undernourished orphan calves, the slow, the weak, and the sick. The concern and solicitude of the cowboy as he drove the herd was not for the longhorns, the stout, or the swift; he knew that the longhorns, the stout, and the swift could reach water and grass; but, inasmuch as the herd could travel no faster or further than the dogies—that is to say, the weakest—could go, his care was for the infirm, the weak, and the slow, which he sometimes called the drags, as the drags impeded the progress of the herd and the herd could go no faster than the slowest.

Likewise it is with the human race; with all its grand achievements and triumphs it may proceed in its upward and onward march only as rapidly as its slowest and weakest members can travel.

This slow progress may be irksome and irritating to those persons who are gifted or fortunate and who, therefore, laudably desire more rapidly to achieve beneficent results in government and in ameliorating distress; but this slow advance of society is an immutable law of natural philosophy and physics that admits of no amendment or repeal.

I now ask unanimous consent to introduce the joint resolution and have it read at the desk. I request also that it be referred to the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, the joint resolution will be received, referred as requested, and will be read by the clerk.

The joint resolution (S. J. Res. 285) proposing that the Congress shall have power to make laws to regulate agriculture, commerce, industry, and labor was read the first time by its title, the second time at length, and referred to the Committee on the Judiciary, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION I. The Congress shall have power to make laws to regulate agriculture, commerce, industry, and labor.

"SEC. II. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States, as provided in the Constitution, within 7 years from the date of the submission hereof to the States by the Congress."

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair) laid before the Senate a message from the President of the United States submitting a judicial nomination (and withdrawing a nomination), which was referred to the Committee on the Judiciary.

(For nomination this day received and nomination withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

He also, from the Committee on Appropriations, reported favorably the nominations of the following persons to be State directors of the Public Works Administration:

Harold J. Lockwood, Maine, New Hampshire, and Vermont;

William J. Maguire, Rhode Island; and

Don Abel, Washington.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the calendar is in order. The clerk will state the first order of business on the calendar.

INTERNATIONAL CONVENTION OF COPYRIGHT UNION

The Chief Clerk announced Executive E (73d Cong., 2d sess.) the International Convention of the Copyright Union as revised and signed at Rome on June 2, 1928, as the first business in order on the calendar.

Mr. PITTMAN. Mr. President, this treaty was reported session before last. As chairman of the committee I moved that it be considered, which was done, and it was ratified. The next day the Senator from Wisconsin [Mr. DUFFY] called my attention to the fact that there had been an agreement that the treaty should be accompanied by legislation on the part of the United States defining and providing for the administration of the treaty so far as this country was concerned, and that the treaty was not to be brought up for ratification until such a bill had been passed. The treaty was placed on the calendar again at my request and an appropriate bill was introduced, referred to and considered by the Committee on Patents, and reported by it and passed by the Senate, but it has not as yet passed the House of Representatives.

We have had a great many inquiries as to why the treaty has not been considered. We are urged to act upon it, notwithstanding the agreement to which I have referred. I have replied to the various letters stating the agreement had and explaining the situation. We cannot violate that agreement. However, under the rules of the Senate the treaty automatically will be returned to the Committee on Foreign Relations at the end of this session of Congress. At the next session of Congress it may be reported without the agreement to which I have referred. It may be presented then for ratification notwithstanding the failure of any legislation of the character to which I have indicated. At the next session of Congress, when the treaty is reported, if it is known that it will be submitted to the Senate without regard to any such agreement there will probably be a very strong effort on the part of the two Houses to agree on legislation to accompany the treaty.

That is all I have to say with regard to the treaty, which, of course, will necessarily have to be passed over under the agreement.

Mr. McNARY. Mr. President, it is not the desire of the Senator to proceed to consideration of the treaty today, I understand?

Mr. PITTMAN. I thought it was generally understood that was not to take place.

Mr. McNARY. It is legislation quite as important as any on the calendar. I think none of the treaties on the calendar should come up for consideration today. I am very willing to have nominations on the calendar considered, but a treaty is purely legislative in character. I ask the Senator that we may carry out the agreement made this morning that bills on the calendar shall go over and take their place in our proceedings a week from today and that treaties shall take the same course.

Mr. PITTMAN. I realize that the treaty is in the same condition as other measures on the calendar which were discussed this morning.

Mr. McNARY. Furthermore, in the temporary absence of the two Senators from Washington [Mr. BONE and Mr. SCHWELLENBACH] and the junior Senator from Oregon [Mr. STEIWER], I would not want the fourth treaty on the calendar considered at this time, but that it should follow the general agreement. As chairman of the committee, I hope the Senator will preserve the agreement we entered into earlier in the day affecting matters on the Legislative Calendar.

Mr. PITTMAN. There are two other treaties on the calendar to which I believe no one would object. There is one simply extending the bankruptcy laws, and there is a treaty with regard to sockeye-salmon fisheries, but I understand there is a controversy between British Columbia and the States of Washington and Oregon with regard to that. I have been informed that the States had an understanding which was being carried out in the form of a reservation.

Mr. McNARY. I think there is perfect harmony between the Northwestern States with respect to the treaty, but it should go over under the general agreement.

Mr. PITTMAN. The Senator is justified in raising the same question. Accordingly, all treaties on the calendar may go over at this time.

Mr. McNARY. I thank the Senator.

The PRESIDING OFFICER. All treaties on the calendar will be passed over. Nominations on the calendar are in order.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Alfred W. Klieforth, of Pennsylvania, to be consul general of the United States.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Harold Shantz, of New York, to be consul general of the United States.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Leslie A. Davis, of New York, to be consul general of the United States.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Edward I. Nathan, of Pennsylvania, to be consul general of the United States.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY

The Chief Clerk read the nomination of Benigno Fernandez Garcia, of Puerto Rico, to be attorney general of Puerto Rico.

Mr. ROBINSON. Mr. President, with respect to the nomination just stated, at the request of a number of Senators who are absent I ask that the nomination go over for the present.

The PRESIDING OFFICER. The nomination will be passed over.

FEDERAL COMMUNICATIONS COMMISSION

The Chief Clerk read the nomination of George Henry Payne, of New York, to be a member of the Federal Communications Commission for the term of 7 years from July 1, 1936.

Mr. BILBO. Mr. President, I ask that the nomination go over.

The PRESIDING OFFICER. The nomination will be passed over.

Mr. WAGNER subsequently said: Mr. President, when the nomination of George Henry Payne, of New York, to be a member of the Federal Communications Commission, was read a moment ago, the junior Senator from Mississippi [Mr. BILBO] objected. I have talked with the Senator from Mississippi since and understand the Senator has withdrawn his opposition to the nomination. I therefore ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

JOHN F. CURRAN

Mr. McKELLAR. Mr. President, from the Committee on Post Offices and Post Roads I report favorably the nomination of John F. Curran to be postmaster at Milford, Mass. The report has received the approval of both Senators from Massachusetts. I ask unanimous consent for the immediate consideration of the nomination.

The PRESIDING OFFICER. The nomination will be read.

The Chief Clerk read the nomination of John F. Curran to be postmaster at Milford, Mass.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none, and the nomination is confirmed.

Mr. McKELLAR. I ask unanimous consent that the President may be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that all nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. CONNALLY. Mr. President, I request that the nomination of Walter E. McRee to be postmaster at Eagle Lake, Tex., may be passed over. I do so at the request of the Member of Congress from that district, because there is some arrangement pending about the appointment of a postmaster at that place.

Mr. McKELLAR. Mr. President, does the Senator want the nomination recommitted to the Committee on Post Offices and Post Roads?

Mr. CONNALLY. Yes.

Mr. McKELLAR. Very well. I ask that the nomination of Walter E. McRee, to be postmaster at Eagle's Lake, Tex., be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McKELLAR. With that exception, I ask that all other nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, nominations of postmasters, with the exception noted, are confirmed en bloc.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask unanimous consent that nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

That completes the calendar.

ADJOURNMENT TO JUNE 15

The Senate resumed legislative session.

Mr. ROBINSON. Mr. President, pursuant to the terms of the concurrent resolution heretofore adopted, I move that the Senate adjourn until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 20 minutes p. m.) the Senate adjourned, the adjournment being under House Concurrent Resolution No. 53, adopted by the two Houses on June 5 instant, until Monday, June 15, 1936, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 8, 1936

UNITED STATES DISTRICT JUDGE

Vincent L. Leibell, of New York, to be a United States district judge, southern district of New York, vice Francis A. Winslow, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 8, 1936

DIPLOMATIC AND FOREIGN SERVICE

Alfred W. Klieforth to be a consul general of the United States of America.

Harold Shantz to be a consul general of the United States of America.

Leslie A. Davis to be a consul general of the United States of America.

Edward I. Nathan to be a consul general of the United States of America.

FEDERAL COMMUNICATIONS COMMISSIONER

George Henry Payne to be a member of the Federal Communications Commission.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Capt. Earl Thomas McCullough to Quartermaster Corps.
First Lt. Richard Tide Coiner, Jr., to Air Corps.
Second Lt. William Jack Holzapfel, Jr., to Air Corps.
Second Lt. Gene Huggins Tibbets to Air Corps.

PROMOTIONS IN THE REGULAR ARMY

Thomas Charles Spencer to be colonel, Signal Corps.
Robert Mercer Cheney to be colonel, Cavalry.
James Howard Laubach to be colonel, Quartermaster Corps.
Ralph Wayne Dusenbury to be colonel, Infantry.
Parley Doney Parkinson to be lieutenant colonel, Infantry.
John Hobert Wallace to be lieutenant colonel, Field Artillery.
Raymond Marsh to be lieutenant colonel, Ordnance Department.
Harold Eugene Small to be lieutenant colonel, Coast Artillery Corps.
Herman Uth Wagner to be major, Ordnance Department.
Theodore Leslie Futch to be major, Field Artillery.
William Innes Wilson to be major, Ordnance Department.
William Rebert Gerhardt to be major, Ordnance Department.
Theodore Earl Buechler to be major, Field Artillery.

APPOINTMENTS IN THE REGULAR ARMY

James Kelly Parsons to be major general, United States Army.
Lorenzo Dow Gasser to be brigadier general, United States Army.

POSTMASTERS

ALABAMA

John P. Cox, Collinsville.
Lucile W. Hereford, New Market.
Harold C. Sharpe, Piedmont.
Madge B. Bankhead, Sulligent.
Frank Poole, Wetumpka.

ARIZONA

Edward M. Schmidt, Tolleson.

CALIFORNIA

Fred M. Snider, Colton.
James Clyde Strouss, Mill Valley.

CONNECTICUT

John J. Lee, Beacon Falls.
Michael P. Spezzano, Riverside.
John J. O'Keefe, Southington.

GEORGIA

Dean R. Adams, Boston.
Kate Harris, Leesburg.

IDAHO

Alma Morrow, Challis.

ILLINOIS

Philip A. Daum, Carrollton.
William C. Herrin, Cave in Rock.
Albert T. Humrichous, Georgetown.
Gertrude W. Daub, Williamsfield.

INDIANA

William Henry Lynch, Boswell.

IOWA

Clifford A. Brause, Denver.
Clifford J. Hayes, Dunkerton.
Andrew J. Walter, Eldon.
Hugo O. Micheel, Holstein.
Ralph V. Johnson, Hudson.
Fritz H. Schulte, Kensett.
Peter J. MaGrath, Mount Ayr.
Anna L. Roberts, Nodaway.
John L. O'Neill, Oakland.
Esther M. Olson, Pacific Junction.
Bernice Herrick, Wapello.

KANSAS

Thomas W. Sloan, Garfield.
Guy R. Malin, Macksville.

KENTUCKY

Roy Fraim, Alva.
Joseph P. Gozder, Campbellsville.
Daniel S. Mitchell, Crofton.
Henry Roe Thompson Kinnaird, Edmonton.
Raymond E. Doyle, Glasgow Junction.
Myrtle B. Vaughn, Louellen.
Vallette McClintock, Paris.
George A. McGowan, Pleasureville.
Elmer Deatherage, Richmond.
Raymond H. Cornett, Verda.

LOUISIANA

Thomas Wallace McGinn, Jr., Crowley.
Ethel T. Gauthier, Lake Arthur.

MAINE

Eleric F. Michaud, Island Falls.

MARYLAND

Marjorie E. Williams, Goldsboro.
Clayton F. Porter, Greensboro.
Alexander R. Woodland, Marion Station.

MASSACHUSETTS

Stephen W. Bartlett, Barnstable.
F. Thomas Ellis, Brewster.
Gilbert W. O'Neil, Gloucester.
John E. Little, Island Creek.
John F. Curran, Milford.
Richard J. Doolin, Monroe Bridge.
James A. Murphy, New Bedford.
Clement J. Coughlin, North Easton.
Gertrude H. Mortimore, Russell.
James Everett Marvelle, Wareham.
Thomas E. Hynes, Wayland.
Thomas H. Hackett, Westboro.
Vincent C. Ambrose, Winchester.
Joseph J. Baron, West Warren.

MICHIGAN

James Kent Torrey, Dowagiac.
Harold H. Mickle, Homer.
Gordon M. Gould, Lawrence.
Alfred C. Maurer, Monroe.
Frank L. Thome, St. Johns.

MINNESOTA

Anshelm T. Westrom, Cambridge.
William P. Tanner, Cannon Falls.
Zelphia Taylor, Hill City.
Inga O. Berget, Holt.
Herluf E. Jensen, Hutchinson.
Raymond P. Nolan, Janesville.
Edward C. Keefe, Rose Creek.
Tallof T. Hamrey, Trail.
Frances C. Van Vleck, Waverly.
Isaac B. Dybdal, Wendell.

MISSISSIPPI

Marguerite J. Crittenden, Greenville.
William W. Armstrong, Leland.
Christine H. Douglas, Maben.

MISSOURI

Clay C. Shelton, Clarkton.
Gideon Ward Miller, Edgerton.
Walter T. Jensen, Eolia.
Adam C. Eby, Holt.
Harry L. Epperson, Hurdland.
Morris O. Brasher, Jerico Springs.
Frank H. Parker, Kidder.
Mae B. Whitfield, Oronogo.
Frank C. Murdock, Seneca.
Ethel Enyart, Stanberry.
Harley E. Church, Stockton.
William R. Buche, Warrenton.

NEBRASKA

Anna Martin, Battle Creek.
Margaret H. Andersen, Belgrade.
James A. Sears, Decatur.
Wayne E. Parker, Farnam.
Evelyn I. Zuhlke, Gurley.
George B. McDowell, Hardy.
Louis W. Eggert, Newman Grove.

Mary B. Farrell, Schuyler.
Inez Gail Lidgard, Stockville.
Harry H. Jordan, Wilcox.

NEW JERSEY

Aubrey H. Phillips, Clementon.
Lewis D. Smith, Jr., Fort Hancock.
Robert P. Cosgrove, Madison.
Charles A. Hildebrand, Ridgefield.

NEW YORK

Rita McGoey, Hartsdale.

NORTH CAROLINA

Clyde B. Archbell, Battleboro.
Gladys O. Howard, Cornelius.
Singleton F. Thompson, Flat Rock.
Thad T. Russell, Granite Falls.
Angus Raymond McRacken, Kenly.
William E. Blakely, Kings Mountain.
Robert A. Rudisill, Maiden.
Jarnagin C. Rice, Montreat.
Herbert O. Phillips, Morehead City.
Harry H. Llewellyn, Mount Airy.
Oliver L. Hoffman, Mount Holly.
Leon A. Mann, Newport.
William J. Smith, Jr., Oriental.
James K. Beaty, Paw Creek.
Lois D. Braswell, Princeton.
James B. Hayes, Rocky Point.
Lucile L. White, Salemburg.
Frank L. Nixon, Sunbury.
Lewis Taylor Bartholomew, Spring Hope.

NORTH DAKOTA

Frank W. Kelly, Devils Lake.

OHIO

Ferdinand J. Lenhart, Botkins.
Ervin J. Ostermyer, Chatfield.
William F. Hookway, Creston.
Paul C. Patterson, East Sparta.
Cleo B. Brockman, Fort Jennings.
William H. McConaha, Fort Recovery.
Paul E. Harbaugh, Kings Mills.
Irene Francescon, Leavittsburg.
Robert W. Gutermuth, Mason.
Gladys E. Sperry, Middlefield.
Myron G. Swaller, Navarre.
Elwood E. Hardesty, Paulding.
August J. Brown, Wapakoneta.
James Spencer Hockenbery, West Jefferson.
Henry Provo, Wickliffe.

PENNSYLVANIA

Alice S. Keating, Avondale.
Urban W. O'Donnell, Bethlehem.
Lawrence J. Leonard, Butler.
Ardrey Boyle, Centerville.
James P. Sullivan, Corry.
Bernetta B. Deegan, Dushore.
Elmer S. Harry, East Petersburg.
Chester R. Wahl, Evans City.
James B. Eschbach, Florin.
Carolyn T. Foulk, Gap.
Peter V. Abel, Graterford.
James E. Madigan, Houtzdale.
Ellis L. Lynch, McConnellsburg.
Joseph W. Hoover, Mountville.
Charles D. Fitzpatrick, Trevorton.
Roy Wilkinson, Valley Forge.

PUERTO RICO

Judson Ulery McGuire, Bayamon.
Adela Delpin, Fajardo.
Rita M. Vecchini, Guayanilla.
Irma E. Kryzanowsky, Ponce.

SOUTH CAROLINA

Lottie G. Myers, Pamplico.

TENNESSEE

Lindsay N. Smith, Culleoka.
Thaddeus C. Haley, Friendship.
Edgar D. Hagan, Redboiling Springs.

TEXAS

George J. Bell, Aubrey.
Charles M. Fagg, Blue Ridge.
Devoe Dover, Carbon.
Marion L. Garvin, Jr., Como.
J. Frank Weaver, Cumby.
Walter B. May, Desdemona.
Coin T. Seago, Gustine.
Jimmie L. Holford, Hico.
James F. Mitchell, Lancaster.
Henry T. Peace, La Pryor.
Geneva M. Michael, May.
David C. Harris, Mineral Wells.
W. J. Smith, Montgomery.
Irene King, Neches.
Ida A. Stockburger, Oglesby.
Sarah O. Beaver, Queen City.
Lillian Beazley, Quemado.
Marcus E. Jud, Riesel.
Janie W. Chandler, Smiley.
William B. Richardson, Telephone.
Andrew S. Tarpley, Truscott.

VERMONT

Albert A. LaFrance, Derby Line.
Robert F. Pierce, Lyndonville.
Harry L. Simonds, Saxtons River.

WASHINGTON

Alvin E. Scott, Benton City.
Elliot Curry, Colville.
Mary F. Stowers, Eastsound.
Regina M. Mohrmann, Ferndale.
William Robert Ross, Grand Coulee.
Erica A. Sheehan, Lake Stevens.
Esther H. Boaz, Manson.
Thomas Phil Hickman, Monroe.
Ethel R. Hanks, Port Orchard.
Truman W. Chamberlain, Quincy.
Edward V. Pressentin, Rockport.

WEST VIRGINIA

Bennie D. Wiley, Athens.
Harper H. Hudson, Durbin.
Reuben Williams, Glen Rogers.
James B. Shrewsbury, Princeton.

WISCONSIN

Fred V. Starry, Barneveld.
Christian A. Hoen, Edgarton.
H. Shirley Smith, Holmen.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 8, 1936

POSTMASTER

PENNSYLVANIA

Annis G. Lewis to be postmaster at Ulysses, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 8, 1936

The House met at 12 o'clock meridian.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Heavenly Father, we are deeply grateful for the blessed assurance of Thy promise: "Thou wilt keep him in perfect peace whose mind is stayed on Thee, because he trusteth in Thee." When Thou dost guide us no ill can come. Keep ever in our hearts, merciful Lord, the teaching

of Thy Holy Word: "Blessed is the man that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful. But his delight is in the law of the Lord, and in His law doth he meditate day and night." Bless us all with the refuge of pure thoughts and good works. Through Christ. Amen.

The Journal of the proceedings of Friday, June 5, 1936, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 1, 1936:

H. J. Res. 525. Joint resolution to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes.

On June 3, 1936:

H. R. 1252. An act for the relief of Odessa Mason;

H. R. 9125. An act for the relief of Dr. F. U. Painter, Dr H. A. White, Dr. C. P. Yeager, Dr. W. C. Barnard, Mrs. G. C. Oliphant, Amelia A. Daimwood, the Sun Pharmacy, Bruno's Pharmacy, Viola Doyle Maguire, Louise Harmon, Mrs. J. B. Wilkinson, Sisters of Charity of the Incarnate Word, Grace Hinnant, Dr. E. O. Arnold, and Jennie Chapman;

H. R. 9496. An act to protect the United States against loss in the delivery through the mails of checks in payment of benefits provided for by laws administered by the Veterans' Administration;

H. R. 10565. An act for the relief of Mr. and Mrs. William O'Brien;

H. R. 12027. An act to authorize the execution of plans for a permanent memorial to Thomas Jefferson;

H. R. 12527. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1937, and for other purposes;

On June 4, 1936:

H. R. 2501. An act for the relief of Mrs. G. A. Brannan;

H. R. 7688. An act to provide for the appointment of substitute postal employees, and for other purposes;

H. R. 7825. An act for the relief of Michael Stodolnik;

H. R. 8312. An act to add certain lands to the Rogue River National Forest in the State of Oregon;

H. R. 8495. An act to amend certain plant-quarantine laws;

H. R. 8884. An act for the relief of Mrs. Ollie Myers;

H. R. 9009. An act to make lands in drainage, irrigation, and conservancy districts eligible for loans by the Federal land banks and other Federal agencies loaning on farm lands, notwithstanding the existence of prior liens of assessments made by such districts, and for other purposes;

H. R. 9991. An act to extend the time for applying for and receiving benefits under the act entitled "An act to provide means by which certain Filipinos can emigrate from the United States", approved July 10, 1935;

H. R. 10174. An act for the relief of Ezra Curtis;

H. R. 10849. An act to authorize an appropriation for improvement of ammunition storage facilities at Aliamanu, Territory of Hawaii, and Edgewood Arsenal, Md.;

H. R. 11006. An act providing for the examination of the Nueces River and its tributaries in the State of Texas for flood-control purposes;

H. R. 11052. An act for the relief of Joseph M. Purrington;

H. R. 11418. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1937, and for other purposes;

H. R. 11768. An act authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose;

H. R. 11821. An act to correct an error in section 16 (e) (1) of the Agricultural Adjustment Act, as amended, with respect to adjustments in taxes on stocks on hand, in the case of a reduction in processing tax;

H. R. 11929. An act granting to the State of Iowa for State park purposes certain land of the United States in Clayton County, Iowa;

H. R. 12370. An act to authorize a preliminary examination of Big Blue River and its tributaries with a view to the control of their floods; and

H. J. Res. 497. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the International Petroleum Exposition, Tulsa, Okla., to be admitted without payment of tariff, and for other purposes.

On June 5, 1936:

H. R. 190. An act granting authority to the Secretary of War to license the use of a certain parcel of land situated in Fort Brady Reservation to Ira D. MacLachlan Post, No. 3, the American Legion, for 15 years;

H. R. 1997. An act to amend Public Law No. 425, Seventy-second Congress, providing for the selection of certain lands in the State of California for the use of the California State Park System, approved March 3, 1933;

H. R. 2479. An act for the relief of Charles G. Johnson, State treasurer of the State of California;

H. R. 2737. An act extending and continuing to January 12, 1938, the provisions of the act entitled "An act authorizing the Secretary of the Interior to determine and confirm by patent in the nature of a deed of quitclaim the title to lots in the city of Pensacola, Fla.", approved January 12, 1925;

H. R. 5722. An act to provide for the addition or additions of certain lands to the Colonial National Monument in the State of Virginia;

H. R. 6163. An act for the relief of Mrs. Murray A. Hintz;

H. R. 7025. An act authorizing the Secretary of the Interior to furnish transportation to persons in the service of the United States in the Virgin Islands, and for other purposes;

H. R. 7930. An act to eliminate certain lands from the Craters of the Moon National Monument, Idaho;

H. R. 8039. An act for the relief of John B. Meisinger and Nannie B. Meisinger;

H. R. 8074. An act to amend the act of March 3, 1925, relating to Fort McHenry;

H. R. 8278. An act for the relief of Earl Elmer Gallatin;

H. R. 9170. An act for the relief of Montie Hermanson;

H. R. 11164. An act for the relief of Arthur Van Gestel, alias A. Arthur Goodsell;

H. R. 11616. An act to fix the compensation of the Director of the Federal Bureau of Investigation;

H. R. 11792. An act declaring Bayou St. John, in the city of New Orleans, La., a nonnavigable stream;

H. R. 12870. An act to aid in defraying the expenses for the celebration of the bicentennial of the birth of Patrick Henry to be held at Hanover Courthouse, Va., July 15, 16, and 17, 1936;

H. J. Res. 465. Joint resolution to amend the joint resolution of July 18, 1935, relating to the Seventieth National Encampment of the Grand Army of the Republic, to be held in the District of Columbia in September 1936;

H. J. Res. 499. Joint resolution authorizing and requesting the President to extend to the Government of Sweden and individuals an invitation to join the Government and people of the United States in the observance of the three hundredth anniversary of the first permanent settlement in the Delaware River Valley, and for other purposes; and

H. J. Res. 570. Joint resolution authorizing the President of the United States to award posthumously a Distinguished Service Medal to Maj. Gen. Clarence Ransom Edwards.

On June 8, 1936:

H. R. 4148. An act for the relief of the Thomas Marine Railway Co., Inc.; and

H. J. Res. 377. Joint resolution to enable the States of Maine, New Hampshire, New York, Vermont, Massachusetts, Rhode Island, Connecticut, Pennsylvania, West Virginia, Kentucky, Indiana, Illinois, Tennessee, and Ohio to conserve and regulate the flow of and purify the waters of rivers and

streams whose drainage basins lie within two or more of the said States.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate has passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 300. An act for the relief of F. P. Bolack;

H. R. 686. An act for the relief of John Collins;

H. R. 796. An act for the relief of A. E. Clark;

H. R. 993. An act for the relief of Frank A. Boyle;

H. R. 2213. An act for the relief of Charles P. Shipley Saddlery & Mercantile Co.;

H. R. 2262. An act for the relief of William H. Locke;

H. R. 2387. An act for the relief of Julia Miller;

H. R. 2400. An act for the relief of Blanche Knight.

H. R. 2495. An act for the relief of Thomas Berchel Burke,

H. R. 2496. An act for the relief of Thomas J. Moran;

H. R. 2497. An act for the relief of William H. Hildebrand;

H. R. 3160. An act for the relief of Irene Magnuson and Oscar L. Magnuson, her husband;

H. R. 3388. An act for the relief of Jessie D. Bowman;

H. R. 3694. An act for the relief of Florence Byvank;

H. R. 3907. An act for the relief of James L. Park;

H. R. 4085. An act for the relief of Joseph Watkins;

H. R. 4219. An act for the relief of John J. Ryan;

H. R. 4373. An act for the relief of Albert Gonzales.

H. R. 4565. An act for the relief of Lucile Smith;

H. R. 4619. An act for the relief of Joseph Salinghi;

H. R. 4699. An act for the relief of Estelle M. Gardiner;

H. R. 4955. An act for the relief of the estate of Jennie Brenner;

H. R. 5635. An act conferring jurisdiction upon the Court of Claims, to hear, determine, and render judgment upon the claim of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation;

H. R. 5752. An act for the relief of May Wynne Lamb;

H. R. 5870. An act for the relief of K. S. Szymanski;

H. R. 5900. An act for the relief of Joseph E. Moore;

H. R. 6702. An act for the relief of Annie E. Daniels;

H. R. 7270. An act for the relief of Clara Imbesi and Domenick Imbesi;

H. R. 7555. An act for the relief of W. N. Holbrook;

H. R. 7743. An act for the relief of Mrs. David C. Stafford;

H. R. 7764. An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes;

H. R. 8028. An act for the relief of the Great Northern Railway Co.;

H. R. 8033. An act for the relief of Juanita Filmore, a minor;

H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes;

H. R. 8200. An act for the relief of the seamen of the steamship *Santa Ana*;

H. R. 8220. An act for the relief of Helen Mahar Johnson;

H. R. 8671. An act for the relief of R. H. Quynn, lieutenant, United States Navy;

H. R. 8759. An act to amend the act known as the Perishable Agricultural Commodities Act, 1930, approved June 10, 1930, as amended;

H. R. 9926. An act for the relief of Robert B. Barker;

H. R. 10225. An act for the relief of W. D. Lovell;

H. R. 10435. An act for the relief of Emma Hastings;

H. R. 10527. An act for the relief of Harris Bros. Plumbing Co.;

H. R. 10677. An act for the relief of Cora Fulghum and Ben Peterson;

H. R. 10712. An act to authorize the transfer of land from the War Department to the Territory of Hawaii;

H. R. 10916. An act for the relief of Carl Hardin, Orville Richardson, and W. E. Payne;

H. R. 11072. An act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

H. R. 11203. An act for the relief of Andrew Smith;

H. R. 11218. An act to provide for the disposition of tribal funds now on deposit or later placed to the credit of the Crow Tribe of Indians, Montana, and for other purposes;

H. R. 11262. An act for the relief of Brooks-Callaway Co.;

H. R. 11461. An act for the relief of the estates of N. G. Harper and Amos Phillips;

H. R. 11522. An act to amend the charter of the National Union Insurance Co. of Washington in the District of Columbia;

H. R. 11643. An act to amend certain provisions of the act of March 7, 1928 (45 Stat. L. 210–212);

H. R. 11819. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 11820. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

H. R. 11916. An act to authorize the transfer of a certain piece of land in Muhlenberg County, Ky., to the State of Kentucky;

H. R. 12006. An act to authorize a preliminary examination of the Kennebec River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12033. An act authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles in Mono County in the State of California;

H. R. 12074. An act to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.;

H. R. 12202. An act to provide for a preliminary examination of Six Mile Creek in Logan County, Ark., with a view to flood control and to determine the cost of such improvement;

H. R. 12240. An act to authorize a preliminary examination of the tributaries, sources, and headwaters of the Allegheny and Susquehanna Rivers in the State of Pennsylvania, where no examination and survey has heretofore been made, with a view to the control of their floods and the regulation and conservation of their waters;

H. R. 12305. An act to define the jurisdiction of the Coast Guard;

H. R. 12311. An act for the relief of the P. L. Andrews Corporation;

H. R. 12408. An act for the relief of Robert D. Baldwin;

H. R. 12461. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H. R. 12514. An act authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay, from a point in Baltimore County, Md., over Hart Island and Miller's Island, to a point near Tolchester, Kent County, Md.;

H. R. 12622. An act for the relief of Dr. Harold W. Foght;

H. R. 12685. An act granting the consent of Congress to the county of Horry, S. C., to construct, maintain, and operate a free highway bridge across the Waccamaw River, at or near Red Bluff, S. C.;

H. R. 12896. An act to provide for the transfer of the surplus decommissioned lightship *No. 82* to United States Ship Constitution Post, No. 3339, Veterans of Foreign Wars;

H. J. Res. 415. Joint resolution to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States;

H. J. Res. 444. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally", approved August 27, 1935;

H. J. Res. 522. Joint resolution for the relief of William W. Brunswick;

H. J. Res. 583. Joint resolution authorizing the Veterans' Administration to prepare and publish a compilation of all

Federal laws relating to veterans of wars of the United States; and

H. J. Res. 589. Joint resolution to authorize the Secretary of the Treasury to permit the transportation of bonded merchandise by other than common carriers under certain conditions.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12395. An act to provide revenue, equalize taxation, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. KING, Mr. GEORGE, Mr. WALSH, Mr. BULKLEY, Mr. CONNALLY, Mr. HASTINGS, Mr. METCALF, and Mr. LA FOLLETTE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1288. An act to promote the safety of employees and travelers on railroads by requiring common carriers engaged in interstate commerce to install, inspect, test, repair, and maintain block-signal systems, interlocking, highway grade-crossing protective devices, automatic train stop, train control, cab-signal devices, and other appliances, methods, and systems intended to promote the safety of railroad operation;

S. 1790. An act for the relief of Margaret Murphy;

S. 2511. An act to promote the safety of employees and travelers on railroads by providing for the inspection and investigation of conditions prevailing in train-dispatching offices and for the promulgation of necessary rules and regulations governing the working conditions of train dispatchers;

S. 2976. An act for the relief of John Edgar White, a minor;

S. 3405. An act for the relief of Capt. James W. Darr;

S. 3438. An act to provide for the establishment of an agricultural experiment station within the middle Rio Grande conservancy district in the State of New Mexico;

S. 3484. An act for the relief of Edward Y. Garcia and Aurelia Garcia;

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States;

S. 3879. An act for the relief of James W. Grist;

S. 3930. An act authorizing an appropriation for payment to the Sac and Fox Tribe of Indians in the State of Oklahoma;

S. 3957. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

S. 4062. An act to provide for a survey of the Cabinet Gorge on the Clark Fork of the Columbia River;

S. 4142. An act for the relief of owners of property damaged by high waters in the Blackfoot Reservoir;

S. 4160. An act for the relief of F. M. Loeffler;

S. 4182. An act to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and for other purposes;

S. 4185. An act to amend the act entitled "An act to authorize the Secretary of Commerce to dispose of certain portions of Anastasia Island Lighthouse Reservation, Fla., and for other purposes", approved August 27, 1935, and for other purposes;

S. 4195. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Ralph Charles Stuart;

S. 4204. An act to authorize the payment of the burial and funeral expenses of Harley H. Hester, late corporal, Machine Gun Company, Three Hundred and Thirty-ninth Regiment, United States Infantry;

S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Oregon;

S. 4362. An act for the relief of Rufus C. Long;

S. 4363. An act for the relief of B. W. Winward;

S. 4392. An act to add certain lands to the Sawtooth National Forest;

S. 4456. An act for the relief of the estate of Charles White;

S. 4478. An act for the relief of Joseph N. Wenger, lieutenant, United States Navy, and for other purposes;

S. 4493. An act to provide for the construction, extension, and improvement of public-school buildings in Uintah County, Utah;

S. 4495. An act to amend certain of the navigation laws of the United States, to remove inconsistencies and inequalities therein, and for other purposes;

S. 4551. An act to authorize the addition of certain names to the final rolls of the Blackfeet Tribe of Indians in the State of Montana;

S. 4568. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

S. 4591. An act for the relief of the children of Rees Morgan;

S. 4686. An act to amend the act known as the Federal Credit Union Act, approved June 26, 1934;

S. 4723. An act to authorize cooperation in the development of farm forestry in the States and Territories, and for other purposes;

S. 4724. An act for the relief of Henry C. Anderson;

S. 4734. An act to provide for hurricane patrol in the Gulf of Mexico and environs during the hurricane season;

S. 4737. An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes;

S. 4740. An act to provide a graduated scale of reduction of payments under section 8 of the Soil Conservation and Domestic Allotment Act;

S. J. Res. 177. Joint resolution to define the term of certain contracts with Indian tribes;

S. J. Res. 207. Joint resolution to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims, to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" (44 Stat. L. 807);

S. J. Res. 241. Joint resolution to declare December 26, 1936, a legal holiday in the District of Columbia;

S. J. Res. 272. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937;

S. J. Res. 273. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes;

S. J. Res. 274. Joint resolution to exempt from the tax on admissions amounts paid for admission tickets sold by authority of the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937;

S. J. Res. 275. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies;

S. J. Res. 277. Joint resolution to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery;

S. J. Res. 279. Joint resolution establishing a commission to make a study and report with respect to the fair and equitable amount to be paid by the United States toward the expenses of the government of the District of Columbia, and for other purposes; and

S. J. Res. 280. Joint resolution to ratify and confirm the appointment of Isaac Gans as a member of the Alcoholic Beverage Control Board of the District of Columbia.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5730) entitled "An act to amend section 3 (b) of an act entitled 'An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes', approved March 27, 1934."

The message also announced that the Senate agrees to the amendments of the House to bills and a concurrent resolution of the Senate of the following titles:

S. 1073. An act for the relief of Louis Finger;

S. 3371. An act for the relief of John Walker;

S. 3441. An act for the relief of C. T. Hird;

S. 3818. An act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and Public Health Service.

S. 3956. An act for the relief of Jacob Kaiser; and

S. Con. Res. 37. Concurrent resolution authorizing the printing of 44,000 copies of part 3 and subsequent parts of Senate Report No. 944.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 11140) entitled "An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SHEPPARD, Mr. FLETCHER, and Mr. CAREY to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill H. R. 5368, entitled "An act to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PITTMAN, Mrs. LONG, and Mr. CAREY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10317. An act to authorize additional coinage in commemoration of the one hundredth anniversary of independence of the State of Texas.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. ADAMS, Mr. MALONEY, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 9185, entitled "An act to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11915) entitled "An act to amend the Coastwise Load Line Act, 1935."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9484) entitled "An act to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended."

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 237. An act for the relief of the Rowesville Oil Co.;

H. R. 254. An act for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C.;

H. R. 1695. An act for the relief of Margaret Grace and Alice Shriner;

H. R. 3866. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Emanuel Bratses;

H. R. 6773. An act to deepen the irrigation channel between Clear Lake and Lost River, in the State of California, and for other purposes;

H. R. 8316. An act to exempt the Indian Service from the requirements of section 4 of the Executive Order No. 6166, dated June 10, 1933;

H. R. 8588. An act to authorize the deposit and investment of Indian funds;

H. R. 11690. An act relating to the admissibility in evidence of certain writings and records made in the regular course of business;

H. R. 12220. An act to authorize the adjustment of the boundary of the Fort Marion National Monument, Florida, in the vicinity of Fort Marion Circle, and for other purposes;

H. R. 12419. An act to apply laws covering steam vessels to seagoing vessels of 300 gross tons and over propelled by internal-combustion engines;

H. R. 12599. An act to provide more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property wherever situated, belonging to the United States of America, by granting to the several States jurisdiction and authority to enter upon and enforce their State workmen's compensation, safety, and insurance laws on all property and premises belonging to the United States of America; and

H. R. 12799. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundred and fiftieth anniversary of Sir Walter Raleigh's colony on Roanoke Island, N. C., known in history as the Lost Colony, and the birth of Virginia Dare, the first child of English parentage to be born on the American Continent, and her baptism.

LIQUOR-TAX ADMINISTRATION BILL

A conference report and statement on the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes, was filed on June 6, 1936.

DEDICATION OF THE GEORGE ROGERS CLARK MEMORIAL

Mr. GREENWOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GREENWOOD. Mr. Speaker, on next Sunday, June 14, will occur the dedication of the George Rogers Clark Memorial at Vincennes, Ind. The membership of the House is invited to attend on this occasion. The President of the United States will be there and will deliver an address. This is an outstanding memorial. The Congress of the United States has had a part in making the appropriation. If Members will report to me their desire to attend, I will get reservations for the Members and their wives.

A TRIBUTE TO OUR LATE BELOVED SPEAKER OF THE HOUSE, JOSEPH W. BYRNS—"HE LIVED A SECRET LIFE OF PRAYER, AN OPEN LIFE OF PURITY, AND A PUBLIC LIFE OF SERVICE"

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to have placed in the RECORD a very beautiful and touching tribute made at the last rites of our beloved late Speaker, Joseph W. Byrns, at Nashville, Tenn., on last Saturday by Dr. Powell, pastor of the First Baptist Church.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, last Saturday it was my sad duty to serve on a committee from this House that attended the last rites of our late beloved Speaker, JOSEPH W. BYRNS, of Tennessee. The funeral was held at the Great War memorial building in his home city of Nashville, where thousands of his devoted friends gathered to pay their last respects and to mourn the passing of our great fallen leader.

The funeral services were undoubtedly the most impressive I have ever witnessed. This was not primarily because the funeral services were attended by the Chief Executive of the Nation, who journeyed to Nashville to pay his respects to our late Speaker, nor because the services were attended by members of the President's Cabinet and many other high Government officials, but they were particularly impressive because of the fact that so many close personal friends of the deceased had traveled hundreds of miles to pay their respects and of the deep and genuine mourning of the people of the city of Nashville, and the entire State who knew and loved him.

Three very beautiful tributes were paid at the services to our late Speaker. One by his pastor, one by our beloved House Chaplain, and one by Dr. W. F. Powell, pastor of the First Baptist Church, of Nashville, Tenn., and close personal friend of our late beloved Speaker.

Under the privilege granted me I am including, as a part of my remarks, the eloquent and touching address delivered on that memorable occasion by Dr. Powell, as follows:

It is fitting that this service should be held in our marvelously beautiful war-memorial building over the pillared entrance to which the words of President Wilson are chiseled—"America is privileged to spend her blood and her might for the principles that gave her birth and happiness and the peace which she has treasured." As in the World War so today America lays upon the altar of sacrificial devotion one who has given all his blood and might that peace might win her victories, no less renowned than war. And no dying soldier ever looked up from his deathbed of fame with truer courage and deeper consecration than our beloved Speaker and friend who goes to his welcomed place with Jackson and Polk and Johnson in history and in Heaven. It is true that whether one be king, conqueror, or magistrate in life, he dies as a man. But it is also true that to live and to die as a true man is greater honor to a king than his crown, more worthy of a conqueror than his victory, and more becoming to a magistrate than his robe.

You will permit me, my fellow Tennesseeans, my fellow Americans, to speak of this man as I knew him then. Fifteen years ago in coming to Nashville we were beginning a downtown Bible class for men at the Knickerbocker Theater. With the aid of Congressman BYRNS, Gov. Austin Peay, and other great leaders, this class grew to an average attendance of from a thousand to twelve hundred men a Sunday. How the auditorium rang with applause whenever Congressman and Mrs. Byrns were welcomed back from Washington. And one Sunday morning after one of his congressional reelections I asked him to stand and reminded the brethren that once more Tennessee had written on its slate "I love you, Joe." And I touched off an explosion of appreciation and of friendship in the greatest and most unique demonstration of applause, laughter, and love I have ever seen in a religious meeting. At first he laughed, but as the demonstration continued he was overwhelmed and I saw the tears sparkle over the smiles. And it gave political offense to none. By his integrity, loyalty to all his constituency, and incomparable ability he had become just about as fixed an institution as the post office.

I loved him with an admiring despair. He was the greatest combination of gentleness and greatness I have ever known. What made him equally gentle and equally great? For the pride of his contemporaries and the inspiration of those who come after him let me try to tell you. He lived a secret life of prayer, an open life of purity, and a public life of service. For 35 years this humble Christian knelt beside his bed in prayer at the close of every day. He found God's hand in American history and in human experience, and he was led like an obedient child until at last he has scaled with Christ those celestial peaks on which no shadow ever falls.

And he lived an open life of purity. He was as good as he was great. The personal life of a public man may be his own. But the personal life of JOSEPH W. BYRNS is the priceless heritage of every boy and girl in America today. If I could express my feeling about him, my good and true friend, it would be in a verse of deserved devotion and deathless love.

"I tell you
I shall never think of you
Throughout my life
Without such tenderness as breaks the heart;
And I shall think of you
Whenever I am most happy,
Whenever I am most sad,
Whenever I see a beautiful thing:
You are a burning lamp to me,
A flame the wind cannot blow out,
And I shall hold you high
In my hand
Against whatever darkness."

He lived a public life of service. He gave his life to his country. And President Wilson wrote: "America is privileged to spend her blood and her might." Those words might be the epitaph both of himself and of Speaker BYRNS. During the past month this great Speaker, who now belongs to the ages, "spent his blood and his might." The strain overtaxed him. His good physician and lifelong friend in Nashville went to him by plane, as he often did. In a heart to heart talk to his physician and dear friend he said: "Doctor, I am tired. I am worn out. I do not desire to die, but I am prepared to die any time. And it would really be my preference to die while Speaker of the House." Then he said: "You may be surprised to hear me say it, but do you know what is the matter with our country? We have gone away from our Maker. We need to come back to the Lord! Today by the death of our silent Speaker, God is calling America back. To King Solomon He said: "If my people, which are called by My name shall humble themselves, and pray, and seek my face, and turn from their wicked ways; then will I hear from Heaven, and will forgive their sin, and will heal their land." And Speaker BYRNS said: "We need to come back to the Lord." Such was the consecration of his public life of service.

Of course, a great life must be vicarious. Those who loved him best realized it most in him. "Service is the sacrificial use of life." It was a part of his likeness to his Lord.

The waving rose, with every breath
Scents carelessly the summer air;
The wounded rose bleeds forth in death
A sweetness far more rich and rare.

It is a truth beyond our ken—
And yet a truth that all may read—
It is with roses as with men,
The sweetest hearts are those that bleed.

The flower which Bethlehem saw bloom
Out of a heart all full of grace,
Gave never forth its full perfume
Until the cross became its vase.

"And David after that he had served his generation by the will of God, fell on sleep."

Be it said of him for whom today a nation weeps: "And to add to his name greater honor than the age in which he lived could give him, he died fearing God." "May He whose pity bends above us like the sky be with his countrymen and his loved ones in this hour of need. Let not our faith fail or our hope grow dim. By memory of the empty tomb of Him we call our Lord; by recollection of His words that bid us think of death as sleep; and by the deathless love of dear ones gone, may we perceive in this darkness through which we pass, the shadow of God's hand stretched out in love. Ours is the God of the living—to Him there are no dead; in His sight, those we call dead are still alive. Thanks be to God who giveth us the victory, through Him who liveth, though He was dead, and behold, He is alive forevermore, even Jesus Christ our Lord. Amen."

REPORT OF THE RIVERS AND HARBORS COMMITTEE

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to have until midnight to file a report of the Rivers and Harbors Committee on the bill H. R. 12873, to authorize completion, maintenance, and operation of certain facilities for navigation on the Columbia River, and for other purposes, reported last Saturday.

The SPEAKER. Without objection, it is so ordered.

EXTENSION OF REMARKS

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that I may revise and extend my remarks on the Patman bill that was discussed on May 27, for the permanent RECORD. There will be practically no new matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLANTON. Mr. Speaker, I make the point of order that all Members have that right to extend their remarks until the last issue of the RECORD.

The SPEAKER. The Chair will state to the gentleman from Texas that general consent was given, but there may arise occasions where special requests are necessary.

IN PRAISE OF CONGRESSMAN T. ALAN GOLDSBOROUGH'S RECORD FOR EFFICIENCY AND ECONOMY

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short commendatory statement.

The SPEAKER. Is there objection?

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, I am extending my remarks and including an article which appeared in the Baltimore Sun on April 28 and an extract from an editorial appearing in the Cambridge (Md.) Record:

WASHINGTON, April 28.—Speaker Byrns today praised the work of the six Maryland Representatives in Congress and expressed the hope all would be reelected in November.

The Speaker pointed out that the delegation has been in the House for several years, and all its members have important committee assignments.

"I was a Member of the House for 22 years before I became chairman of a major committee", the Speaker recalled. "Every Speaker of the House served 20 years or more before he reached that high position."

POINTS TO POSITIONS

He pointed out that Representative GOLDSBOROUGH, of Maryland, who has served approximately 15 years, ranks second on the important Banking and Currency Committee, and has been acting chairman most of this session. Representative PALMISANO, chairman of the Committee on Education, also is second-ranking member of the Committee on the District of Columbia, he noted. Representative GAMBRILL is the third-ranking member of the Naval Affairs Committee, Mr. Byrns recalled, and Representative KENNEDY, the junior member of the delegation, is chairman of the Committee on Claims.

He also pointed out that Representative COLE has been a conspicuous member of the Interstate and Foreign Commerce Committee and headed several subcommittees during this session and the last.

LEWIS' SERVICE PRAISED

Speaker Byrns praised the service of Representative LEWIS, citing especially his membership on the Ways and Means Committee, one of the most important of the House.

"Everybody knows the length of service of Members of the House increases their usefulness to their districts", Speaker Byrns said.

"New Members who are sent to Congress begin at the bottom of the list, and it requires considerable time to acquire a complete understanding of enacting legislation and making contacts with the various Government departments."

He also pointed out that should the political complexion of the House change, Members retain their minority rank on committees.

[Extract from editorial in the Cambridge Record]

Mr. GOLDSBOROUGH has never handled his office in a political way, and in his endeavor to prevent the waste of public money has several times halted the passage of costly legislation. Mr. GOLDSBOROUGH was almost entirely responsible for the defeat of the silver-purchase bill, providing for the purchase of 15,000,000 ounces of silver from the silver miners at $1 an ounce. At the time the bill was up for passage, silver was only worth 65 cents, so that in the defeat of this legislation alone, Mr. GOLDSBOROUGH saved the Treasury more than $5,000,000, enough to pay a Congressman's salary for 500 years.

AGRICULTURAL LEGISLATION

Mr. GOLDSBOROUGH. Mr. Speaker, I also ask unanimous consent to extend my remarks in the RECORD and to include therein a short letter.

The SPEAKER. Is there objection?

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, I am extending my remarks, including a letter received by me from the Farmers' Educational and Cooperative Union of America.

THE FARMERS' EDUCATIONAL AND
COOPERATIVE UNION OF AMERICA,
OFFICE OF EDWARD E. KENNEDY, SECRETARY,
Kankakee, Ill., May 7, 1936.

Hon. T. ALAN GOLDSBOROUGH,
Representative of the First District,
State of Maryland, Washington, D. C.

MY DEAR MR. GOLDSBOROUGH: Having had occasion to review and become intimately acquainted with your record as a Member of Congress for the past several years on legislation affecting the interest of agriculture and the farmers of the Nation, I wish to take this opportunity to commend you for your splendid work as shown by the records in support of farm legislation and particularly those farm measures, in which the National Farmers' Union is most vitally interested.

The farmers and other citizens of your district are to be commended also for having elected you to the Congress.

With best wishes and kindest personal regards, I am,

Cordially yours,

EDW. E. KENNEDY,
National Secretary.

NAVAL ACADEMY GRADUATION ADDRESS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to place therein an address delivered by the Acting Secretary of the Navy, Admiral Standley, to the graduates at Annapolis last week.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, 40 years ago last week Admiral William H. Standley graduated from the Naval Academy. Today he is the highest ranking officer in the Navy, being Chief of Operations. Admiral Standley, due to the illness of Secretary Swanson, is also Acting Secretary of the Navy.

On the fortieth anniversary of his graduation Admiral Standley, as Acting Secretary of the Navy, presented the members of the graduation class at the Naval Academy with their diplomas. On that occasion he delivered an address which contains so much sound logic that I request permission to place it in the RECORD in the hope that it will be widely circulated. I can conceive of nothing finer than to bring his words, not only to the attention of the young who are just starting on their careers but also to the older generation, for they cannot help but be beneficial to all who are fortunate enough to read his utterances.

Admiral Sellers, members of the graduating class, and their friends, honored guests, I am proud to stand before the future leaders of the United States Navy. The class of 1936 entered the Academy 4 years ago, 337 strong. Of your original number, 263 have survived the ordeals and exactions of the prescribed courses. Today it will be my pleasure and privilege to deliver to you your diplomas. Your best girls yonder, whose presence brightens this old armory more than all the gold braid on all the admirals, are waiting to fasten ensign's epaulets to your shoulders, and that, by the way, is a fine and graceful survival from the age of chivalry, when the young esquire's lady friend strapped his knightly spurs upon his heels and exorted him to be brave, loyal, and true in the battle of life. The air will presently be full of midshipmen's caps that you don't need any more, and your company officers may add the sword knot to their hilts. You will rate salutes and tailors' bills, and all the other honors and tribulations of commissioned officers.

This is one of the good days of your lives. You will remember it always with a warm feeling in your hearts as I remember the day I stood where you are standing, more than 40 years ago. And it is your right to feel proud that you have passed with credit the first of many tests which lie before you in your chosen profession. It is not an easy profession that you have elected, and I would say that it grows rapidly no easier. Naval affairs have advanced a long way from the time that Roman admirals and constructors could transform a growing forest into ships of war in a couple of months. We have come just as far from the early nineteenth century when, in our Atlantic shipyards, they knocked a frigate together out of planks, slung 50-odd smooth-bore cannon aboard, collected a crew along the waterfront, requisitioned a guard of marines to keep the officers safe, and stood out to sweep the seas. Even as recently as my own day, when I was a passed midshipman, the old *Hartford*, that carried Farragut's flag, was in full commission, a stick-and-string bateau with auxiliary steam. Steam had not then developed those beauties which drive a young officer gray before his time, as they do now. We were very innocent about internal-combustion engines and turbines and electric drive, and we had never heard of such things as director firing. The old-timers of that day liked to recall the story about Nelson; how they sent him out a model sighting device to improve the gunnery of His Majesty's ships at mid-and-long ranges, and how Nelson sent it back with the comment that his idea of a target was a line of battleships at a hundred yards, for which his gun layers needed no mechanical gadgets.

Today, a battleship fires at targets 30,000 yards away, with planes to correct the fall of her salvos. A modern vessel of war is one of the most elaborate and complicated mechanisms ever devised by man. It combines enormous power and terrific destructive force with the delicate precisions of the finest machinery. The officers and men who cause it to function are technicians and specialists to an extent never imagined by the old Navy. Increasingly the naval officer has to be a technician. Something of this you have already seen on your practice cruises, and I am sure that your instructors here, in the past 4 years, have made concrete suggestions to you along the same lines. But actually you have made no more than a beginning. A naval officer's education starts the day he puts on his plebe uniform and continues through his entire career; it is never finished. The academy has simply prepared you to acquire that education; and that is all that any instructor, or any school, can do. The rest of it is in your hands.

Soon the raptures of June week will end, and you will go out to the fleet. Your responsibilities will be increased as your competence is demonstrated. Each of you must pull your weight and make your place, in light craft or great ships, in the aircraft squadrons or in the Marine Corps, wherever your orders take you. And your reward for hard work will be more hard work; that is what the term, "Well done," means to the Naval Service.

But these are material things. Gunnery and engineering, radio and navigation, may be reduced to formulas by experience and common sense. They are matters of known properties and characteristics. There is no mystery about any of them that will not yield to energy and application. The Navy standard of performance in these matters is high, but it is within the grasp of every one of you. Naval policy, distilled from the working experience of all our naval history, and expressed in law, custom, and regulations, charts the probable course of the officer through his career. He spends so many years in each grade; his details should strike a proportion between sea duty and shore duty; certain courses of special instruction are open to him; and he may

look with reasonable assurance to certain commands. These things, too, are all in the way of material. But, I would have you take with you from here, today, thoughts outside of and above these material things, and yet inseparable from them; so in this, your last hour before graduation, I would have you ponder well the matter of character.

The course and development of character cannot be charted by any system that we know. Character is the spark that quickens human life; the driving force behind all human action. Each of you came into this world with certain traits of personality. These, stimulated by experience and common sense, add up to intelligence, and eventually become established as character. The early years are the most important in its formation, so when you entered Annapolis you virtually brought your character with you. There were already discernible in you those traits which have made you individuals to your officers and your instructors; they have been factors in your school career; they are in some measure now expressed in your class standing. The primary function of the Naval Academy is to strengthen these traits and develop them into rugged, upright characters.

The Naval Academy has surrounded you with the atmosphere of high tradition which is the chief treasure of the naval service. The names of John Paul Jones, of Decatur, Truxton, Dahlgren, Mahan, Luce, and Bancroft, and the stories with which they are associated indicate to you daily those attributes of character which we delight to honor. You go out now into the service, and presently there will build up around each of your names the intangible thing called service reputation; and when the Navy says service reputation, it means character.

I remember reading in Captain Pearson's report to My Lords of the Admiralty, on the action of the H. M. frigate *Serapis* off Flamborough Head with the American ship *Bon Homme Richard*, how, very early in the engagement, it became evident to him that the American ship was commanded by an officer of unusual intrepidity and resolution.

Captain Pearson recognized character when he met it—as do all intelligent men. There is also the Tennessee fable of Col. Davy Crockett and the coon. "Is that Colonel Crockett?" asks the coon, looking anxiously down from his tree. "Well, don't shoot, Colonel, I'll come down!", says the coon. And the coon, as you see, recognized service reputation, which is the same thing.

Courage, steadfastness, sincerity, loyalty, tolerance, generosity, patience, courtesy, honesty, decision—and their opposites—these are attributes not taught in any school and not teachable. But they all have their places in an officer's character, and for them, or for his lack of them, his associates estimate him, by them his seniors mark him, and on them his career depends.

Courage is the great military virtue. The French veteran of Napoleon, writing of the emperor's wars, said that he had noted all men were equally brave, except the French of course, who were a little braver than anybody else. He was right, in saying courage is the most common human phenomenon. He might have added that fear is just as common to men; but character drives out fear; and when it does, the result is courage.

Steadfastness—and with steadfastness the kindred qualities of sincerity and loyalty—are implied in the very existence of an officer. To be steadfast is to stay put in the stations where your duty takes you; to be sincere is to believe in yourself and to have others believe in you. Loyalty is the finest of all. It means standing by your own; it works both ways, from the top down and from the bottom up, through all the naval structures; and without it the structure falls.

Tolerance, generosity, patience, and honesty are vital to you. I talked awhile ago of technical skill, of those facilities with material which you may acquire by industry. But the ultimate tool, the decisive instrument, in the military profession is the man whom you command. That is why warfare is an art and not a science; it deals with the human equation; and the human equation is the first of the imponderables.

Your new duties will be the lowest in the scale. As experience fits you for advancement, you will progress to higher assignments. From watch duties you will go to the head of departments to executive billets and to commands. As you pass from one job to another, you will leave behind one set of details and master another set.

But all along the way, from engine-room watch and turret crew up to the United States Fleet itself, there is one detail common to every naval job which you will never leave behind—and that is the control of men. The human equation will be a factor in every problem that you meet in your careers, and whether you solve your problems or not will depend on your handling of the human equation. Ensign, commander, admiral—it will always be with you, the most important of your responsibilities. You will live with your men; you will share the same conditions; all of you aboard ship are bound in the same destiny. You must have tolerance, then, to recognize and to allow for human frailty. You must be generous to see and to reward the fine responses of which the common man is capable. You must have patience, for not all your problems will be alike, nor will all of them lie open to quick solution. Honesty is the root of confidence, without which you will fail. Courtesy gives grace to human intercourse. Finally there is decision, and decision is the executive attribute; it is the mainspring of action. And so I would have you leave here today with the thought that character is the intangible something which, more than any other attribute, will make for success in your chosen profession.

Before another class comes to graduation I will have finished my service and gone out. What I have said to you today I have said with a very special feeling of "hail and farewell." The future is yours to make what you will of it. As you build, so will the Navy prosper. I congratulate you on the opportunity for usefulness and honor that opens before you, and from my heart I wish you well.

TRIBUTE TO JOSEPH W. BYRNS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert therein the funeral sermon delivered by the pastor of the Methodist Church in Nashville, Tenn., of which the late Joseph W. Byrns was a member.

The SPEAKER. Is there objection?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, I have just returned from the funeral services at Nashville, Tenn., for the late Speaker JOSEPH W. BYRNS. It was a sad journey to Nashville as the special funeral trains moved through the night with the body of the late Speaker JOE BYRNS out over the moon-bathed hills of Virginia and eastern Tennessee to his last resting place. Two trains were required to provide accommodations for the Washington friends and admirers who wished to pay the full measure of respect to him whom all affectionally referred to as "JOE BYRNS." In our party was the new Speaker William B. Bankhead, President Franklin D. Roosevelt, Secretary of State and Mrs. Hull, Postmaster General Farley, 16 Senators and 60 Representatives, and other officials of the Federal Government.

During more than a quarter of a century in Washington, Mr. BYRNS had given of himself unselfishly to his friends and his country. People of official Washington see much of ceremony, of pomp, and circumstance, and are little affected by such matters, but in this case, the high and the low, great, and small, were talking about JOE BYRNS' death.

The high regard in which Speaker BYRNS was held by the people from his home State and with whom he was most closely associated was well described by his own pastor, Dr. C. J. Harrell, of the West End Methodist Church, of Nashville, of which Mr. BYRNS was a member. I take pleasure in presenting the manuscript of his funeral address, which he handed to me, for inclusion in the CONGRESSIONAL RECORD:

The first vote I ever cast in the exercise of my American franchise I cast, while a student in Vanderbilt University, for JOSEPH W. BYRNS at the time he was first chosen by the people to represent this district in the United States Congress. Not even his closest friends then dreamed that he would come to occupy so large a place in the councils of the Nation. And yet by dint of merit and fidelity to duty his sphere of service broadened, until he occupied positions of largest trust in national affairs. Today, my friends, Tennessee pauses to pay honor to her distinguished son, and a Nation mourns the passing of one upon whose broad and sturdy shoulders she had laid so large responsibilities.

I stand here as his pastor to speak some word of affection and tribute concerning our friend and brother. For more than 30 years he was a communicant of the church which it is now my privilege to serve. No fulsome eulogy would be appropriate to this occasion, for JOSEPH W. BYRNS was a simple man. It is always refreshing in these days of sham and tinsel show to find a man who is genuine. He grew to manhood amid these hills in middle Tennessee, and to the end he preserved within himself the simplicities and stalwart virtues of those early years. To a marked degree the heart of Old Hickory was in him. He was a rugged man of the people, a champion and defender of their rights and liberties. As today we lay his body to rest in this his native soil, we could find no better epitaph to mark his resting place than some such words as these, "Here lies one who lived in a house by the side of the road, and was a friend to man."

To his simplicity was fitly joined the virtue of integrity. Through these years, I found men who differed with him in policies of state, but I have found not one who questioned his character. Moral worth is at last, my friends, the measure and the crown of man. By that measure and that crown he stands a king. As we assemble here, and as the Nation pauses to do him reverence, no finger of suspicion is pointed at his character. He has fought on many fields, he has fought until his day is done, and night envelopes him, and now we bring our hero home, his sword untarnished, like the stainless sword of Robert Lee.

These simple virtues of which our friend was so conspicuous an example, cannot be confined to the spheres of time. They are rooted in the unseen, and project themselves into vast eternity. Man was born to think of himself as an immortal. Here in "the bourne of time and place", compassed about by the mysteries of life, we are conscious of spiritual influences and powers, like zephyrs blown from other shores. Our brother believed in God and in the reality of the unseen. This man of simple virtues was a man of simple faith. For him no empty cant or vain pretense, which are faith's counterfeit! I observed on yesterday how a Member of the distinguished body over which JOSEPH BYRNS until

last Wednesday presided, said of him, that it was his unfailing custom to kneel each night beside his bed and implore the guidance of his God.

When we take the shorter view of things, death seems a catastrophe. When a leader falls we stand half-dazed, and ask, Who shall lead us now? But for a man of stalwart virtues and simple faith, death is only an incident in life. It is not the end of a career, but only a swinging door through which we pass to other spheres of life and labor. I verily believe that the powers and possibilities in a good man's life are at his journey's end transferred to another world, and that death is the greatest of all adventures.

On such occasions as this I frequently think of the words of St. Paul as he waited the execution of Nero's sentence. He writes of the impending event in words as buoyant as a morning song, "The time of my departure is at hand." One word in that classic line contains the whole of the Christian's philosophy of death. The word which in most of our translations is rendered "departure" literally means "unloosing." It is the identical word which sailors and fishermen of the Greek world used when they spoke of untying the ropes that held their boats to the shore. "The time of my unloosing is at hand", so may we render St. Paul's words to Timothy, and preserve the imagery that is there. Here is a pen picture that in one stroke reveals the glory of that great adventure which we call death. For sixty-odd years the apostle's soul had been held by the bonds of the flesh to the shores of time. He could go no farther than the rope's length. But the time of unloosing had come! Clear the gangways! Unloose! I often wonder if England's poet laureate had these words of St. Paul in mind when he, about to take his leave, wrote, as our choir so beautifully sang—

"Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar
When I put out to sea."

Speed on, good friend, and, like Ulysses, "strike the sounding furrows." Move out, to give to God an account of the talents entrusted you, and with the immortals of earth to reinvest them in that eternal kingdom where the limitations of time and space will no longer molest you!

FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short excerpt from the platforms of the last Republican and Democratic conventions, and also a short resolution of the American Bankers Association.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPENCE. Mr. Speaker, it has been generally recognized that the Federal Deposit Insurance Corporation law has been most constructive. It has had such beneficial results that there has been a constant effort on the part of the Republican Party to claim credit for its enactment. We have on more than one occasion heard our colleagues on the other side of the aisle make claims of that character. I wish to call the attention of the House to the pertinent part of the Republican platform adopted in 1932 to this progressive and constructive legislation, which is as follows:

In contrast with the Republican policies and record, we contrast those of the Democratic as evidenced by the action of the House of Representatives under Democratic leadership and control, which includes the guaranty of bank deposits.

The American Bankers Association at their 1933 convention adopted a resolution in regard to the Federal Deposit Insurance Corporation Act, which is as follows:

We recommend to the national administration at Washington that it seek means for postponing the initiation of deposit insurance which under the provisions of the Banking Act of 1933 would be put into operation at the beginning of 1934. The new law provides for the organization of a corporation to administer the insurance of deposits, but as yet this corporation has not been formed. The new law also provides that there shall be made a thorough examination of banks to determine their qualifications for insurance as a prerequisite to their admittance to its privileges, but these examinations have not as yet been made. There is not now remaining sufficient time before the beginning of next year to carry through the examinations the law requires, nor are there enough experienced bank examiners to do the work adequately even if the time were considerably longer.

There are now more than 2,700 banks that are operating on a restricted basis. Most of these banks could not qualify for deposit insurance unless reorganized. Nearly all of them would be forced to suspend. There are also many unrestricted banks that are now making rapid gains in strength and liquidity but which have little prospect of being able to qualify under rigorous examination for deposit insurance before the beginning of next year.

It is our considered judgment that means should be found to postpone action in putting into effect the proposed measures for deposit insurance. We believe that if the attempt is made to hurry through arbitrarily strict examinations the result will be the suspension and liquidation of some thousands of banks which would deprive many communities of any banking facilities, and would entail new losses and new credit deflation that would unsettle business and impair the prospects of recovery. If, on the other hand, the necessarily hurried examinations should be lax and superficial, many institutions would be admitted to deposit insurance that cannot rightfully qualify for its privileges. Under those circumstances we believe that means should be found to postpone initiation of deposit insurance until the authorities at Washington can cause to be made an adequate study and report covering the whole matter.

From the above resolutions it is obvious that while the American Bankers' Association counseled delay, this really was the result of deep-seated opposition to the whole plan, and neither the Republican Party nor the bankers are entitled to any credit for this legislation which has done so much to bring back normal conditions to our country.

While the Democratic Party did not specifically endorse the bill providing for the insurance of bank deposits in its platform adopted at its national convention in 1932, that platform contained the following statement:

We advocate quicker methods of realizing on assets for the relief of depositors of suspended banks, and a more rigid supervision of national banks for the protection of depositors and the prevention of the use of their moneys in speculation to the detriment of local credits.

While we concede this is not a definite endorsement of the act providing for the Federal insurance of bank deposits it is a commitment to one of the most important principles of that act.

In the light of this irrefutable documentary evidence the conclusion is inevitable that the Democratic Party is entitled to the entire credit for the passage of this legislation and it is equally obvious that it was passed over the formal and official objection of the Republican Party and the American Bankers Association.

It was passed by a Democratic House and a Democratic Senate, and approved by a Democratic President. This statement is made in the interest of historical accuracy and to clear up some misapprehensions that may exist by reason of the frequent statements that have been made on the floor of the House.

THE PEOPLE DEMAND PASSAGE OF THE WAGNER-ELLENBOGEN HOUSING BILL AT THIS SESSION OF CONGRESS

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Wagner-Ellenbogen housing bill, and to include therein a reference to certain endorsements of the bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, the great Nation-wide demand which has crystallized behind the Wagner-Ellenbogen housing bill in the past few months is a movement unique in the annals of American history. Never before, to my knowledge, have so many different interests and organizations—interests which often find themselves arrayed bitterly on opposing sides of other national issues—been so wholeheartedly united behind a single piece of legislation.

WIDESPREAD DEMAND FOR PASSAGE OF HOUSING BILL

The demand for passage of the United States housing bill of 1936 at this session of Congress comes from poor and rich, from big cities and rural villages, from North and South, from labor and employers, from social workers, financiers, and elected Government officials, from Catholics, Protestants, and Jews. Republicans and Democrats both support it. Hundreds of newspapers all over the country have stressed the importance of this bill in direct relation to pressing concrete problems in their own communities.

This measure is not the concoction of a few experts in Washington presuming to know what is good for the rest of the country. It is the direct answer to the demands of the people out in our cities and States and rural areas who are seeking some solution to the housing problem. The

people back home, out of their own concrete daily experience, have determined the essential features of this bill. The United States Conference of Mayors, individual mayors, and city councils have insisted that a permanent United States housing authority be set up, and that it must have the power itself to build demonstration projects at least during the early years of a national housing program. The social agencies, local governments, and the representatives of low-income families who need housing have helped to fashion this bill.

This great movement has developed spontaneously. This administration 3 years ago recognized housing as a significant part of the New Deal. Nevertheless, during the past year Washington has given very little encouragement to local groups and citizens interested in low-rent housing. The movement throughout the country has developed in spite of the lack of a clear-cut administrative policy in Washington and in spite of thousands of disappointments.

Whatever may be the situation in Washington, the housing bill is on the "must" list of the citizens of this Nation.

PARTIAL LIST OF ENDORSEMENTS

I want to take this opportunity to introduce into the RECORD a very partial list of the endorsements of this bill received so far in my office. All these individuals and organizations have urgently asked Congress to enact this bill during the current session. Long and varied as it is, the list is nevertheless very incomplete. I am sure that every Senator and every Representative could add to it from his personal files.

I will not read the entire list to you. But I do want to give you a brief summary which will show what great variety and extraordinary comprehensiveness it has.

NATIONAL ORGANIZATIONS WHICH HAVE ENDORSED THE WAGNER-ELLENBOGEN HOUSING BILL—URGING ITS ENACTMENT AT THE PRESENT SESSION OF CONGRESS

Unitarian Ministerial Union.
Christian Science Monitor.
American Association of Social Workers—housing committee.
American Federation of Labor—executive council, building trades department, housing committee.
United States Conference of Mayors.
National Federation of Settlements.
Federal Council of Churches of Christ in America.
National Women's Trade Union League.
National Public Housing Conference.
National Urban League.
National Association for the Advancement of Colored People.
Labor Housing Conference.
American Home Economics Association.
United Mine Workers of America.
National Council, Young Men's Christian Association.
National Recreation Association.
American Federation of Hosiery Workers.
Special Conference of American Rabbis—social justice commission.
International Brotherhood of Electrical Workers.
Glass Bottle Blowers Association.
International Fur Workers Union.
Brotherhood of Railway Clerks.
National Association of Letter Carriers.
Piano, Organ, and Musical Instrument Workers Union.
Sheet Metal Workers International Union.
International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers.
International Association of Marble, Stone, and Slate Polishers, Rubbers and Sawyers, Tile and Marble Setters, Helpers and Terrazzo Helpers.
United Rubber Workers of America.
International Federation of Technical Engineers, Architects, and Draftsmen's Union.
Federation of Flat Glass Workers.
United Leather Workers International Union.
International Broom and Whisk Makers Union.
United Wall Paper Crafts of North America.
Cigar Maker's International Union.
National Federation of Rural Letter Carriers.
Operative Plasterers' and Cement Finishers' International Association.
Amalgamated Clothing Workers of America.
United Association of Plumbers and Steamfitters.
International Association of Machinists.
American Federation of Musicians.
International Ladies' Garment Workers' Union.
Bricklayers, Masons, and Plasterers International Union.
United Hatters, Cap and Millinery Workers.
Scripps-Howard Newspapers.
Brotherhood of Maintenance of Ways Employees.

Among the organizations which never endorse specific legislation, but which have, nevertheless, officially endorsed the general principles behind the bill are:

American Institute of Architects.
The National Conference of Catholic Women.
The National Board of the Young Women's Christian Association.

ALABAMA

Housing Authority, Birmingham.
Alabama State Federation of Labor.
Building Trades Council, Montgomery.
Muscle Shoals Building Trades Council, Florence.
Birmingham Building Trades Council.
Anniston Central Labor Union.
Central Labor Union, Montgomery.
Central Labor Union, Winfield.
Local Bricklayers, Masons, and Plasterers' International Union, Dothan.
International Association of Machinists, River Front Lodge, No. 261, Mobile.
Tri-Cities Central Labor Union, Muscle Shoals.
United Brotherhood, Carpenters and Joiners of America, No. 1796, Montgomery.
United Brotherhood, Carpenters and Joiners, No. 89, Mobile.
Young Men's Christian Association, Mobile.

ARKANSAS

Central Trades and Labor Council, Pine Bluff.
State Employees and Moving Picture Machine Operators, Local No. 328.
International Brotherhood of Firemen and Oilers, Pine Bluff.

ARIZONA

City Commission, Phoenix.
Mayor of Phoenix.

CALIFORNIA

San Bernardino City Council.
Mayor C. T. Johnson, San Bernardino.
Los Angeles City Council.
Hon. Frank L. Shaw, mayor, Los Angeles.
Los Angeles City Planning Commission.
Los Angeles Committee on Public Housing.
San Francisco Board of Supervisors.
Los Angeles Municipal Housing Commission.
Los Angeles County Board of Supervisors.
Central Labor Council of San Mateo County.
Central Labor Union of Monterey County, Salinas.
San Francisco Labor Council.
Fresno Central Labor Council.
Carpenters' Local No. 130, Vallejo.
Los Angeles Building Trades Council.
Carpenters' Local, Yuba City.
Central Labor Council, Santa Rosa.
Central Labor Council of San Joaquin County.
Consolidated Building and Metal Trades Central Labor Council, Vallejo.
Dressmakers' Union No. 11, San Francisco.
Cloakmakers' Union No. 6, San Francisco.
Ladies Garment Cutters No. 213, San Francisco.
Central Labor Council, Los Angeles.
Asphalt Pavers No. 84, San Francisco.
San Diego Building Trades.
Studio Carpenters Local No. 946, Los Angeles.
Building Trades Council, San Francisco.
International Association of Machinists No. 1422, Los Angeles.
(American Institute of Architects, Southern California chapter.)

COLORADO

Denver Typographical Union, No. 49.
Colorado State Federation of Labor.
Fremont County Central Labor Union.

CONNECTICUT

Mayor Alfred N. Phillips, Jr., Stanford.
Hartford Journeymen Plumbers Association, No. 76.
Meriden Central Labor Union.
Miss Mary Arnold, Greenwich.

DELAWARE

Wilmington Central Labor Union.
Wilmington Building Trades Council.

DISTRICT OF COLUMBIA

Washington Committee on Housing.
Settlement Council of Washington, represents nine settlements.
John H. Fahey, chairman, Federal Home Loan Bank Board.
Miss Jean Coman.
Washington Building Trades Council.
Washington Times.
Msgr. John A. Ryan, National Catholic Welfare Conference.
Catherine Bauer, Labor Housing Conference.
William Green, President, American Federation of Labor.
Dr. John O'Grady, secretary, National Council of Catholic Charities.
Anson Phelps-Stokes.
Harry Bates, chairman, American Federation of Labor housing committee.
Michael J. Colleran, president, Operative Plasterers and Cement Finishers International Association.

FLORIDA

Jacksonville City Council.
Tampa Municipal Housing Authority.
Mayor R. E. L. Chancey, Tampa.
Miami City Commission.
Florida Federation of Labor.
Building Trades Council of Jacksonville.
Bricklayers, Masons, and Plasterers, No. 7, Miami.
Orlando Central Labor Union.
International Brotherhood of Electrical Workers, No. 177, Jacksonville.
Bricklayers, Masons, and Plasterers, No. 6, West Palm Beach.
Florida Building Trades Conference, St. Petersburg.
International Longshoremen's Association, No. 1416, Miami.
Central Trades and Labor Assembly, Tampa.
Building Trades Council, West Palm Beach.
Central Labor Union, St. Petersburg.
Duval County Board of County Commissioners.
International Brotherhood of Electrical Workers, No. 908, St. Petersburg.
United Association of Journeymen Plumbers and Steam Fitters, No. 630, West Palm Beach.
International Association of Machinists, No. 731, Jacksonville.
Miami City Commission.

GEORGIA

Mayor James L. Key, Atlanta.
City Council, Atlanta.
Mayor Richard K. Allen, Jr., Augusta.
Central Labor Union, Augusta.
Georgia Federation of Labor, Atlanta.
Building Trades Council, Atlanta.
Atlanta Federation of Trades.
Macon Federation of Trades.
Columbus Central Labor Union.
United Brotherhood of Carpenters, No. 1623, Columbus.
Georgia Home Economics Association.
Central Sash & Door Co., Macon.
Savannah Building Trades Council.

IDAHO

Central Labor Council, Lewiston.
State Federation of Labor.

ILLINOIS

City Council, Belleville.
City Council, Waukegan.
Mayor Mancel Talcott, Waukegan.
City Council, East St. Louis.
Illinois State Board of Housing.
Committee on Housing, Council of Social Agencies, Chicago.
Metropolitan Housing Council, Chicago.
Illinois State Federation of Labor.
Springfield Urban League.
Greater Peoria Civic Association.
Chicago Federation of Settlements.
Chicago Building Trades Council.
South Chicago Trades and Labor Assembly Center.
Central Labor Union, Rockford.
Belleville Building Trades Council.
Trades and Labor Council, West Frankfort.
Kankakee Federation of Labor.
Kankakee Building Trades Council.
Blue Island Central Labor Union.
Springfield Federation of Labor.
United Cement Workers, No. 20066, Oglesby.
Central Trades and Labor Union, East St. Louis.
Benton Central Labor Union.
Kewanee Trades and Labor Assembly.
Airline Pilots Association, Chicago.
Ladies' Garment Workers' Union, No. 189, Batavia.
Local Union No. 98, Terrazzo Workers' Helpers, Chicago.
Local No. 134, International Brotherhood of Electrical Workers, Chicago.
Women's City Club, Chicago.
Mayor's Committee for Better and More Homes, Rock Island.
Col. R. E. Wood, president, Sears Roebuck, Chicago.
Alfred K. Stern.
Coleman Woodbury.
Harry F. Robinson, Chicago.
Y. M. C. A., Chicago.
Mrs. Willard Hotchkiss, Chicago.
Olof Z. Cervin, architect, Rock Island.
George Richardson, member Chicago Advisory Commission.
Ernest Fremont Tittle, member Chicago Advisory Commission.
First Methodist Episcopal Church, Evanston.
Central Labor Union, Freeport.
Rev. Walter Batty, Methodist Episcopal Church, Bradley.
City clerk, Oglesby.
Rev. Frank Hancock, First Methodist Episcopal Church, Blue Island.
Airline Pilots' Association, Chicago.
City of Springfield.
Van Buren Street Improvement Association.
City of Rockford.

INDIANA

John W. Kern, mayor of Indianapolis.
Mayor William H. Dress, Evansville.
Evansville Advisory Committee on Housing.
Indiana State Federation of Labor.
Central Labor Union of South Bend.
Kokomo Trades and Labor Council.
Carpenters' Local, No. 565, Elkhart.
Central Labor Union of Bloomington.
Clinton Central Labor Union.
Bricklayers' Union, No. 6, East Chicago.
Carpenters' Local Union, No. 90, Evansville.
International Ladies' Garment Workers Union, No. 116, Fort Wayne.
United Electrical and Radio Workers of America, No. 902, Fort Wayne.
Vigo County Central Labor Union, Terre Haute.
Evansville Press.
United Garment Workers of America, No. 254, Clinton.
Kokomo City Council.

IOWA

City Council, Waterloo.
City Council, Council Bluffs.
Mayor William Guilfoyle, Council Bluffs.
Mayor of Des Moines.
Sioux City Municipal Housing Commission.
Building Trades Council, Des Moines.
Cedar Rapids Building Trades.
Iowa State Council of Federated Churchwomen.
Central Labor Union of Council Bluffs.
International Brotherhood of Electrical Workers, No. 405, Cedar Rapids.
Central Labor Union, Mason City.
Iowa State Federation of Labor.

KANSAS

Coffeyville Central Labor Union.
Central Labor Union, Hutchinson.
United Brotherhood of Carpenters & Joiners, Local No. 1445, Topeka.
Carpenters Local Union No. 1587, Hutchinson.

KENTUCKY

Mayor Neville Miller, Louisville.
Board of Aldermen, Louisville.
Housing and Advisory Commission, Louisville.
Planning and Zoning Commission, Louisville.
State Federation of Labor, Louisville.
A. Joseph Stewart, Fidelity Columbia Trust Co., Louisville.

LOUISIANA

New Orleans Chapter American Association of Social Workers.
New Orleans Advisory Commission on Housing.
Lake Charles Building Trades Council.
New Orleans Central Trades Council.
First Methodist Church, Baton Rouge.
The Associated Catholic Charities, New Orleans, Gen. Allison Owen.
Col. L. Kemper Williams, chairman, New Orleans Advisory Commission on Housing.

MAINE

Central Labor Union of Portland.

MARYAND

Maryland and District of Columbia State Federation of Labor.
Resettlement Lodge No. 208.
Rabbi Edward L. Israel, Social Justice Commission of Special Conference of American Rabbis.

MASSACHUSETTS

Mayor of Cambridge.
Cambridge City Council.
Massachusetts State Board of Housing.
Boston Housing Association.
Boston Housing Authority.
Massachusetts Federation of Labor.
William Stanley Parker, chairman, Boston City Planning Board.
Central Labor Union—Boston and vicinity.
Building Trades Council—Boston and vicinity.
John Carroll, Massachusetts State Federation of Labor.
Building Trades Council, Lawrence.
Union No. 19859, Wire Workers' Local of Worcester.
Norwood Building Trades Council.
Worcester Building Trades Council.
Lynn Building Trades Council.
Central Labor Union, Lowell.
International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, No. 49, Lowell.
Stone Masons and Marble Setters Union, No. 9, Boston.
Boston Building Trades Council.
Cambridge City Council.

MICHIGAN

City Council, Dearborn.
Mayor Frank Couzens, Detroit.
Kalamazoo City Commission.
Detroit Housing Commission.
Michigan State Federation of Labor.
Council of Social Agencies, Kalamazoo.
Calhoun County Council of Social Agencies.
Legislative committee of trades and labor council, Muskegon.
Battle Creek Federation of Labor.

M. & M. Trades Council, Menominee.
Kalamazoo Central Labor Union.
Joe Wilson, Detroit Teachers' Agency.
Central Fibre Products of Detroit.
Maurice Bortman.
Fordson School Women's Club, Dearborn.
Philadelphia Tire & Battery Service, Detroit.
Howell Electric Motors Co., Detroit.
Imperial Electric Co., Detroit.
P. J. Kelley, Detroit.
Master Upholstering Shop, Detroit.
Kuhlman Electric Co., Detroit.
Virginia Flower Shop, Detroit.
Electric Machinery Manufacturing Co., Detroit.
Delta-Star Electric Co., Detroit.
Blue Bird Fur Shop, Detroit.
Elwell Parker Electric Co., Detroit.
Young Democratic Club, Jackson County, Jackson.
Grand Rapids Federation of Labor.

MINNESOTA

Minnesota Federation of Labor.
Minneapolis Central Labor Union.
Building Trades Council, St. Paul and vicinity.
Winona Trades and Labor Assembly.
Trades and Labor Assembly, Brainerd.
Minneapolis Building Trades Council.
Central Labor Union, St. Cloud.

MISSISSIPPI

Building Trades Council.

MISSOURI

Missouri State Federation of Labor.
Urban League, Kansas City.
Building Trades Council, Springfield.
Central Trades and Labor Union, St. Louis.
Building Trades Council, St. Joseph.

MONTANA

C. W. Williams, mayor, Billings.
Billings Housing Authority.
Helena Trades and Labor Assembly.

NEBRASKA

Omaha Housing Authority.
Mayor Roy W. Towl, Omaha.
Nebraska Chapter American Association of Social Workers.
Helen W. Gauss, Omaha Social Settlement.
Omaha District, Nebraska State Conference of Social Work.
Bricklayers, Masons, Marble and Tile Setters Protective and Benevolent Association, No. 1, Omaha.

NEVADA

Reno Central Trades and Labor Council.
Nevada State Federation of Labor.

NEW HAMPSHIRE

Manchester Central Labor Union.
Building Trades Council, Manchester.
Cheshire County Trades and Labor Assembly, Keene.
United Brotherhood of Carpenters and Joiners, No. 625, Manchester.
Central Labor Union, Portsmouth.

NEW JERSEY

Board of Aldermen, Paterson.
State Housing Authority.
Dr. Howard Johnson, State Housing Authority.
Jersey City Housing League.
Municipal Labor Housing Committee, Paterson.
Camden Labor Housing Committee.
New Jersey Federation of Labor.
Ironbound Community and Industrial Service, Newark.
Atlantic County League of Retail Merchants, Atlantic City.
Dyers' Local, No. 1733, Paterson.
Civic Committee for Slum Clearance, Atlantic City.
Federation of Dyers, Finishers.
Camden Central Labor Union.
Central Labor Union, Glen Rock.
American Federation of Hosiery Workers, New Jersey and New York District Council.
Atlantic City Civic Committee.
Essex County Building Trades Council, Newark.
Atlantic City Welfare Bureau, Atlantic City.
Brotherhood Painters, Decorators, and Paperhangers of America, No. 301, Trenton.
Trenton Musical Association, No. 62, Trenton.
Building Trades Council, Plainfield.
Camden Courier.
M. Batzer, Asher-Batzer Service, Atlantic City.
Walter J. Buxby, president, Hotel Dennis, Atlantic City.
Mrs. Edith Elmer Wood.
Bent Dudnick, State Housing Authority.
John R. Wilson, superintendent of public instruction, Paterson.
Herman C. Silverstein, Organization and Trade Council, Jersey City.
United Brotherhood of Carpenters and Joiners of America, Camden.
International Brotherhood of Electrical Workers, Local No. 164, Jersey City.

NEW YORK

City Council of Schenectady.
New York City Baptist Mission.
Harlem Housing Committee.
New York Ethical Culture Society.
Community Council, New York City.
John Volpe, New York.
Miss Anna Mason, Brooklyn.
Dressmakers Union No. 22, New York.
Samaritan Alliance, Church of the Savior, Brooklyn.
Gustove Berger, New York.
Schnectady Building Trades Council, New York.
Joseph M. Brady, Building Economist, New York.
Blythe & Co., New York.
United Neighborhood Houses, New York.
Miss Helen Alfred, National Public Housing Conference.
Metropolitan Hygiene Council, New York.
Bricklayers Union No. 1, Brooklyn.
Bricklayers International Union No. 9, Brooklyn.
International Brotherhood of Electrical Workers No. 3, New York.
Brooklyn Eagle.
Child Welfare Council, Schenectady.
Board of Aldermen, New York City.
Niagara Falls Central Labor Union.
Louis J. Horewitz, former president, Thompson-Starrett Co.
Langdon Post, chairman, New York City Housing Authority.
Ira S. Robbins, counsel, State board of housing.
Mrs. Mary Simkovitch, National Public Housing Conference.
Nathan Straus, president, Hillside Housing Corporation
Hillside Housing Corporation.
Dr. Worth M. Tippy, executive secretary, Federal Council of Churches of Christ in America.
Walter White, National Association for the Advancement of Colored People.
New York City Housing Authority.
Municipal Housing Authority of Schenectady.
Housing Authority of Port Jervis.
Syracuse Housing Authority.
Yonkers Municipal Housing Authority.
New York City Board of Estimate and Apportionment.
Brooklyn Housing Committee.
Lower East Side Public Housing Conference.
Brooklyn Neighborhood Association.
New York Urban League.
Consolidated Tenants League of New York City.
Willystine Goodsell, associate professor of education, Columbia University.
Rev. William F. Wefer, Good Shepherd Presbyterian Church, Jackson Heights.
Mayor Joseph F. Leehr, Yonkers.
Mr. Charles C. Webber, Union Theological Seminary, New York.
New York Council on Economics.
City Affairs Committee, New York.
Central Trades and Labor Council of Greater New York and vicinity.
Modelers and Sculptors of America, New York.
New York Kindergarten Association.
Brooklyn Kindergarten Association.
Williamsburg public-housing conference.
Community Councils for the city of New York.
Welfare Council, housing section.
Plasterers' Local No. 9, Buffalo.
Women's City Club of New York.
Michael Walpin, Bronx.
Social Service Commission of New York East Annual Conference of the Methodist Episcopal Church, composed of 307 ministers from New York City, Long Island, and community. (Presented resolution to annual conference of Methodist Church.)
Mrs. Newman Levy, New York City.
Lackawanna City Housing Authority.
Paul Lawrence Dunbar Apartments, tenant subscribers, New York.
Evans Clark, director, Twentieth Century Fund, New York.
Housing committee, City Club of New York.
Boston University Club of New York.
Capitol District Joint Board, Amalgamated Clothing Workers, Troy.
Operative Plasterers and Cement Finishers International Association, Riverdale, Bronx.
Central Labor Council, Buffalo.
Gruber Bros., New York.
Fur Trade Foundation, New York.
Greater New York Federation of Churches.
Col. Francis Vigo Post, American Legion, New York.
Nursing committee, Henry Street Visiting Nurse Society, New York.
Milton Handler, Columbia University.
Brooklyn Committee for Better Housing.
New York State Board of Housing.
Association of Bay Nurseries, New York.
Bookkeepers, Stenographers, and Accountants' Union, New York.
Cloak, Suit, Skirt, and Reefer Makers' Union, joint board of Greater New York.
New York State Federation of Labor.
New York Building Trades Council.
New York Labor Committee on Housing and Slum Clearance.

International Brotherhood of Electrical Workers, Local No. 3, New York.
International Ladies' Garment Workers' Union, New York.
Building Trades Council, Brooklyn.
Central Union Label Council, Brooklyn.
Central Labor Council, Olean.
Red Hook Housing Committee, Brooklyn.
Neighborhood Council, navy-yard district, Brooklyn.
International Longshoremen's Association, Local No. 327, New York.
Kindergarten–6B, Teachers' Association, New York.
International Longshoremen's Local No. 1100, New York.
Benjamin Andrews, professor of household economics, Columbia University.
Rev. Charles McAlpine, Lefferts Park Baptist Church, Brooklyn.
Brooklyn Church and Mission Federation.
American People's School, New York.
International Longshoremen's Association, Brooklyn.
Miss Anne E. Robinson, Julia Richman High School. New York.
Amos I. Dusbaw, Brooklyn.
Association of Journeyman Plumbers and Steam Fitters, Tarrytown.
Journeymen Plumbers and Steam Fitters, Binghamton.
New York Typographical Union, No. 6.
Jewish Social Service Association.
City Wide Tenants League.
West Side Public Housing Conference.
Women's Public Housing Round Table.
First Methodist Episcopal Church, Brooklyn Heights.
French Evangelical Church.
United Association of Journeymen Plumbers, Steam Fitters, No. 112, Binghamton.
D. Edelman, Artcraft Store Fixtures, Brooklyn.
New York Y. W. H. A.
Bronx Y. M. H. A.
City Council, Buffalo.
Yorkville Roland American Democratic Club.
League of Mothers' Clubs.
North Harlem Community Council.
Madison Square Boys Club.
Nassau and Suffolk Building Trades Council, Mineola, Long Island.
Superintendents and Janitors Union.
International Association of Heat and Frost Insulators and Asbestos Workers, Local No. 12, New York City.
Plumbers Local Union, No. 288, Saratoga Springs.
Manhattan Avenue Merchants Association, of Williamsburg, Brooklyn.

NORTH CAROLINA

State Federation of Labor.
Central Labor Union, Winston-Salem.
United Textile Workers, Gastonia.
Gastonia Gazette.

NORTH DAKOTA

United Association of Journeymen Plumbers and Steam Fitters, Local No. 338.

OHIO

State Senate.
City Council, Akron.
Mayor Lee D. Schroy, Akron.
City Council, Toledo.
Mayor Roy D. Start, Toledo.
City Council, Lima.
City Council, Cleveland.
City Council, Columbus.
John V. Edy, city manager, Toledo.
F. O. Eichelberger, city manager, Dayton.
City Council, Youngstown.
Mayor Lionel Evans, Youngstown.
Cincinnati Metropolitan Housing Authority.
Better Housing League of Cincinnati.
Citizens' Committee on Slum Clearance and Low-Rent Housing, Cincinnati.
Cleveland Metropolitan Housing Authority.
Ohio State Federation of Labor.
North Toledo Community House.
Cleveland Joint Board, Amalgamated Clothing Workers of America.
International Association of Machinists, No. 439, Cleveland.
Petition circulated by Dr. C. J. Bushnell, professor of sociology, University of Toledo, signed by 60 persons.
Legislative committee, Cincinnati Chapter, A. A. S. W.
Friendly New Settlement, Cleveland.
Central Labor Council, Cincinnati.
Toledo Central Labor Union.
Cleveland Building Trades Council.
Columbus Federation of Labor.
Toledo Cloakmakers' Union, No. 67.
Trades and Labor Assembly of Tuscarawas County, New Philadelphia.
Trades and Labor Organization, Middletown.
Piqua Central Labor Union, Piqua.
Elyria Central Labor Union, Elyria.
Zanesville Federation of Labor, Zanesville.
Jefferson County Trades and Labor Assembly, Steubenville.
Allied Construction Industries, Cleveland.
Brotherhood of Painters, Decorators, and Paperhangers, Zanesville.
Regional Planning Council of Hamilton County and vicinity.
Perry County Central Trades and Labor Council, Beavertown.
Cincinnati Joint Board, Amalgamated Clothing Workers of America.
Coat, Suit, and Dressmakers Union, No. 63, Cincinnati.
Glassworkers Local No. 20115, Cambridge.
United Brotherhood of Carpenters and Joiners, No. 1602, Cincinnati.
United Brotherhood of Carpenters and Joiners, No. 29, Cincinnati.
International Brotherhood of Electrical Workers, No. 38, Cleveland.
Novelty Workers' Union, No. 20118, Coshocton.
Office Workers Union, No. 19366, Cleveland.
Paul L. Feiss, member Cleveland housing committee.
Mothers' Club, Toledo.
August Marx, chairman, citizens' committee on slum clearance and low-rent housing, Cincinnati.
Rev. Francis R. Fachteman, Cleveland.
Travis G. Walsh, Maier, Walsh & Barrett, Cleveland.
Ernest J. Bohn, Cleveland City Council.
Howard Whipple Green.
Brick Manufacturers Association, Cleveland.

PENNSYLVANIA

Mayor Davis Wilson, Philadelphia.
City Council, Bethlehem.

OKLAHOMA

Mayor Dr. T. A. Penny, Tulsa.
Enid City Planning of Zoning Commission.
Operative Plasterers and Cement Finishers Local No. 170, Oklahoma City.
Central Trades and Labor Council, Bartlesville.
Central Labor Union, Ponca City.
Okmulgee Central Labor Union.
Henryetta Central Labor Union.

OREGON

Central Labor Council, Portland.
Astoria Central Labor Union.
City Council, Klamath Falls.
Mayor Willis E. Mahoney, Klamath Falls.
Portland Mailer's Union, No. 13.
State Federation of Labor.
City Council, Pittsburgh.
Mayor Robert F. Pfeifle, Bethlehem.
Easton City Council.
Pennsylvania Federation of Labor.
Allied Board of Trade of Allegheny County (40 different civic and commercial organizations, 100,000 memberships).
Pittsburgh Public Affairs Commission.
Public Affairs Commission of the Federation of Social Agencies of Pittsburgh and Allegheny Counties.
Family Society, Philadelphia.
Octavia Hill Association, Philadelphia.
Beth Eden Settlement, Philadelphia.
Neighborhood Center, Philadelphia.
Friends Neighborhood Guild, Philadelphia.
Pittsburgh Housing Association.
Irene Kaufman Settlement, Pittsburgh.
Philadelphia Building Trades Council.
Federation of Women's Clubs, Pittsburgh.
Association of Philadelphia Settlements.
Pennsylvania Security League, Harrisburg.
Philadelphia Central Labor Union.
American Federation of Hosiery Workers No. 10, Reading.
Central Labor Union, Kittanning.
Cannonsburg Central Labor Union, Strabane.
International Brotherhood of Electrical Workers Local No. 6, Pittsburgh.
Reading Federated Labor Council.
Bricklayers International No. 2 of Pennsylvania, Pittsburgh.
Armstrong County Central Labor Union, Kittanning.
Central Trades Council of Jeannette.
Central Labor Union, Quakertown.
Central Labor Union, Carbondale.
Erie Building Trades Council, Erie.
United Trades Council, Brownsville.
Central Labor Union of Clearfield County.
Central Labor Union of Lancaster.
Barnesboro Central Labor Union, Marstellar.
Blair County Central Labor Union, Altoona.
Uniontown Trades and Labor Council.
United Mine Workers' of America, Local No. 6561, Smithfield.
Casket Makers' Union, No. 19072, Boyertown.
American Federation of Hosiery Workers, Philadelphia branch.
United Mine Workers' of America, No. 2353, Fitz Henry.
International Association of Machinists, No. 166, Newcastle.
Lancaster Central Labor Union.
Pittsburgh Chapter, A. A. S. W.
Molders' Union, No. 6, Pittsburgh.
Molders' Union, No. 46, Pittsburgh.
Earl Harrison, attorney, Philadelphia.
Mrs. Philip R. Hepburn, Rosemont.
Morris Knowles, Inc., Pittsburgh.
S. Leo Ruslander, Pittsburgh.
J. David Stern, publisher, Philadelphia Record and New York Evening Post.

Francis D. Tyson, professor of economics, Pittsburgh.
Edwin C. May, prominent businessman, Pittsburgh.
Sidney Teller, settlement director, Pittsburgh.
Nathan Jacobs, president, Civic Club, Allegheny County.
J. W. Freas, Chester.
Delaware County Central Labor Union, Media.
Central Pennsylvania Conference of Central Labor Unions, Altoona.
Teamsters, Chauffeurs, and Helpers Union, No. 430, York.
Federal Labor Union 18255, Wallpaper Helpers, York.
City Council, Pittsburgh.
Mayor Robert F. Pfeifle, Bethlehem.
Easton City Council.
Pennsylvania Federation of Labor.
Allied boards of trade of Allegheny County (40 different civic and commercial organizations, 100,000 membership).
Pittsburgh Public Affairs Commission.
Public Affairs Commission of the Federation of Social Agencies of Pittsburgh and Allegheny Counties.
Family Society, Philadelphia.
Octavia Hill Association, Philadelphia.
Beth Eden Settlement, Philadelphia.
Neighborhood Center, Philadelphia.
Friends Neighborhood Guild, Philadelphia.
Pittsburgh Housing Association.
Irene Kaufman Settlement, Pittsburgh.
Philadelphia Building Trades Council.
Federation of Women's Clubs, Pittsburgh.
Association of Philadelphia Settlements.
Pennsylvania Security League, Harrisburg.
Philadelphia Central Labor Union.
American Federation of Hosiery Workers, No. 10, Reading.
Central Labor Union, Kittanning.
Cannonsburg Central Labor Union, Strabane.
International Brotherhood of Electrical Workers, Local No. 6, Pittsburgh.
Reading Federated Labor Council.
Bricklayers International, No. 2, of Pennsylvania, Pittsburgh.
Armstrong County Central Labor Union, Kittanning.
Central Trades Council of Jeannette.
Central Labor Union, Quakertown.
Central Labor Union, Carbondale.
Erie Building Trades Council, Erie.
United Trades Council, Brownsville.
Central Labor Union of Clearfield County.
Central Labor Union of Lancaster.
Barnesboro Central Labor Union, Marstellar.
Blair County Central Labor Union, Altoona.
Uniontown Trades and Labor Council.
United Mine Workers of America, Local No. 6561, Smithfield.
Casket Makers' Union, No. 19072, Boyertown.
American Federation of Hosiery Workers, Philadelphia branch.
United Mine Workers of America, No. 2353, Fitz Henry.
International Association of Machinists, No. 166, Newcastle.
Lancaster Central Labor Union.
Pittsburgh Chapter A. A. S. W.
Molders' Union, No. 6, Pittsburgh.
Molders' Union, No. 46, Pittsburgh.
Earl Harrison, attorney, Philadelphia.
Mrs. Philip R. Hepburn, Rosemont.
Morris Knowles, Inc., Pittsburgh.
S. Leo Ruslander, Pittsburgh.
J. David Stern, publisher, Philadelphia Record and New York Evening Post.
Francis D. Tyson, professor of economics, Pittsburgh.
Edwin C. May, prominent businessman, Pittsburgh.
Sidney Teller, settlement director, Pittsburgh.
Nathan Jacobs, president, Civic Club, Allegheny County.
J. W. Freas, Chester.
Delaware County Central Labor Union, Media.
Central Pennsylvania Conference of Central Labor Unions, Altoona.

RHODE ISLAND

United Textile Workers of America, Providence.
Providence Central Federated Union.

SOUTH CAROLINA

City Council, Greenville.
Charleston Board of Trade.
Central Labor Union, Spartanburg.
Tillman Lodge, No. 649, Charleston.
Central Labor Union, Charleston.
Charleston Housing Authority.

SOUTH DAKOTA

Aberdeen Central Labor Union.
United Brotherhood of Carpenters and Joiners, Local No. 783, Sioux Falls.
State Federation of Labor.

TENNESSEE

City Council, Knoxville.
Mayor Watkins Overton, Memphis.
Tennessee Federation of Labor.
Nashville Housing Committee.
Nashville Building Trades Council.
Knoxville Building Trades Council.
Knoxville Central Labor Union.
American Legion post, Knoxville.
Dr. E. P. Hart, Union Avenue Baptist Church, Memphis.
Robert A. Gerny, Knoxville.
Knoxville Labor News.

TEXAS

Mayor R. F. Sherman, El Paso.
Bexar County Tuberculosis Association, San Antonio.
Houston Labor and Trades Council.
Beaumont Building Trades Council.
Austin Trades Council.
Waco Building Trades Council.
International Brotherhood of Electrical Workers, No. 383, El Paso.
C. Tranchess, S. J., San Antonio.
State Federation of Labor.

UTAH

Federal Labor Union, Logan.
Building Trades Council, Salt Lake City.

VIRGINIA

National Federation of Post Office Clerks, Norfolk.
Roanoke Times.
Portsmouth Central Labor Union.

VERMONT

Vermont Federation of Labor.
Barre Central Labor Union.

WASHINGTON

Clark County National Housing Commission, Vancouver.
Clark County Central Labor Council, Vancouver.
Grays Harbor County Central Union, Aberdeen.
Spokane Building Trades Council.
Pasco-Kennewick Federal Labor Union No. 19146.
Washington State Federation of Labor.
Everett Central Labor Council, Everett.

WEST VIRGINIA

Central Labor Union, Williamson.
Central Labor Union, Morgantown.
Central Labor Union, Clarksburg.
United Mine Workers of America, Local No. 5429, Mona.
United Mine Workers of America, Local No. 4009, Shinnston.

WISCONSIN

Mayor William J. Swoboda, Racine.
City Council, Superior.
Mayor Daniel E. Dean, Milwaukee.
Milwaukee City Council.
Administrator's advisory committee, Milwaukee.
Board of public land commission, Milwaukee.
City Council, Sheboygan.
Mayor of Sheboygan.
Mayor James A. Law, Madison.
Oshkosh Trades and Labor Council.
Upholsterers Union No. 133, Sheboygan.
Federated Trades Council, Milwaukee.
Racine Building Trades Council.
United Association of Journeymen Plumbers and Steam Fitters of United States and Canada, No. 167, Madison.
Kenosha Trades and Labor Council.
Green Bay Federated Trades Council.
Waukesha Trades and Labor Council.
Neenah-Menasha Trades and Labor Council.
Building Trades Council.
Milwaukee Building Trades Council.
International Boot, Shoemakers Union, No. 197, Sheboygan.
Federal Labor Union, No. 18545, Sheboygan.
Workers' Alliance, Sheboygan.
Central Workers' Auxiliary, Sheboygan.
Phelps Wyman, landscape architect, Milwaukee.
Rev. E. LeRoy Dakin, First Baptist Church, Milwaukee.
Wisconsin Federation of Labor.

WYOMING

Wyoming State Federation of Labor.

ADDENDA, JUNE 4, 1936

MISCELLANEOUS

Local Union No. 779, Mobile, Ala.
United Garment Workers Union of America No. 200, Mobile, Ala.
United Association of Journeymen Plumbers and Steam Fitters No. 494, Long Beach, Calif.
Santa Rosa Central Labor Council, Santa Rosa, Calif.
Cleaners', Dyers', and Pressers' Union No. 17960, San Francisco, Calif.
Savannah Building Trades Council, Savannah, Ga.
Amalgamated Association of Street Electric Railway Employees and Motor Coach Employees of America, Local No. 898, Macon, Ga.
Capt. and Mrs. M. N. Egroff, Chevy Chase, Md.
Mrs. Emily Bright Burnham, Boston, Mass.
City Council, Springfield, Ill.
Mayor John S. Kabb, Jr., Springfield, Ill.
William T. Zendler, Ridgewood, N. J.
Scott S. Pierre, Hillsdale, N. J.
Fred G. Hummers, Bogota, N. J.
John Dorrity, Glen Rock, N. J.
Nicholas Cantone, Hasbrouck Heights, N. J.
Thomas Cosler, Rutherford, N. J.
Leon Degergen, Cliffside Park, N. J.

Mary Haman, Garfield, N. J.
Paul Reimann, Rochelle Park, N. J.
Mrs. Marion Stecker, Palisades Park, N. J.
John E. Quinn, Paterson, N. J.
John Gladstone, New York City, N. Y.
Willoughby House Settlement, Brooklyn, N. Y.
Representative Christopher D. Sullivan, New York, N. Y.
William Lescage, architect, New York, N. Y.
Martin Bohm, Duquesne, Pa.
Chicago City Council.

THE SUGAR QUOTA

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a concurrent resolution passed by the Senate and House of Representatives of the Legislature of the State of Louisiana protesting against the sugar quota.

The SPEAKER. Is there objection?

There was no objection.

Mr. DEROUEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following concurrent resolution passed by the Legislature of the State of Louisiana:

Senate Concurrent Resolution No. 1, by Mr. Peltier. Originated in the Senate. B. W. Cason, Secretary of the Senate

Whereas sugarcane culture and the processing thereof into sugar, sirup, and molasses in Louisiana is, and has been for more than a century, a major industry of our State; and

Whereas through the splendid work of scientists of the United States Department of Agriculture and of the State experiment station of the Louisiana State University, new varieties of sugarcane have been produced, and improved agricultural and processing methods have been adopted, which have resulted in a progressive expansion of sugar; and

Whereas sugar is an import crop of which only one-fourth of the national consumption requirements are produced in the continental United States; and

Whereas the declared purpose of all existing Federal laws concerning the welfare of farmers is to restore the purchasing power of the farmer and to create a parity income as compared to the base period of 1909–14; and

Whereas the average annual production of sugar during such base period of 1909–14 amounted to 350,000 short tons, raw value; and

Whereas the actual production of sugar in Louisiana for the crop year 1935 was 340,000 short tons, raw value, and the growing crop is estimated to exceed 350,000 short tons of sugar, raw value: Therefore, be it

Resolved by the Legislature of Louisiana, That we hereby wholeheartedly endorse the bill (S. 4560) introduced by the Honorable JOHN H. OVERTON, United States Senator from Louisiana, which, in substance, provides a permanent Federal policy of unrestricted protection of sugar in continental United States, and the preservation of the American market for our farmers to the extent of their ability to supply sugar; and be it further

Resolved by the Legislature of Louisiana, That, should it become impossible to consider permanent legislation at the present session of Congress, but in order to meet the emergency created by the decision of the United States Supreme Court of January 6, 1936, and should it be considered expedient to fix quota restrictions upon continental sugar, we submit and we recommend that in no case should the quotas for continental areas be less than the present production and the normal expectancy of the presently growing crop, estimated for the continental cane area to be 450,000 short tons of sugar, raw value; and be it further

Resolved by the Legislature of Louisiana, That we hereby memorialize the Congress of the United States and we hereby request the President of the United States and the Secretary of Agriculture to protect and assist the sugarcane farmers in the manner herein recommended; and we hereby formally request the Senators and Congressmen representing Louisiana in the Congress of the United States to vote for and support the Overton bill as a permanent Federal policy concerning sugar, but not to vote for or support any measure, temporary or permanent, which fails to provide a marketing quota for Louisiana representing at least the full extent of our actual production of sugar.

EARET LONG,
Acting Lieutenant Governor and President of the Senate.
N. S. HOFFPANIS,
Acting Speaker of the House of Representatives.
R. W. LECHE,
Acting Governor of the State of Louisiana.

Approved June 1, 1936, 5:50 p. m.

PUBLIC PRINTING AND BINDING

Mr. BARRY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3440) to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from New York asks unanimous consent to take from the Speaker's table the bill S. 3440, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. LAMBETH, Mr. BARRY, and Mr. RICH.

STREAM POLLUTION

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the bill (H. R. 12764), a stream-pollution bill, referred to the Committee on Interstate and Foreign Commerce, be rereferred to the Committee on Rivers and Harbors.

The SPEAKER. Is there objection?

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3247) to amend title II of the National Industrial Recovery Act as amended by the Emergency Appropriation Act, fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from Michigan asks unanimous consent to take from the Speaker's table the bill S. 3247, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. THOMPSON, Mr. DINGELL, and Mr. CROWTHER.

PERSONAL LIBERTY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein an article written by myself on the subject of personal liberty, which appears in the Annals of the American Academy of Political and Social Science for May.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article, written by myself, which appears in the May issue of the Annals of the American Academy of Political and Social Science:

[From the Annals of the American Academy of Political and Social Science for May 1936]

PERSONAL LIBERTY

By John W. McCormack

For many years, millions of immigrants have passed under the protective arm of that mighty lady of freedom, the Statue of Liberty. To these millions, many of whom had been oppressed, persecuted, and harried by religious intolerance and racial prejudice, she offers a refuge where the inalienable rights of man prevail. With manifestations of American progress surrounding her, she stands as a symbol of man's most cherished concept, the exercise of his natural and acquired capabilities without fear of arbitrary restraint. To us she stands as a monument of our forefathers who left their native land to come here, where, once free from the shackles of tyranny, they resolved to establish a system of government that would forever define and preserve those rights which are inherent in man—the right to life, liberty, and the pursuit of happiness. These are the rights, the free exercise of which constitutes personal liberty.

Let us briefly trace the nature and the origin of these rights in order that we may better understand the necessity for a government such as ours, which protects and administers the exercise of them in a manner harmonizing with the proper enjoyment by all.

Personal liberty means the freedom of the individual to exercise within reasonable limits those rights which are inseparable from his nature as a rational and responsible being. Such rights, in the American philosophy of government, are inherent—not a grant of the State, but accrue to each individual together with his human nature. Before the State makes us citizens, God makes us men. Gifted with the wonderful powers of locomotion, sight, and hearing, complemented by the Godlike faculties of intellect and will, man is being urged constantly by a rational

instinct and through social necessity to seek association with beings similarly endowed. The right to live, to go and come where and when he chooses, to speak and be heard, to hear his fellow man, all afford an opportunity to secure the advantages of association essential to the exercise and development of his natural faculties. To be checked or even unduly restrained in the exercise of these mental and physical capacities with which he is vested would subject him to a life of ignorance, frustration, and despair.

THE INDIVIDUAL IN SOCIETY

Thus in response to a natural urge and by means of those powers which he is free to employ, man joins his fellow beings in society. That is the meaning of Aristotle's celebrated dictum: "Man is by nature a political animal."

The welfare and progress of many such individuals assisting and being assisted in the development and the proper enjoyment of their natural faculties, and harmoniously striving for the general welfare, is the true purpose of civil society. Obviously the individual must be free to exercise his natural rights in order to participate in the benefits derived from such association. In society the individual's rights are predicated on his duty to respect the rights of his fellow members. Each member retains his natural rights, but his exercise of them is subject to similar rights which exist in his fellow men. Hence liberty involves obligations and duties, as well as rights and privileges.

In the struggle for individual success there is the danger that man will become unreasonable and intemperate in his demands, and ignore his duty to respect the rights of others. Self-interest is a powerful mainspring of action—more powerful in the private individual than his regard for common welfare, which is a vaguer concept. For this reason, society must be protected against any inordinate exercise of the individual's rights. This entails the necessity for some concrete authority to direct and compel, if need be, a proper order of things and conduct. The recognition and the preservation of man's natural rights, prohibiting the abuse and regulating the exercise of them in accordance with truth and social justice, are the fundamental duties of a good government.

The steady and tireless efforts of humanity to realize a government established on these principles constitutes the history of mankind.

We cannot ignore the many contributions to the advancement of these ideals which were made by the various tribes, races, and nations which inhabited this earth in the past, but we must pass on to those events which are more germane to the history of our own Government.

ENGLISH GUARANTIES OF RIGHTS

The first definite step forward in this great struggle which was later to influence the minds of the framers of our Constitution was taken as early as 1215, when the barons of England forced their King to sign the Magna Carta. It was solemnly pledged in this historic charter that—

"No freeman shall be taken or imprisoned or be disseized of his freehold or his liberties or his free customs, or be outlawed or exiled or otherwise destroyed but by the lawful judgment of his peers or by the law of the land."

This document, embodying rights that were most precious to man, was so unjustly evaded and often ignored that its intended purpose—the effective protection of those rights which it recognized—was frustrated.

The numerous violations and circumventions of these rights by the Crown were disclosed and remedied by the Bill of Rights, another step toward emancipation. This bill passed Parliament in 1688. It reasserted the rights recognized by the Magna Carta and specifically pointed out the occasions of their violation by the Crown.

These two instruments of English law—the former recognizing the guaranteed rights of Englishmen; the latter pointing out the futility of recognition without assurance of protection against the usurpations of an unjust government—may properly be described as the framework around which modern constitutional government has been built.

DECLARATION OF INDEPENDENCE

These fundamental principles of freedom, which we have shown that man by his very nature possesses, true enjoyment of which he had never realized, were enlarged and further clarified in the Declaration of Independence, the instrumentality by which the colonists proclaimed to the world their freedom. This was not a forced or transitory recognition to be disregarded at the first opportunity, as was the Magna Carta. The barons who obliged King John to sign under the oaks at Runnymede were vindicating certain rights which they claimed as Englishmen, and which had been guaranteed by previous grants. The drafters of the American Declaration struck deeper into eternal truth. They laid claim to the liberties therein immortalized, not because they were derived from specific previous grants of any parliament, but because they belong to all men in virtue of their human nature. They descend not from any human institution but from the Creator. That was the electrifying challenge flung into the teeth of a monarchial age by 13 insignificant colonies strung along the Atlantic seaboard. That is what makes July 4, 1776, forever memorable in the history of political science. It marked the daring and spontaneous expression of the hopes and desires carried in the hearts of those hardy pioneers who had suffered untold privations in order that they might live and prosper in the true enjoyment of personal liberty.

ORIGIN OF THE CONSTITUTION

These men were now free to establish a system of government that would protect those rights for themselves and their posterity. Joyful in the possession of liberty, fearful of its loss, they next labored to bring forth the greatest document insuring the perpetuity of a government that was ever devised in the history of mankind—the Constitution of the United States.

This immortal document, America's greatest contribution to ordered liberty, truly protects the enjoyment of all those rights for which past generations had so courageously fought. Under it a government by the consent of the governed was established. Its framers, inspired with almost divine wisdom, provided for a dual system of control whereby those powers not vested in the Federal Government remained in the States. They took precautions to prevent undue control from being vested in any one group by dividing the powers of the Government among the legislative, executive, and judicial branches. This division, with its reciprocal checks and balances, guarantees the proper enjoyment of the exercise of personal liberty.

But to make this personal liberty more secure, the first 10 amendments were added. This addition, called the Federal Bill of Rights, guarantees freedom of religious conscience, the right to freedom of speech and of the press, sanctity of the home and family life, the right to a trial by jury, the protection of property, and other fundamental human rights necessary for "life, liberty, and the pursuit of happiness." In this discussion we will consider the first, fourth, and fifth amendments and the administration of them in the light of man's natural destiny.

FREEDOM OF RELIGION

The first amendment of the Constitution provides in part, "Congress shall not pass any law respecting the establishment of a religion or prohibiting the free exercise thereof."

By the provisions of this amendment each citizen is free peaceably to enjoy his or her particular mode of worship without interference. This freedom enables all citizens to pursue their quest for spiritual happiness in the manner they deem most suitable. Their religious beliefs are held sacred and inviolate.

But this guaranty does not operate to permit the commission of acts under the guise of religious beliefs which tend to injure the health, the safety, or the morals of the public. Government would be negligent in its duties to direct and compel, if necessary, its citizens in the proper exercise of their rights if it were to permit such conduct. The general welfare would be disregarded and wholesale corruption would result.

Religious freedom is properly interpreted in the case of *Reynolds* v. *United States* (98 U. S. 163 (1878)), where the Court in its opinion quotes with approval the preamble to a Virginia statute (12 Hennings Stat. 84), which states "that to suffer the civil magistrate to intrude his powers into the field of opinion, and to restrain the profession or propagation of principles on supposition of their ill tendency is a dangerous fallacy which at once destroys all religious liberty * * * it is time enough for the rightful purposes of civil government for its officers to interfere when the principle breaks out into overt acts against the peace and good order."

Hence it can be readily understood that the guaranty of religious freedom does not allow the practice of acts such as bigamy and polygamy, which are recognized by the general consent of the Christian world to be injurious to the public good. This is no derogation of religious conscience, any more than would be the prohibition for certain groups in their ceremonies to offer up human sacrifice. For to permit such acts would be to permit every citizen to become a law unto himself, and government would exist in name only.

FREEDOM OF SPEECH

Another safeguard of personal liberty is found in the first amendment, wherein it is stated that Congress may not pass any law abridging the freedom of speech.

Freedom of speech is one of the keystones upon which the American conception of personal liberty is founded. It is the effective medium through which the people express their thoughts and desires. It is only in a true democracy that the exercise of such a powerful right can be fully enjoyed. This fact may be appreciated by observing how the rulers of certain nations of the world have suppressed or greatly limited the exercise of it.

To what extent does the constitutional guaranty protect freedom of speech? That it is only a protection from governmental suppression is clearly evident. There are innumerable instances where the individual is deprived of the opportunity to express his thoughts through denial of facilities which are rightfully under the control of another. This cannot be considered as a deprivation of his right to speak, in the constitutional sense. The Constitution guarantees freedom of speech but does not provide that all agencies, public and private, shall be equally available to every citizen.

It was never contemplated that this provision of the Constitution should be a license to slander. This is an abuse of the right to free speech. What is guaranteed is liberty with responsibility. A government which does not protect its citizens with proper laws from scurrilous attacks upon their character and reputation has failed to recognize one of its paramount duties to the Nation. In the exercise of any right, citizens must be compelled to respect the equal rights of their fellow citizens. And the right to one's character is as precious as his title to property. The insidious and reckless exercise of speech, capable as it is of destroying character and reputation of the individual, will ultimately undermine that

bedrock without which no orderly government can exist—the sanctity of the home.

The proper interpretation of the constitutional guarantee of the freedom of speech was expressed by the Supreme Court of the United States in the case of *Stromberg* v. *California* (283 U. S. 359 (1931)). This case declared unconstitutional a California statute which upon its face destroyed free speech by prohibiting the opportunity to exercise it. The Court in its opinion stated:

"The maintenance of the opportunity for free political discussion to the end that government may be responsive to the will of the people and that changes may be obtained by lawful means, an opportunity essential to the security of the Republic, is a fundamental principle of our constitutional system."

This declaration of the Court cannot be interpreted to mean that government is denied the right to punish those who indulge in pernicious utterances tending to incite to its overthrow by force and violence. The Constitution provides for orderly change when deemed necessary in the American system of government. It cannot reasonably be said that the framers of the Constitution intended to deny to the Government which they established the right to protect its very existence from such illegal attacks. If those interests inimical to our system of government were permitted to incite the people to rise with force and violence and overthrow the properly constituted authority, the result would be the loss of those very rights for the protection of which the Constitution was enacted. It would ultimately result in chaos. Any such movement, regardless of its nomenclature or objective, is beyond the pale of constitutional immunity. Legislation designed to curb conduct abhorrent to our institutions or subversive of democracy is legislation for the protection of the natural rights of man.

FREEDOM OF THE PRESS

Another basic right safeguarded by the first amendment is the freedom of the press. The exercise of this right is as essential to the success of democracy as is freedom of speech. It provides the means for uniting the many individuals who make up this Nation into that solid mass of lovers of true liberty—the American people. The press is the guardian and the interpreter of the people, translating their hopes and desires into the laws of the land.

The Court has always been the zealous watchman of this right. It has repeatedly asserted that the guarantee respecting the exercise of this right is one of the great cornerstones of personal liberty. In *Near* v. *Minnesota* (283 U. S. 697 (1931)) the Court declared it was beyond the power of the State to enjoin the publication of a newspaper on the ground that it was a public nuisance. In its opinion, freedom of the press was described as "immunity from previous restraint." So also it was recently decided in the case of *Grosjean* v. *The American Press Co.* (56 Sup. Ct. 444 (1936)) that a discriminatory tax which might tend to regulate or destroy the press was unconstitutional.

But as freedom of speech is subject to reasonable limitations, so also is the freedom of the press. Since libel is nothing more than slanderous statements appearing in writing, such injurious license is likewise prohibited as an abuse of the freedom guaranteed under our Constitution. It is the duty of the press to respect the rights of others and refrain from publishing libelous statements. Libel is the abuse of liberty of printing, and not freedom of the press. The Constitution was never intended to shield those who indulged in such destructive practices.

There are certain definite limitations to freedom of the press which are necessary for the general welfare of the Nation. The Government must have the authority to prevent actual or covert interference with the recruiting of men into service in the time of war. Similarly, the State may justly forbid the publication of information which should, for the best interests of the country, remain secret. There is a further qualification of this right. Freedom which the press enjoys under constitutional guaranty does not permit it to incite to rebellion against the properly constituted authority.

It was quite definitely decided in the case of *Gitlow* v. *New York* (268 U. S. 666, 667 (1925) that the freedom of the press must not be abused. The Court, in upholding the conviction of the defendant, who had been charged with criminal anarchy for publishing a manifesto urging open rebellion, stated:

"It is a fundamental principle, long established, that the freedom of speech and the press, which is secured by the Constitution, does not confer an absolute right to speak without responsibility, whatever one may choose, or an unrestricted and unbridled license giving immunity for every possible use of language and preventing the punishment of those who abuse this freedom (cases cited). Reasonably limited, it was said by Story in the passage cited, this freedom is an inestimable privilege in a free government; without such limitation, it might become the scourge of the Republic."

The primary duty of government is to protect its citizens in the proper exercise of their rights. Laws which forbid acts which imperil the safety of government are not derogatory to a rational concept of personal liberty.

To hold otherwise would be to encourage the destruction of government and the loss of all the sacred rights which it protects.

PROTECTION FROM UNREASONABLE SEARCH AND SEIZURE

The fourth amendment protects the right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures. The scope of this amendment has been the subject of considerable litigation, too numerous and varied to mention here. A very excellent description of the rights guaranteed by this amendment is given in the case of *Weeks* v. *United States* (232 U. S. 392 (1914)), where in the course of its opinion the Court said:

"The protection reaches all alike and the duty of giving to its force and effect is obligatory upon all intrusted with the enforcement of the Federal laws. The tendency of those who exercise the criminal laws of the country to obtain conviction by means of unlawful seizures and enforced confessions, the latter often obtained after subjecting innocent persons to unwarranted practices destructive of rights secured by the Federal Constitution, should find no sanction in the judgment of the courts which are charged at all times with the support of the Constitution, and to which people of all conditions have the right to appeal for the maintenance of such fundamental rights."

PROTECTION OF LIFE AND PROPERTY

The fifth amendment provides for the protection of the person and property of the citizens. Here again, as in the exercise of other basic rights, the general welfare of the Nation must be considered. Hence it is commonly recognized that under certain specific circumstances citizens may be deprived of their lives and property, either as penalty for crime or in emergencies, as a necessary means for safeguarding the general welfare of the Nation. Even then, however, it cannot be done without due process of law.

This constitutional guarantee of due process was very clearly defined by Daniel Webster in his argument delivered in the Dartmouth College case (4 Wheat. 627 (1819)), Webster stated:

"By the law of the land is most clearly intended the general law, a law which hears before it condemns, which proceeds upon inquiry, and renders judgment only after trial. The meaning is that every citizen shall hold his life, liberty, property, and immunities under the protection of the general rules which govern society."

These are the constitutional protections which safeguard the most important phases of personal liberty.

GOVERNMENT AS A SAFEGUARD OF PERSONAL RIGHTS

The growth and development of our Nation from a group of small communities to the most powerful country in the world must be attributed to the ability and genius of its citizens, guided, protected, and supported by a just government. From all over the world people of different tongues and various beliefs have come to these shores where they may enjoy those rights which are so vital to man's happiness. Under our system of government they have found personal liberty in a manner and to an extent as nearly complete as man's imperfections will allow. Here industry, science, art, education, and religion have flourished under the ægis of a government which recognizes the existence of natural rights in each citizen and endeavors to direct the exercise of them to the attainment of the greatest common good.

As members of a social order we should recognize the rights of others. As citizens of this great Nation we should appreciate the freedom it confers to exercise our rights, conscious always of our duty to respect similar rights in others.

The solemn duty of government to direct and compel, if necessary, a mutual respect for the rights of others must not be ignored. It will be only when our Government fails in its duty to prevent the abuses of personal liberty, and permits those who would ignore the rights of others to confuse license with constitutional freedom, that we need fear the loss of our inalienable rights. Democracies decay from the head downward.

DEMOCRACY ESSENTIAL TO PERSONAL LIBERTY

The determined efforts of an organized minority should not be permitted to undermine the constitutional safeguards which not only guarantee but protect the personal liberty of our people. The possession and enjoyment of personal liberty are dependent upon the existence of democratic processes of government. Under any other form of government, personal liberty exists through mere sufferance of the individual or group who have usurped the sovereign powers which rightfully and inherently belong in the people.

Without recourse to history, a glance at some of the existing forms of government indisputably shows that personal liberty as a right exists only in a democracy. The results in any form of dictatorship, whether communistic, fascistic, or otherwise, upon the possession of personal liberty, have been shown to be the same—personal liberty has been destroyed. In our country, by reason of our Constitution, government itself cannot impair or destroy such rights. Such power is reserved to the people. The right of personal liberty should be zealously guarded.

Now, more than ever before, should we be mindful of the purposes set forth in the preamble to the Constitution. Let us renew our faith in a form of government which has weathered the gales of martial and economic storms for over a century and a half, and assures us the stability we now enjoy in a changing world. If the pilots on the bridge have not clear vision and steady hands, the people will perish. Let us lay our course in the words of our own New England bard, Henry W. Longfellow:

"Thou, too, sail on, O Ship of State!
Sail on, O Union, strong and great,
Humanity with all its fears,
With all the hopes of future years,
Is hanging breathless on thy fate!
We know what Master laid thy keel,
What workmen wrought thy ribs of steel,
Who made each mast, and sail, and rope,
What anvils rang, what hammers beat,
In what a forge and what a heat
Were shaped the anchors of thy hope!

"Fear not each sudden sound and shock,
'T is of the wave and not the rock;
'T is but the flapping of the sail,
And not a rent made by the gale!
In spite of rock and tempest's roar,
In spite of false lights on the shore,
Sail on, nor fear to breast the sea!
Our hearts, our hopes, are all with thee,
Our hearts, our hopes, our prayers, our tears,
Our faith triumphant o'er our fears,
Are all with thee—are all with thee!"

RADIOS ON SHIPBOARD

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of the bill (S. 4619) to amend the Communications Act of 1934, approved June 19, 1934, for the purpose of promoting safety of life and property through the use of wire and radio communications, and for other purposes, and that the same be referred to the Committee on Merchant Marine and Fisheries. I may say I have spoken to the chairman of that committee. This bill relates entirely to radios on shipboard, and for that reason the chairman of the Committee on Interstate and Foreign Commerce agrees that it should be referred to the Committee on Merchant Marine and Fisheries.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

A DANGEROUS TAX MEASURE

Mr. MAPES. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. HOLLISTER] may have unanimous consent to extend his own remarks by including a radio address which he gave on April 23 last.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOLLISTER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by me over the Columbia Broadcasting System from Washington, D. C., April 23, 1936:

Today another outrageous tax bill is before Congress. It is the fourth general tax bill presented by the New Deal since 1933, and in its present form will yield, according to its sponsors, an annual average of approximately $800,000,000.

The problem of taxation, forcibly brought before us by this measure, is the most urgent issue facing the American people today. Taxes of every sort are already burdensome and are delaying recovery, yet the demands of the New Deal spenders are so great that Congress still is pressed to find new sources of revenue. The time has passed when sound public policy will permit additional taxation to support New Deal boondoggling. The time has come when all possible efforts should be directed, rather, to the reduction of expenditures. Three years of reckless squandering has not restored our industry and trade to a condition of wholesome stability. Three years of governmental extravagance has not provided jobs for our 12,000,000 unemployed—has not reduced the 20,000,000 on relief. Nor will another billion-dollar tax bill solve these problems. In the interests of national solvency, every dictate of reason and sound policy demands an end to this reckless squandering of public money. In all human history no people has ever been able to spend its way to prosperity.

We all recall, of course, the glowing promise of economy and sound budget management offered by President Roosevelt in the Presidential campaign in 1932. Describing the obligations of the Presidency in his campaign address in Sioux City, Iowa, on September 29, 1932, Mr. Roosevelt said:

"I shall use this position of high responsibility to discuss up and down the country, in all seasons, at all times, the duty of reducing taxes. * * * This I pledge you, and nothing I have said in this campaign transcends in importance this covenant with the taxpayers of this country."

And listen to him speeking at Pittsburgh a few weeks later:

"Now the credit of the family depends chiefly on whether that family is living within its income. And this is so of the Nation. If the Nation is living within its income, its credit is good. If, in some crisis, it lives beyond its income for a year or two, it can usually borrow temporarily on reasonable terms. But if, like a spendthrift, it throws discretion to the winds, is willing to make no sacrifice at all in spending, extends its taxing to the limit of the people's power to pay, and continues to pile up deficits, it is on the road to bankruptcy.

"Taxes are paid in the sweat of every man who labors, because they are a burden on production and can be paid only by production. If excessive, they are reflected in idle factories, tax-sold farms, and, hence, in herds of the hungry tramping the streets and seeking jobs in vain.

"Our workers may never see a tax bill but they pay in deductions from wages, in increased cost of what they buy, or (as now) in broad cessation of employment. * * *

"Our Federal extravagance and improvidence bears a double evil; first, our people and our business cannot carry its excessive burdens of taxation; second, our credit structure is impaired by the unorthodox Federal financing made necessary by the unprecedented magnitude of these deficits."

That was the pledge upon which the New Deal was given power, and yet we find that in every year since 1933 there has been a new Federal tax bill. Despite new taxes aggregating $1,500,000,000 annually, imposed by these various New Deal measures, we have increased the national debt by $12,000,000,000 since 1933. Such has been President Roosevelt's observance of his promises and that of his party.

And what a tax bill has now been presented! Its basic principle is a complete revolution of the method of taxing the incomes of corporations, bringing about the unsound and fanciful results which we have increasingly been led to expect from our New Deal financial experts.

The theory of this new tax is that if corporations are taxed at very high rates on earnings which they do not pay out in dividends, they will be compelled to pay out most of their earnings, and there will, therefore, be more income to be taxed to the stockholder who receives the dividends. Like most New Deal theories, however, the practical operation is quite different from the theory.

In actual operation this new tax will add another link to the sinister chain of New Deal legislation which is directed against thrift and economy, those primary virtues which have made this country great, but which seem to be outmoded today. The wasteful extravagance of the Government, the increasing burden of debt, the manipulation of money by irresponsible experimenters, the threats to sound business operations, have all tended to cast doubt on the wisdom of accumulating savings, of taking out life insurance, or of building up an estate, no matter how small. We are taught not to look after ourselves, nor to try to establish future security, but to look to the Government for help in all our troubles, forgetting that the Government can only support us with our own money, and that in doing so politics, fraud, and waste are sure to be rampant.

Under this new tax bill we say to our industrial concerns to whom we are looking to take up the slack of unemployment: "We are going to place a penalty on saving for a rainy day. The more you attempt to set aside some of your earnings so that you may have enough to keep going in times when you are earning nothing, the more we will tax you." What a travesty this is! It is well known that during the depths of the depression many companies which would otherwise have gone to the wall were able to come through because of the fact that they had accumulated substantial surpluses in prosperous years, and their ability to withstand the storm kept just so many more workers employed. It is tragic to contemplate what would have happened during the last few years had the proposed tax law been in existence at the time these companies were laboriously setting aside a nest egg for the future.

And think of the unfair discrimination of this new bill. It does not affect the surpluses of companies now existing, no matter how large. Thus a corporation with an adequate surplus today has an enormous advantage over a new company which may not accumulate such a surplus in the future without paying a prohibitive tax. This runs directly counter to our American idea that a small concern, if efficiently managed, may grow to a large one by plowing back earnings year after year into the business. How would the Ford Co. or the General Motors Corporation have grown to their size and efficiency today if they had been compelled to pay out most of their earnings? True, their stockholders would have had more in dividends, but the people of the country would not have had such cheap automobiles, nor would hundreds of thousands of men have had jobs.

Has the time come when the man who is willing to deny himself the profits of his business for a time in order that he may build a great industry in the future, finds a prohibitive burden of taxation laid on that business?

This revolutionary tax bill has raised a thousand and one complicated questions which affect different kinds of corporations in our enormous industrial system. Manifestly, exceptions, and special conditions must be made for corporations in receivership, corporations which owe money, corporations which have accumulated deficits, corporations which have made contracts limiting or prohibiting dividends, and many other particular cases. This bill attempts to provide for some of these various classes, but the more its provisions are studied, the more it will be realized that all that has been accomplished is a complicated maze through which the average businessman will wander in despair, and from which he can never emerge without the help of an expensive army of lawyers and accountants. I predict that if ever this bill, or something like it, becomes law, there will be an enormous increase in the list of employees of the Internal Revenue Bureau, and the courts will be clogged for years with cases seeking to interpret the law.

Like most of the other New Deal measures, this one is directed against the development of our country, instead of giving it an opportunity to go forward. Restriction, scarcity, high prices with a correspondingly high cost of living, Government regulation, Gov-

ernment extravagance, taxation of the thrifty, these are the New Deal slogans; whereas it should not be manifest that what is needed to increase the buying power of the country once more and thus put the unemployed back to work, is the encouragement of business and of the spirit of American ambition, bringing increased production, with lower prices and a similar decrease in the cost of living. We have achieved our place in the world because more people can buy more things here than anywhere else.

The method in which this bill was prepared is also typical of much New Deal legislation. At the hearings before the Ways and Means Committee all the witnesses who appeared, excepting those connected with the Government, and one Communist, were absolutely opposed to its basic principle. When it came time to draft the bill the Republican members of the Ways and Means Committee were entirely excluded from any part in its preparation, which was behind closed doors. These Republican members saw the bill for the first time on Monday, and it was only yesterday that the general public could secure copies of the bill and the report and know the nature of this newly proposed and revolutionary tax. Notwithstanding this, debate started today in the House, and the Democratic leaders insist that the bill be passed within the next few days—hardly a reassuring prospect from the point of view of careful and orderly legislation.

If we knew that the proceeds of this tax bill would balance the Budget, bad though it is, we might swallow it; but its receipts are uncertain in amount and the committee itself has admitted that there will be a lag in collections so that it may be some time before it is completely effective. Besides this, the President, in asking for the revenues to be produced by this bill, admitted that relief expenditures would still be in excess of the Budget for the year ending June 30, 1937. This is only a stop-gap, only another step in the remorseless march of increasing taxation.

Within the past year the true significance of the spending orgy in Washington has been impressed upon the people of the country. Citizens everywhere now realize fully that eventually the bill must be paid. It can be paid only by crushing taxation—taxes upon food, clothing, recreation—taxes upon every activity of life—taxes to eat up small savings—taxes which will deprive thousands of children of educational opportunities—taxes which will sap the energies and mortgage the savings of many generations of American citizens.

Ladies and gentlemen, this kind of thing must stop before it is too late. To cure the ills of our great country we must go to the source of the trouble. It is clear that whatever we spend we must pay for unless we reach national bankruptcy by repudiating our debts. The only way we can pay for what we spend is by raising taxes, and the more we spend the higher and higher the taxes go. All taxes are, of course, a handicap to industrial progress, but when they reach confiscatory rates, industry stagnates and unemployment increases.

In closing, I leave with you a message, short and pointed—get rid of the spenders, and the tax gatherers go out with them.

THE REVENUE ACT, 1937

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12395), to provide revenue, equalize taxation, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate; and that the Speaker shall immediately appoint managers on the part of the House without intervening motion.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. LAMNECK. Mr. Speaker, reserving the right to object, as the membership knows, I am very much opposed to the tax bill as passed by the House of Representatives, so it is not necessary for me to express my attitude on that bill. The House bill went to the Senate and it has been rewritten. I am not in favor of the Senate bill, but I prefer the Senate bill 10 times over to the House bill.

I am not going to object to this request, provided we will be permitted when the bill comes back from conference to vote on the question of whether we shall accept the rates under this bill as provided by the Senate, as against the rates provided by the House bill. If the chairman of the committee can give me assurance that the House will have an opportunity to do so, I shall not object. If they are going to have this conference and agree that they will force Congress to accept the House bill, I will be forced to object. The Senate has already appointed a conference committee. They have added to that committee four Members of the Senate who are absolutely for the House bill. The Senate committee voted for the Senate bill by a vote of 18 to 1. I can see a tendency on the part of the House management, and probably others, to force the Congress to take this bill whether they want it or not. I am not for any such program, but if the chairman of the Committee on Ways and Means or the Speaker or someone in authority can assure me that we will have a right to vote on the Senate rates as against the House rates, I shall not object. Otherwise I shall object.

Mr. DOUGHTON. Mr. Speaker, I do not have the right to give any such assurance, in fact, I could not give such assurance, but I can say that this is the first I ever heard of any disposition to force anyone to do anything. That is a suggestion that I do not see any foundation for at all. There is no disposition on the part of the majority members of the Ways and Means Committee to attempt to force anything, but just to proceed in an orderly way under the parliamentary rules of the House, so far as I know.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. DIRKSEN. I have no intention to object, but I think I should call the attention of the House to the fact that a most unusual spectacle occurred in the Senate when, without any discussion or debate, they permitted to be annexed to the tax bill title IX, which completely turns over the system of revenue collection for liquor and distilled spirits. A most unusual amendment, I should say, and I suggest to the membership that they carefully examine title IX of the bill.

Title IX was added to the Revenue Act of 1936 by the Senate. It deals with taxation of distilled spirits. It is an unusual amendment in several respects. Strictly speaking, it should have been added to H. R. 9185, passed by the House in 1935 and dealing with revenues from intoxicating liquors. That bill is now in conference.

The substance of title IX was offered as an amendment to H. R. 9185 when that bill was pending before the Senate Finance Committee. It was rejected in committee after careful consideration.

Late in the afternoon of Friday, June 5, 1936, it was offered as an amendment to the Revenue Act of 1936. It was scarcely discussed. The idea, as disclosed by page 9100 of the CONGRESSIONAL RECORD, was to have it go to conference. Hence it crept into the revenue bill and is now before the conferees. The conferees are therefore called upon to pass upon a far-reaching proposal which was neither discussed nor alluded to when both of these measures were before the House for action.

It is not for me to attempt to persuade the judgment of any Member of the House at this time with respect to this proposal but rather to inform the Members of the nature of title IX.

In brief, it amends title II of the Liquor Taxing Act of 1934 so that the $2 per proof gallon tax on distilled spirits which is now paid by the distillers shall hereafter be collected from the retailers. Retail dealers in distilled beverages shall purchase revenue stamps from the collector of internal revenue and affix them to every bottle of liquor sold. Every seller of distilled spirits, whether at wholesale or retail, shall furnish a surety bond from a company that is approved by the Commissioner of Internal Revenue.

Proponents of this revolutionary method of collecting revenues from distilled liquors advance a number of reasons for the adoption of this amendment, among them being that (1) it will increase revenues by more than $300,000,000 annually, (2) that it will eliminate bootlegging, (3) that it will reduce liquor prices to consumers from 25 to 50 percent, and (4) that it makes buyers as well as sellers of non-tax-paid liquor liable to conviction as conspirators.

In general, this proposal is based upon the plan now in vogue in the District of Columbia where a gallonage tax of 50 cents is levied on all distilled spirits by means of affixing stamps to every bottle of liquor sold.

The Treasury Department has consistently opposed this change. In support of its position, the Treasury contends that (1) bootlegging has diminished, (2) that present-day consumption as evidenced by revenue collections on distilled spirits will reflect the true demand for spirits, (3) that counterfeited labels, stamps, and bottles are not being used, due to improved enforcement, (4) that the present system of collecting excise taxes from distillers and importers is a guarantee against evasion of taxes because of Treasury supervision, (5) that the new proposed system would increase the rate

of taxes on distilled spirits, (6) that the cost of enforcing the new proposed system would require at least 20,000 additional employees and would be excessive, (7) and that the tax as now imposed at the source is not pyramided down through wholesaler, retailer, and on to the consumer.

The new proposal is supported by the National Civic Federation of New York City. Mr. Eugene Greehut, a member of the executive council of that organization, appeared before a Senate committee and presented voluminous testimony on the subject. The Secretary of the Treasury voiced his objections to the proposal in a letter to the Senate Finance Committee dated February 27, 1936, and printed on page 264 of the hearings held on H. R. 9185.

I seek only to inform the House that this proposal contemplates a complete change of revenue collections on distilled spirits, so that instead of collecting them at the source from some 300 distillers, all under close Treasury supervision as is now practiced, it would collect these revenues from some 235,000 retail outlets. Instead of prepayment of revenue at the source before distilled spirits go into the channels of trade, this proposal would call for payment after the spirits got into the hands of the retailers.

To say the least, it constitutes a revolutionary proposal which was not once considered by the House in either session of the Seventy-fourth Congress. A special responsibility therefore devolves upon the House conferees with respect to this new proposal and I am sure their deliberations will be regarded with great interest by the entire membership.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. LAMNECK. Mr. Speaker, in the absence of any assurance, I am compelled to object.

Mr. WOODRUM. Mr. Speaker, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. WOODRUM. Without undertaking to go into the question or the merits or demerits of the two bills, but speaking purely of the parliamentary situation involved, it seems to me the distinguished gentleman from Ohio [Mr. LAMNECK] is asking for an assurance from the conferees which, perhaps, under the parliamentary situation, he would not get in any event, for this reason: The conferees go into conference over the two bills. They may bring back a conference report; it is entirely conceivable that they will bring back a conference report which, in some respects, will have the provisions and taxing philosophy of the House bill, and in others the Senate bill, in which event the Members of the House would have a right to vote for or against the conference report.

Unless the conference report brought back each individual title for separate vote, I do not see how the gentleman in any event, under parliamentary rules, could possibly get the privilege he now seeks by voluntary agreement.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. RANKIN. Let me say to the gentleman from Ohio [Mr. LAMNECK] that he can get a vote on any item in this bill or in the Senate bill by a motion to instruct the conferees. If he objects now, it will simply mean that application will be made to the Rules Committee for a rule, and the Rules Committee will report a rule sending the bill to conference. At any time after the House agrees to send the bill to conference and before conferees are appointed, the gentleman from Ohio, or any other Member of the House, has a right to offer a motion to instruct conferees.

I hope the gentleman will not object to sending the bill to conference, because his objection would simply delay the passage of the bill.

Mr. DOUGHTON. Mr. Speaker, if the gentleman from Ohio will yield, I think he will realize that he is asking an assurance the conferees would have no right and no power to give. I think on reflection he will realize there is no disposition on the part of the conferees to proceed other than in the ordinary way; and there is no disposition to deprive anyone of his rights under the rules and regulations of the House.

Mr. LAMNECK. Mr. Speaker, I realize that probably my attitude will not accomplish anything. I appreciate that under the rules of the House the Committee on Rules could be asked to bring in a rule and they would grant any kind of rule they wanted; at the same time, I consider this tax bill of such great importance that if we were to stay here the balance of the year and work out a sane tax bill it would be the best thing we could ever do. That is the way I feel about it. To force on the country a bill as revolutionary as is the House bill I claim is going to wreck business. Feeling this way I shall do everything I can to prevent it.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. MANSFIELD. Does not the gentleman realize that if his objection is maintained it just forces the Committee on Ways and Means to apply to the Rules Committee for a rule and the gentleman will still be in the same attitude he is in now.

Mr. LAMNECK. I understand that.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. LAMNECK. I yield.

The SPEAKER. The gentleman from Wisconsin will state his parliamentary inquiry.

Mr. BOILEAU. Mr. Speaker, in the event the conference report were turned down by the House would it then be in order to move to concur in the Senate amendments?

The SPEAKER. The Senate amendments would then automatically come up for further action in the House.

Mr. BOILEAU. This being so, will not the gentleman from Ohio withdraw his request, and permit the conferees to see if they cannot reach an agreement? The matter could still be brought up for action by the House when we reconvene; and if the House then turns down the conference report the gentleman from Ohio would be in position to move to concur in the Senate amendment and the issue would be directly before the House when the question of agreeing to the conference report comes up for consideration.

Mr. LAMNECK. Mr. Speaker, in view of all the circumstances I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears no objection and appoints the following conferees: Mr. DOUGHTON, Mr. SAMUEL B. HILL, Mr. CULLEN, Mr. VINSON of Kentucky, Mr. COOPER of Tennessee, Mr. TREADWAY, Mr. CROWTHER, and Mr. WOODRUFF.

POWER RATES TO CONSUMERS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a couple of short addresses delivered by the gentleman from Iowa [Mr. WEARIN].

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, under permission granted me this afternoon to extend my remarks in the RECORD, I am inserting two short addresses on the power question, delivered by the able and learned gentlemen from Iowa, Mr. WEARIN.

The gentleman from Iowa has labored diligently since he has been a Member of this House to extend and secure reasonable light and power rates to the consumers of electricity throughout the country, and especially to the people of his own State. He should be commended for his able presentation of this question, and I urge that every Member of the House read both addresses carefully.

THE NEW DEAL POWER PROGRAM

(Speech over N. B. C., Tuesday, May 28, 1936)

Within the past few weeks I have mailed out inquiries to consumers of electricity in our congressional district in Iowa that have revealed farmers and townspeople throughout the area to be paying excessively high rates for energy and that they are entitled to relief. It is going to be my pleasure to talk with you about the matter a few times over the blue network of the National Broadcasting Co. here in Washington.

The power question is undoubtedly one of the most outstanding issues of this generation. Electricity has lifted itself above the realm of a luxury. It has become an important element in human life and its production and distribution should be considered very carefully during the course of determining upon a permanent national policy with a view to advancing the best interests of the consumers.

There are two schools of thought with reference to the hydroelectric power in our navigable streams: One believes that it is private property and should be monopolized for exclusively private gain; the other believes it is public property, national wealth, and should be used for the benefit of all the American people. I belong to the latter school. President Roosevelt belongs to that school; Senator NORRIS, of Nebraska, belongs to it; as does JOHN RANKIN, of Mississippi. Certainly not even the furthest stretch of imagination would prompt anyone to feel that the water of a great navigable stream should be privately owned any more than we should grant monopolies upon the public highways of today. Nor can anyone, even the Supreme Court, say logically that the Government has no right to use its own water in those streams for the production of power for the benefit of its people and that the waters of that said stream must, therefore, hasten untouched and unused down to the sea.

Electricity is becoming a product of universal necessity, just as roads, water, harbors, and navigable streams. It has the power and ability to relieve the human race of more of its drudgery at a minimum price, if properly handled, than any other commodity. I wonder if there are still very many people who feel that the hard work of farm living, or of any living, for that matter, should not be lifted from the shoulders of the plain folks of this country simply because a few large corporations want to profit from a monopoly. (It is unfair that women should be forced to do without the conveniences of life in their farm homes or in small towns, that men should labor unceasingly as their forefathers when the installation of electricity at those farms would bring ease and happiness.) Frankly, when we stop to think about it, a complete program of rural electrification for the farmers of America would constitute more real honest-to-goodness farm relief than anything else we could do if the rate for the product is kept at a reasonable figure, which is not the case under the present system.

Now, to get back to the questionnaires that I mentioned a moment ago that disclose such glaring discrepancies in rates being charged for electricity in our section of Iowa and that are more or less applicable to all parts of the State. I called the plight of those consumers of electricity to the attention of President Roosevelt in an interview a few days ago when I placed a portion of the documents themselves upon his desk. Naturally he was vitally concerned about their plight and made constructive suggestions that will be helpful to all of us.

The conditions that those questionnaires disclosed are such that they are worthy of consideration to the extent of setting out specifically their results and comparing the prices now being paid for electric energy to those that are being paid under the Tennessee Valley Authority program as promoted by this administration. I do this in order to indicate to you the great benefits that would accrue from a similar program in the Middle West, such as I proposed some time ago in a bill setting up a Missouri Valley Authority project. The specific cases referred to below constitute 25 average examples and I have numbered them so they can be identified in my files.

No.	Appliances used	Electricity consumed	Monthly cost from present power company	Cost under T. V. A. rates	Annual cost from present power company	Annual cost under T. V. A. rates	Annual saving under T. V. A. rates
1	Lights in home and barn, radio, iron, vacuum cleaner, fans, water pumps, grindstone	68	$8.50	$1.86	$102.00	$42.32	$59.68
2	Lights in home, radio, iron, vacuum cleaner, fans, water pump in house	60	7.43	1.70	89.16	20.40	68.76
3	Lights in home and barn, radio, iron, vacuum cleaner, washing machine, water pump in house	87	8.36	2.24	100.32	26.88	73.44
4	Lights in house, barn, and garage, radio, refrigerator, iron, range, vacuum cleaner, fans, 2 water pumps	293	16.11	4.43	193.32	53.16	140.16
5	Lights in house, radio, iron, washing machine	21	2.95	1.00	35.40	12.00	23.40
6	Lights in home, radio, iron, fan, washing machine	29	6.00	1.00	72.00	12.00	60.00
7	Lights in home and garage, radio, refrigerator, iron, vacuum cleaner, fan, water pump	30	4.25	1.00	51.00	12.00	39.00
8	Lights in home, barn, and garage, radio, refrigerator, iron, vacuum cleaner, cream separator	28	1.73	1.00	20.76	12.00	8.76
9	Lights in home, radio, iron, vacuum cleaner, fans, washing machine, water pump	40	5.51	1.20	66.12	24.40	41.72
10	Lights in home, barn and garage, radio, iron, vacuum cleaner	20	4.79	1.00	57.48	12.00	45.48
11	Lights in home, barn and garage, radio, iron, water pump, washing machine	51	5.15	1.52	61.80	18.24	43.56
12	Lights in home, barn and garage, radio, iron, vacuum cleaner, fan, washing machine	42	6.72	1.26	80.64	15.12	65.52
13	Lights in home and barn, radio, iron, vacuum cleaner, washing machine, waffle iron	22	1.91	1.00	22.92	12.00	10.92
14	Lights in home, barn and garage, radio, refrigerator, iron, vacuum cleaner, washing machine	35	5.10	1.05	61.20	12.60	48.60
15	Lights in home, barn, and garage, radio, refrigerator, iron, vacuum cleaner, fan, toaster, charger	145	11.60	3.40	139.20	40.80	98.40
16	Lights in home, radio, refrigerator, iron, vacuum cleaner	72	4.66	1.94	55.92	23.38	32.54
17	Lights in home, barn, and garage, radio, iron, hot plate, vacuum cleaner, washing machine, clock, cream separator	95	5.87	2.40	60.44	28.80	31.44
18	Lights in home and garage, radio, refrigerator, iron, vacuum cleaner	89	5.63	2.28	60.36	27.36	33.00
19	Lights in home and garage, radio, refrigerator, iron, range, vacuum cleaner, fan, feed grinder	183	13.22	4.16	168.64	49.92	118.72
20	Lights in home, barn, and garage, radio, refrigerator, iron, range, vacuum cleaner, fan, feed-grinder mangle, water pumps	217	9.66	4.84	115.92	58.08	57.84
21	Lights in home, radio, refrigerator, iron, washing machine	79	3.44	2.08	41.28	24.96	16.32
22	Lights in home, radio, iron, washing machine	9	1.48	1.00	17.76	12.00	5.76
23	Lights in home, radio, refrigerator, iron, vacuum cleaner	48	4.11	1.44	49.32	17.28	32.04
24	Lights in home, radio, washing machine	16	1.44	1.00	17.28	12.00	5.28
25	Lights in home and barn, radio, iron, vacuum cleaner, fan, water pump, emery, grindstone	68	8.50	3.04	102.00	36.48	65.52

It is evident from the above table that the people of Iowa are being grossly overcharged for their electricity and many are denied entirely the advantages that come with its use because of prohibitive rates. The power interests have attempted to base the latter, not upon the cost of production and distribution, but upon the helpless consumer's ability to pay, and they have issued their watered stocks against their right or their ability to plunder the unprotected users of electric lights and power. In other words, they have issued preferred stocks, against their right to hold you and your children in perpetual economic bondage, and have sold these watered stocks out to innocent investors, invariably under the most flagrant of false pretenses.

This condition is in part the explanation of the high rates in southwestern Iowa and in fact all over the State. Let us compare briefly the cost of electric energy to consumers in our section of the country with the cost of the product to consumers in Tacoma, Wash., where they have a publicly owned plant, worth between twenty and thirty millions of dollars, which they are paying for entirely with earnings from the electricity they sell the same as the Tennessee Valley Authority is doing, and the Government-owned plants in Canada, in order to get a coordinated picture of how much you are being overcharged.

I learn from the Federal Power Commission that the people of our State used 672,600,000 kilowatt-hours of electric energy in 1934 for which they paid the sum of $25,258,621.

Under the T. V. A. rates, the cost would have been $12,778,621, a saving of $12,480,000 a year.

Under the Tacoma rates, the cost would have been $13,450,621, a saving of $11,808,000.

Under the Ontario, Canada, rates the cost would have been $10,115,975, a saving of $15,142,696 a year.

Under the Winnipeg, Canada, rates the cost would have been $10,624,621, a saving of $14,634,000 a year.

In other words, you consumers of Iowa have been paying from eleven to fifteen millions of dollars per year in excess of rates charged under the T. V. A., where an effort is being made to get electricity to the people on farms and in cities and small towns at reasonable rates. To simmer this problem down to individuals, I note this average case of a man in my district who is paying $7.43 for 60 kilowatt-hours of electricity. Under the terms of the Tennessee Valley Authority that would only cost him $1.69. If he wanted to spend the same amount of money for current under the latter rates, he could buy 632 hours of it. In other words, in addition to having lights in his home, a radio, an electric iron, a vacuum cleaner, a fan, and a water pump in his house; his wife could do all of her cooking, he could light every building on the farm, have plenty of yard lights, pump all of the water for his stock, grind the feed for his herds, and milk his cows at no extra cost. Just think of the drudgery that could be lifted from the shoulders of every farmer and his wife with such a program.

Last year I introduced a measure, commonly called the Missouri Valley Authority bill, with the avowed purpose of setting up a Federal project in our territory similar to the Tennessee Valley Authority, and at the present time Senator GEORGE W. NORRIS, of Nebraska, also has a measure providing for a Mississippi Valley Authority which is a far greater program, and I subscribe to the necessity of it. If we can effect the passage of one of these measures it will mean an adequate supply of electricity for the Middle West at reasonable rates not set for the purpose of paying huge salaries to executives, running to fifty and one hundred thousand dollars per year, and paying interest on watered stock, but set with

a view to amortizing the honest investment of the public's money to the extent of an honest valuation and paying interest on it so that the taxpayers will not only secure cheaper electricity but they will not have to pay higher taxes to offset that advantage.

The Power Trust is charging that the reason the Tennessee Valley Authority is supplying current at rates startlingly lower than their own is due to the fact that proper allowances are not being made by the Government for the customary expenses. The only such items left out of the T. V. A. budget is $100,000 per year salaries and commissions, or fees, for the Hopsons and others of their caliber and interest on watered stock. Is it fair that such charges for the benefit of a few should be added on to the rates of all of you consumers of electricity who far outnumber the above group? Every one of you who are listening in today and who have electricity from a privately owned power company are helping to pay those excessive salaries and high-interest charges.

A large Federal power project in the Middle West would mean that your light and power bill of five or six dollars could be reduced to about $1.50 or $2. It would mean that the consumers in Iowa as a whole would be saved from eleven to fifteen million dollars annually. It would mean that farm families who cannot afford electricity under existing rates could have the advantages that come with its use. Untold volumes of farm and household drudgery could be lifted from the shoulders of rural residents, and children who are driven away from the farm would be inspired to remain there. In short, it would mean the most practical, useful, and invaluable farm relief that could be offered to the Nation, and you people know that just as well as I do, because you are either paying the bill or doing without the electricity right now.

Now, it is going to take time to accomplish the above result; and while we are doing it, the power companies are going on using their excessive rates and unjustifiable service charges, and something must be done about it. The rural electrification set-up in Washington is at your service, established for the purpose of financing 100 percent the construction of farmer-owned lines, after which current can be bought at wholesale from any source of power. Farm communities should look into this proposition before signing any contracts with concerns attempting in feverish haste to promote private lines in order to defeat the purpose of the rural electrification program, which is to afford you a means of buying current much cheaper than you can get it in any other way.

Next week I am going to discuss this particular angle of the question over this same chain and will give you all of the steps necessary for you to accomplish such a desirable result.

RURAL ELECTRIFICATION

(Speech over N. B. C., Friday, June 5, 1936)

It was my pleasure to talk with you briefly over the National Broadcasting Co.'s blue network last week about the New Deal power program, what it has meant to many people in various sections of the United States, and what it will eventually mean to you in the Middle West. It will be most helpful, however, if you will cooperate and press for such a most desirable end that will add to your income. If President Roosevelt had offered nothing else to the American public as an achievement during his administration than his efforts to distribute electricity to the consumers of this Nation at a reasonable charge, he should never be forgotten by future historians.

I was not surprised at the bitter attack upon me and the hue and cry from certain newspapers immediately after my preceding speech on the power question and I am sure you won't be either when you look in their advertising sections and note the power-company ads. Those publications are always ready and anxious to fly at the throat of anyone who begins to talk about a Federal power project for the Middle West and lower rates for consumers. Of course, when their profits are at stake the people don't count and in their words "anything goes at a time like that."

One of the major attacks upon me by newspapers who are under the influence of power-company ads or upon anyone else who is attempting to reduce your power rates is to charge that we are Socialists. That is the old standby defense, the same one that was used when toll roads began to go, when the people began to demand publicly owned water fronts and docks, and so forth. Of course, when power-company advertisers speak to newspapers they control and profits are at stake—well "anything goes at a time like that."

The customary attack upon Federal and municipally owned power projects is that they don't pay taxes. One of the anti-New Deal newspapers in the Middle West that attacked the facts in my recent speech singled out the Tacoma plant I gave as an example and stated that the rates there did not include taxes but that observation was either made without checking the truth of it or the deliberate purpose of misleading you because there is an allowance for taxes. Any argument with reference to the size of the city it serves is as absurd as the balance of the attack when there are innumerable examples of equally as successful projects in smaller communities. Of course, when profits are at stake, in the words of the anti-New Deal newspaper, "anything goes at a time like that."

My figures with reference to what electricity is costing consumers in our territory have been challenged, but the people themselves filed their statements in my office and their observations along with their monthly power bills have been numbered and appear in the chart included in my previous address. If any newspaper opposing my fight for cheaper power rates for you people wants to deny the facts and figures on the power companies' own receipted bills, their position only becomes that much more absurd and that goes for any statement to the effect that the cost of electricity has been reduced from 25 to 5 cents per kilowatt-hour. Are you only paying 5 cents per kilowatt-hour for your current? If you are, you have an exceptional, not an average, contract.

You can expect hostile newspapers and their editors from all over the country to attack me in my fight for cheaper power and those with the largest and most power-company ads will be the most vociferous. The attack will take every conceivable form and some will even stoop to personalities and to criticism of my ability to gather facts and figures from the Rural Electrification Administration, the Federal Power and Trade Commissions, and other sources available to all who are honest and earnest enough to seek out such facts for the sake of urging cheaper power rates for consumers and are not guided by the advertising returns that trickle into their pockets.

I can assure the people of our district, State, and Nation that I am going to conduct this fight on a high plane, on the basis of facts, and shall not at any time descend to the level of criticizing the intelligence of my opposition that is supporting the power interests, and that goes for the editors of the publications that have launched their attack against me, be they garagemen, lawyers, doctors, or ministers. No one profession has a monopoly on judgment and intelligence. Furthermore, every citizen has a right to gather facts and use them in behalf of the people or himself, whichever he chooses. It will be well, however, as I have told you before, to check the advertising sections of the newspapers that are opposing my effort to secure a Federal power project for the Middle West that will deliver electricity to you for a fraction of what you are paying for it now and almost invariably you will find power-company ads; if not, look at some of their back issues.

I have already told you that the consumers of electric energy produced and distributed by the power companies in Iowa are being overcharged $12,778,621 as compared to Tennessee Valley Authority rates, which indicates the urgent character of the power question in our section. Now, I want to do these two things during the course of my remarks today, namely, to indicate the feasibility of Federal or municipally owned power-production projects and also to indicate how the Rural Electrification Administration can be of immediate assistance to you through construction of cooperatively owned distribution lines that can be connected for the time being with any source of wholesale power until such time as my proposed Missouri Valley project or Senator NORRIS' Mississippi Valley project or various municipal steam-operated projects can be placed in operation.

I know there will be those who will say that such an undertaking is an infringement upon the rights of private property, but I want to ask you this: Is it fair for private capital, representing at most a few thousand investors, to capitalize upon the ability of consumers to pay for a product, such as electricity, that has become of universal importance? We must stop to realize that electric energy on every farm and in every American home would be the greatest boon to civilization that it is possible to imagine. Widespread production of the commodity at rates comparable to the T. V. A. yardstick would make possible the illumination of our public highways, thus eliminating a tremendous volume of night accidents. Furthermore, light is the best policeman we've ever known, laying a heavy hand upon the advancing ranks of crime. Some of you will smile when I talk about lighting all of the American highways and illuminating the dark corners of every city and town, but it is not beyond the realm of fancy under the proper program of power development. You will soon forget who made the above statement, but in years to come you will never forget that someone suggested it and that the dream came true.

The expense of such a proposal from the standpoint of the necessary power as it is produced today and capitalized upon by the Power Trust, with its pyramided holding companies, is impossible. I mention these things briefly to impress upon your mind the fact that a Nation-wide program of wholesale power production would not only lift the drudgery from the shoulders of the American farmer and brighten the homes of the poor but it would curtail the percentage of accidents upon our highways if they were properly lighted, and halt the ever-marching, heavy, slimy feet of crime. Whoever lifts his hand against the advance of this great program of electrifying America with cheap power that the rich and the poor can afford is tampering with a relentless issue that must eventually trample him underfoot, because consumers and the common people of this land far outnumber those who would capitalize excessively upon their desire for electric service. He who opposes the Federal power program, and the advance of municipally owned production of it, is tampering with an issue that reaches into 20,000,000 homes at the moment, 5,000,000 business houses, and touches 25,000,000 consumers, who are beginning to realize that they have been grossly overcharged for electric lights and power, not to mention the untold millions who will benefit in the future and who will soon lift their voices in a demand for the service. Mark this prediction: Those people are not going to tolerate any effort on the part of selfish interests to halt the advancing steps of progress.

Now, just a moment for those who are opposed to the Federal power program of the Roosevelt administration and to the proposal for a rapidly spreading movement of municipal and cooperative power plants. They are going to lift their voices and con-

demn the movement as being costly to the taxpayers without, of course, giving the slightest thought to the millions of interested consumers. I want to take, for example, the Wilson Dam in the Tennessee Valley set-up as an example of what is being done, and I will quote a statement of the Army engineers as shown on page 530 of their report (H. Doc. No. 328, 71st Cong., 2d sess.):

"The sales prices for Wilson Dam power necessary to obtain in order to pay 4 percent on the investment in plant and transmission lines, and to cover the cost of operation and maintenance (indefinitely) of these are based upon the known cost of the hydro plant to date, a careful estimate of additional installation at costs of the present installation, and upon estimates of the costs of transmission lines and of operation, depreciation, etc. It is seen, therefore, that these prices are based largely upon known costs, and that an error in the items estimated would affect the sales prices but little. The hydro prices reduced to mills per kilowatt-hour would be as follows:

Mills per kilowatt-hour

At the switchboard	1.352
Transmitted 100 miles	1.993
Transmitted 200 miles	2.310
Transmitted 250 miles	2.467
Transmitted 300 miles	2.625
Transmitted 350 miles	2.775"

The next question that will be raised will be the matter of distribution. Most of the agents of the power companies will tell you that distribution is the thing that builds up the cost of your power, but listen to this—on page 531 of the same report of the same Army engineers:

"To supply the prospective market under consideration, it is estimated that the average transmission distance would be 250 miles, and based upon transmission-cost data worked up in the Nashville office, a copy of which constitutes a part of appendix G, section C, of this report, this would be 1.118 mills per kilowatt-hour, including line losses. Having the average cost of hydropower at the switchboard, and the average cost of transmission over the average distance, 1.358 plus 1.118 equals 2.470 mills per kilowatt-hour, equals the average cost of the hydropower delivered at an average distance of 250 miles."

It can be seen from the above that taking all factors into consideration power can be generated and transported 250 miles at a cost of 2.47 mills per kilowatt-hour from the T. V. A. project, so why not a similar arrangement in the Missouri Valley and the Mississippi Valley? You people who are listening in today are just as much entitled to that saving over and above the rate you are being charged at present of 4, 6, and 8 cents per kilowatt-hour or more, plus a service charge in many cases, as anyone else.

The outstanding example of the actual cost of generating and distributing hydroelectric power is that of the municipal light and power plant at Tacoma, Wash., valued at about $23,000,000 and having an outstanding indebtedness of about $7,000,000. The balance has been paid out of the revenues derived from the sale of electric energy. Tacoma also has a steam plant for a stand-by or emergency purposes. This light and power system is entirely separate from the city and pays taxes to the municipality just as if it were a private concern. Of course, the power interests will tell you that these projects do not take such things into consideration, but I am pointing out to you specific examples in which they do take these things into consideration and are still producing and distributing power for a fraction of what you are paying for it today. In 1934 Tacoma generated and sold 199,872,994 kilowatt-hours of electric energy, which it generated and distributed to the ultimate consumers at an average price of 8 mills per kilowatt-hour, after paying its operating expenses, interest on its indebtedness, depreciation, and taxes.

Now, I have been talking a little today about other types of municipally owned plants as a possibility for the Middle West until such time as we can set up something similar to the T. V. A. or perhaps as a unit in the permanent plan, and I want to give you this specific example of what is being done in that field. The city of Springfield, Ill., has a publicly owned power system and generates its energy by steam. Although it serves a population of only about 72,000 people, Springfield generated and distributed power to the ultimate consumers in 1934 at an average cost of 1½ cents per kilowatt-hour. Richmond, Ind., with a population of only 33,000 people, generated and distributed power at an average cost of 1½ cents per kilowatt-hour. Hannibal, Mo., a city of 22,000 people, with a municipally owned steam plant and distribution system, generated and distributed electricity in 1934 at a cost of 1.27 cents per kilowatt-hour. Now, I could go on and cite other similar cases in large and small towns and cities—all of which go to show that power can be generated and distributed anywhere in the United States at the T. V. A. rates without in any way impairing the values of legitimate investments.

In the remarks I made last week I called to your attention the saving that would be effected to the consumers of the entire State of Iowa through the installation of a Federal power project similar to the T. V. A. totaling approximately $12,480,000 a year. This week I have gone into a little more detail with reference to municipally operated projects and you can readily figure yourselves how the Tacoma rates and other quoted would effect a substantial saving to consumers in Iowa and the Middle West, running from $11,000,000 per year for Iowa alone, upward. Before concluding my statement with reference to the cost of operating these projects and the saving effected to the consumers I want to insert at this point the schedule of T. V. A. rates at Tupelo, Miss., which is a fair example:

"First 50 kilowatt-hours per month at 3 cents per kilowatt-hour.
"Next 150 kilowatt-hours per month at 2 cents per kilowatt-hour.
"Next 200 kilowatt-hours per month at 1 cent per kilowatt-hour.
"Excess: Over 400 kilowatt-hours per month at 4 mills per kilowatt-hour.

"The basic commercial rates to be charged the ultimate consumers in Tupelo under this contract are as follows:

"First 250 kilowatt-hours per month at 3 cents per kilowatt-hour.
"Next 750 kilowatt-hours per month at 2 cents per kilowatt-hour.
"Excess: Over 2,000 kilowatt-hours per month at 0.8 cent per month.

"The basic industrial rates to be charged in Tupelo under this contract are as follows:

"Demand charge: $1 per kilowatt-hour per month.
"Demand: Maximum integrated 30-minute period.
"Energy charge:
"First 10,000 kilowatt-hours per month at 10 mills per kilowatt-hour.
"Next 25,000 kilowatt-hours per month at 6 mills per kilowatt-hour.
"Next 65,000 kilowatt-hours per month at 4 mills per kilowatt-hour.
"Next 400,000 kilowatt-hours per month at 3 mills per kilowatt-hour.
"Excess: Over 500,000 kilowatt-hours per month at 2.5 mills per kilowatt-hour."

The rates I have just given you, which have been referred to by President Roosevelt as the yardstick, will indicate the extent of the benefit to you by a hydroelectric power-production unit in the Middle West, and steam plants should have little, if any, difficulty in matching them. In working out the above schedule the T. V. A. was careful to include every item of cost even to the amortization of the cost of the dam itself. They are not selling power below cost as has been charged by the power trusts. They have been so careful to work out a schedule under which the Government would not lose any money that they have provided rates which will, in all probability, be reduced as the years go by.

Now, as I said a week ago, all of these proposals of mine for reducing the cost of power and distributing it widely throughout the United States will entail much work and will occupy a considerable amount of time. Under the Missouri Valley bill I have pending it can be extended to the Des Moines River and various other tributaries in years to come. There is an ideal site for a project on the latter stream just north of the capital city. Something should be done at the moment, however, and the Rural Electrification Administration has a set-up in Washington and a fund that can be loaned to farmers for the building of cooperative lines which will be helpful. I want to outline to you in brief exactly the steps that are necessary in order to take advantage of this portion of the New Deal program:

The first step in setting up a cooperative for the purpose of constructing rural farm lines is for some one of your number to address a letter to Rural Electrification Administration, Washington, D. C., stating that you and your neighbors are interested in establishing such a cooperative set-up, would like to have some literature and such assistance as might be necessary. After you have received a letter and the data, the procedure is to call a mass meeting and familiarize all those interested with the details of the R. E. A. program and the requirements for a loan, which I will outline briefly; but, of course, same should be placed before the group in more or less detail. At your mass meeting a committee should be appointed to solicit the farms which will lie along the proposed line, the purpose being to find out how many of the farmers will take electricity if it is available and to learn of the uses they will make of it.

The members of the general organization committee should include one representative from each township or school district, however the county or the area is divided. This will enable each committeeman to appoint a subcommittee for a particular township or area who will make the canvass. The work is thus simplified. The canvass should consist largely of asking the farmers to sign a form signifying their willingness to join the cooperative and receive service whenever the lines are built. There should be a space on the form for the consumer to indicate the type and number of appliances he will probably use. It is not necessary for the said forms to be a binding contract nor should the farmer be required to pay any money to join the cooperative.

The mass meeting and the appointing of committees may be under the supervision of the Farm Bureau, the Farmers Union, the Grange, or any other group, or by all or any of them together. R. E. A. attorneys will aid and advise on all legal problems pertaining to the organization of such groups. Again I repeat, address your communication to Rural Electrification Administration, Washington, D. C., and in the case of legal matters indicate Attention: General Counsel. After you have completed this preliminary set-up and survey you can estimate from the tabulated applications the amount of current that will be required to serve the lines you desire to build. The data so gathered may be used to draw a map to show the location of each farm. The farms should be numbered to correspond with numbers on the map. Also, the maps should indicate the proposed lines, existing lines, and the proposed source of power. After you have progressed this far and know about how much energy will be required you can approach the nearest municipal plant or private utility and

determine whether or not current can be purchased wholesale from these sources; also a general commitment should be received as to the rates at which this current can be purchased. On a number of projects already approved the average sale price for wholesale power ranges from below 1 cent to 2 cents, the latter, of course, being high, but which even so will result in a reduction of your existing charges. Under exceptional conditions a generating plant may be included in the project after it is apparent that such a step is necessary in order to afford the proper service. In the event that said plant entails too great an investment, it is within the province of the Public Works Administration to grant funds to build or extend municipal generating plants.

The above information so gathered by your committee should then be sent to the Rural Electrification Administration office in Washington, D. C., for analysis, which will occupy only a short time. You will notice that it is not necessary for the farmers to spend any money other than their time in solicitation to submit this application. It is advisable also that the cooperative refrain from becoming incorporated until R. E. A. has had an opportunity to judge the feasibility of their project, as well as to study the proposed articles of incorporation and bylaws. There is no need to employ an engineer or a lawyer until R. E. A. has made some indication as to the feasibility of the project.

The question might arise as to how much the R. E. A. will loan on such a proposal. It may provide the full amount of the funds if it is necessary to do so. Generally the location will govern the cost of building the distribution lines, including the service lines (normally not to exceed 150 feet in length) to the farm home and the customers' meters. Occasionally where there is no adjacent source of power and the size of the projects will warrant it, a short transmission line and substation or a small generating plant may be included as part of the project, which cost the loan will cover. (Consumers' loans for wiring and appliances can be handled in another way. In the case of appliances the Electric Home and Farm Authority, an agency of the Federal Government, Washington, D. C., should be contacted for loans.) Additional information will be furnished to interested parties upon a request addressed to the Washington office of the R. E. A., which I designated earlier in these remarks. If farmers of the United States will take advantage of this program, we can bring about a widespread electrification of farms and the homes thereon. The failure of the existing power companies to so service the consumer is glaring when compared to other nations. In Holland there is practically a 100-percent electrification of farms; in Germany 90 percent of all farms are receiving the benefits of electricity; in Sweden 50 percent are so serviced; but in the United States only 10 percent have the advantages that come with the use of electric energy.

I commend this program to you most highly even though there are many interests in Iowa that are bitterly opposed to it. Even some of the officials of the Extension Department at Ames have indicated a lack of willingness to cooperate for the benefit of farm consumers with respect to the above proposal. I have also been interested to note of late that the power companies have suddenly become very solicitous of your welfare and have been holding meetings in various sections of the country, offering to build lines to the farmers. Let us remember the old adage, "Beware of the Greeks bearing gifts." I remember back only a few years ago when there was no proposal for cooperative distribution of power by consumers, no suggestion of a Federal power program, that the Power Trust in our country laughed at the request of a farmer for current and told him they were not seeking such farm business. If he still persisted they quoted him a price of $1,600, $1,800, or $2,000 per mile as a line construction cost to stop his ambition to relieve his wife and his family of the drudgery of hard work, and that cost was not a wartime cost either. Now the power companies are anxious to get control of the lines of distribution in our section in order to halt the program of the Rural Electrification Administration in constructing cooperative lines that will reduce the cost of electricity to you, even though it will be necessary in many cases to buy the product at wholesale from the power companies until such time as we can set up some of the projects that I am proposing and urging both through the agency of the Federal Government, States, and municipalities.

Let us not take too seriously the altruistic tendencies of the power companies in the Middle West that are evidenced by the rates charged for electricity in our section which I pointed out to you in my previous remarks, and which in some instances when service charges are included run to as high as 20 cents per kilowatt-hour. I am reminded that the Commonwealth & Southern Co. also had a similar outburst of generosity. They were buying power at Muscle Shoals at 2 mills a kilowatt-hour, relaying it to the ultimate consumers less than half a mile away at 10 cents a kilowatt-hour, or a difference of 4,800 percent. I suppose they would have said that increase in price was occasioned by the cost of distribution. They were selling it to some farmers in that section of the country at from 30 to 40 cents per kilowatt-hour, making a line charge of $3.25, exactly what they are doing in many instances in our country now, and then charging them 5 cents a kilowatt-hour for what electricity they used over and above. Of course, they do us one better in our section. They charge us 4, 6, and 8 cents. In the above instance one of the farmers in that section was paying the power company $4 per month for 25 kilowatt-hours that cost the power company 5 cents at the dam. A few weeks ago the Iowa Manufacturers' Association sent out a letter in which they tried to undermine the benefits of the T. V. A. and prejudice people against it by citing some prices paid for cows down at Norris City. If any of you members of that association have that letter around dig it out and see if they said anything about that farmer down there who paid that $4 for electricity that cost the power company 5 cents at the dam before the T. V. A. project went into effect and rates were reduced in accordance with the schedule I have included in these remarks; see if they mentioned the millions of consumers—you people who pay the bill of high electric rates.

The Rural Electrification Administration has already been successful in doing exactly what I have said can be done—aiding farm consumers in constructing lines and in securing contracts for current at wholesale which have materially reduced their electric bills. You can do the same thing yourself. A project is under way in Adams County, Iowa, in our congressional district, and Mr. Morris L. Cooke, Administrator of the R. E. A., informed me in a letter on June 1 that an initial allotment of $67,500 has just been made for the construction of rural electrification distribution lines primarily in Shelby County, Iowa. Get in your car and drive over there to talk to some of those farmers. It is contemplated that these funds will be loaned to the Shelby County Rural Electric Cooperative for building these lines which will take electric energy to approximately 225 farm homes in that and adjoining counties.

It is to be hoped that farm consumers throughout the Middle West will take advantage of this New Deal program and in the meantime will assist the administration in advancing Federal production projects similar to the T. V. A., and State and municipally owned proposals in order that the advantages of cheap electricity can be brought to every farm and every home in America.

I want the people of our district and any others in any portion of the Middle West who are interested and who want relief from existing high rates or who desire to secure the benefits of electricity to feel at liberty to write to me at any time for information contained in these remarks or to request my assistance in any way. Regardless of my position, be it one of a public official or of a private citizen, I expect to go on with this fight to the end or until such time as the farms and homes of America are properly electrified at reasonable rates based on the T. V. A. yardstick, and the plain people of this Nation receive the benefits of such a program.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. It was stated a while ago that all Members had permission to extend their remarks in the RECORD up to the date of the last publication of the RECORD for this session. Does this mean more than one insertion?

The SPEAKER. It does.

Mr. RANKIN. I thank the Speaker.

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCORMACK. Is the permission to extend remarks, to which the gentleman from Mississippi referred, confined to the Members' own remarks, or under it is a Member permitted to include brief excerpts from articles or statements of others?

The SPEAKER. The unanimous-consent request as submitted by the present occupant of the chair when he was majority leader was that all Members should have the right to extend their own remarks; and the Chair is of the opinion that if it is desired to include in the extension quotations from editorials or other extraneous matter that special permission should be secured.

DEFENDERS OF THE CONSTITUTION—THE SEVENTY-THIRD AND SEVENTY-FOURTH CONGRESSES

Mr. SNYDER of Pennsylvania. Mr. Speaker, the other day, under unanimous consent, I sent to the Printing Office an extension of remarks for insertion in the RECORD, but it was returned to me by the Printer because it exceeded the two-page limitation. The Printer states it will take three and a half pages. I have the estimate from the Printer, and I now renew my request to make this extension.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER of Pennsylvania. Mr. Speaker, some months ago I placed in the RECORD a compiled statement checked by the legislative reference service of the Congressional Library showing the exact data relative to acts of Congress being declared unconstitutional by the Supreme Court of the United States. I am now bringing this down to date so that the Members, as well as the general public may have access to this contribution.

You will recall that I said that out of the more than 24,000 acts of Congress that have been passed since George Washington took his oath of office, a very small percent of them were declared unconstitutional. To be accurate, to date there have been 70 acts of Congress declared unconstitutional.

I said at that time, and still say, that this record specifically stamps the United States Congress as being the most efficient and accurate lawmaking body the world has ever experienced. When you make yourself conscious of the fact that perhaps there are in every Congress, 20 or 30 men out of the 435 who are just as sincere, just as well trained and equipped, and just as able and capable of sitting in judgment on legislation as to its constitutionality as any group of Supreme Court judges that were ever appointed—then we grasp the entire picture. Some say that we should have an amendment to the Constitution. That may be. I am not passing judgment on that statement at this time, but I do say that the Constitution, the way it stands, can be interpreted to take care of all of the needs of all of the people all of the time.

There is no use to cry over spilled milk. It is our duty to obey the laws while they are on the statute books. I am going to do that. Every good citizen always obeys the laws. But, as in the case when the Guffey-Snyder coal bill was declared unconstitutional, we immediately went to work and in 2 days' time we had another measure prepared that legal minds say can be interpreted to be constitutional because it dovetails into the decision of the Supreme Court Justice, Mr. Hughes.

Some radio speakers as well as some newspapers gave, and still are giving, false impressions. For instance, I heard one radio speaker, who was aspiring to be a candidate for one of the highest offices within the gift of the people, say that the Democratic Congress was destroying the Constitution by passing acts that were unconstitutional.

Of course, this speaker did not know what he was talking about or he would never have said this. If you will check the acts listed here below, you will find that some 40 of them that have been declared unconstitutional were put on the statute books by the Republican Party, when they had both Houses and the President, and that only some 20 of these were put on the statute books when we had a Democratic Congress and President.

Mr. Speaker, President Roosevelt and the Democratic Congress under his leadership have set up and put into effect for the farmers, the laborers, and the businessmen so many commendable things that space will not permit me to enumerate them. Suffice to say that I for one shall continue my fight for the fundamentals in order that labor may have the right to collective bargaining, the right to wage scales, the right to certain limited hours of labor.

Yes; I shall insist that we shall have the right to protect all laborers from exploiters and at the same time protect women and children from sweatshop abuses.

Following are the acts:

1. Act of September 24, 1789 (1 Stat. 81, sec. 13, in part).
   Provision that "* * * (the Supreme Court) shall have power to issue * * * writs of mandamus, in cases warranted by the principles and usages of law, to any * * * persons holding office, under authority of the United States" held not to authorize issue of mandamus to the Secretary of State requiring him to deliver to plaintiff a commission (duly signed by the President) as justice of the peace in the District of Columbia.
   Marbury v. *Madison* (1 Cr. 137 (Feb. 24, 1803)).
2. Act of February 20, 1812 (2 Stat. 677, ch. 22).
   Provisions for examination into "validity of claims to land * * * which are derived from confirmations made * * * by the Governors of the Northwest * * * Territory" held not to authorize annulment of title confirmed by Governor St. Clair in 1799, nor to validate a subsequent sale and patent by the United States.
   Reichart v. *Felps* (6 Wall. 160 (Mar. 16, 1868)).
3. Act of March 6, 1820 (3 Stat. 548, sec. 8, provise).
   The Missouri Compromise, prohibiting slavery within the Louisiana Territory north of 36°30', except Missouri.
   Dred Scott v. *Sanford* (19 How. 393 (Mar. 6, 1857)).
   NOTE.—The Missouri Compromise was "declared inoperative and void" by act of May 30, 1854, while the Dred Scott case was pending.
4. Act of February 25, 1862 (12 Stat. 345, sec. 1); July 11, 1862 (12 Stat. 532, sec. 1); March 3, 1863 (12 Stat. 711, sec. 3)—all in part only.
   "Legal-tender clauses", making non-interest-bearing U. S. notes legal tender in payment of "all debts, public and private", so far as applied to debts contracted before passage of the act.
   Hepburn v. *Griswold* (8 Wall. 603 (Feb. 7, 1870); overruled in *Knox* v. *Lee* (*Legal Tender cases*) (12 Wall. 457 (May 1, 1871)).
   NOTE.—The specific notes involved in the case were issued under the act of 1862, and the opinion (p. 613) states the question for determination to be "whether the act of February 25, 1862 * * * is constitutional"; but the other clauses cited, being practically identical, would surely be covered by the decision.
5. Act of March 3, 1863 (12 Stat. 757, ch. 81, sec. 5).
   "So much of the 5th section * * * as provides for the removal of a judgment in a State court, and in which the cause was tried by a jury to the circuit court of the United States for a retrial on the facts and law, is not in pursuance of the Constitution, and is void."
   The Justices v. *Murray* (9 Wall. 274 (Mar. 14, 1870)).
6. Act of March 3, 1863 (12 Stat. 766, c. 92, sec. 5).
   Provision for an appeal from the Court of Claims to the Supreme Court; there being at the time a further provision (sec. 14) requiring an estimate by the Secretary of the Treasury before payment of final judgments.
   Gordon v. *United States* (2 Wall. 561 (Mar. 10, 1865)).
   (Case was dismissed without opinion; grounds were suggested in *United States* v. *Klein*, 18 Wall. 128, 144.)
Act of June 30, 1864 (13 Stat. 281, c. 173, sec. 116), as amended; see below, act of March 2, 1867 (14 Stat. 477, sec. 13).
Same (13 Stat. 284, c. 173, sec. 122), as amended; see below, act of July 13, 1866 (14 Stat. 138).
7. Act of June 30, 1864 (13 Stat. 311, c. 174, sec. 13).
   Provision that "any prize cause now pending in any circuit court shall, on the application of all parties in interest * * * be transferred by that court to the Supreme Court. * * *"
   The Alicia (7 Wall. 571 (Jan. 25, 1869)).
8. Act of January 24, 1865 (13 Stat. 424, c. 20).
   Requirement of a test oath (disavowing actions in hostility to the United States) before admission to appear as attorney in a Federal court by virtue of any previous admission, held invalid as applied, at any rate, to an attorney who had been pardoned by the President for all offenses during the Rebellion.
   Ex parte Garland (4 Wall. 333 (Jan. 14, 1867)).
9. Act of July 13, 1866 (14 Stat. 138), amending act of June 30, 1864.
   Tax on indebtedness of railroads, "* * * to whatsoever party or person the same may be payable", as applied to indebtedness to a municipal corporation, incurred under authority of the State.
   United States v. *Railroad Co.* (17 Wall. 322 (Apr. 3, 1873)).
10. Act of March 2, 1867 (14 Stat. 477, c. 169, sec. 13), amending act of June 30, 1864 (13 Stat. 281, sec. 116).
    Tax on income of "* * * every person residing in the United States * * * whether derived from * * * salaries * * * or from any source whatever * * *", as applied to income of State judges.
    The Collector v. *Day* (11 Wall. 113 (Apr. 3, 1871)).
11. Same (14 Stat. 484, c. 169, sec. 29).
    General prohibition on sale of naphtha, etc., for illuminating purposes, if inflammable at less temperature than 110° F., held invalid "except so far as the section named operates within the United States, but without the limits of any State."
    United States v. *Dewitt* (9 Wall. 41 (Feb. 21, 1870)).
Act of March 2, 1867 (14 Stat. 539, c. 176, sec. 44), as embodied in Revised Statutes; see below, R. S. 5132.
12. Act of May 31, 1870 (16 Stat. 140, c. 114, secs. 3, 4).
    Provisions penalizing (1) refusal of local election officials to permit voting by persons offering to qualify under State laws applicable to any citizens; and (2) hindering of any person from qualifying or voting, held invalid under fifteenth amendment.
    United States v. *Reese et al.* (92 U. S. 214 (Mar. 27, 1876)).
Act of May 31, 1870 (16 Stat. 140, c. 114), as embodied in Revised Statutes; see below, Revised Statutes 1977, 5507.
Act of June 17, 1870 (16 Stat. 154), as embodied in Revised Statutes of the District of Columbia; see below, Revised Statutes of the District of Columbia 1064.
Act of July 8, 1870 (16 Stat. 210), as embodied in Revised Statutes; see below, Revised Statutes 4937–4947.
13. Act of July 12, 1870 (16 Stat. 235, c. 251).
    Provision making Presidential pardons inadmissible in evidence in Court of Claims, prohibiting their use by that court in deciding claims or appeals, and requiring dismissal of appeals by the Supreme Court in cases where proof of loyalty had been made otherwise than as prescribed by law.
    United States v. *Klein* (13 Wall. 128 (Jan. 29, 1873)).
Act of April 20, 1871 (17 Stat. 13, c. 22, sec. 2), as embodied in Revised Statutes; see below, Revised Statutes 5519.
14. Act of June 22, 1874 (18 Stat. 187, sec. 5).
    Provision authorizing Federal courts to require production of documents in proceedings, other than criminal, under the revenue laws (the allegations expected to be proved thereby

to be taken as proved, on failure to produce such documents) held invalid as applied to a suit for forfeiture under the customs laws.

Boyd v. *United States* (116 U. S. 616 (Feb. 1, 1886)).

15. R. S. 1977 (act of May 31, 1870, 16 Stat. 144).

Provision that "all persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts * * * as is enjoyed by white citizens * * *" held invalid under the thirteenth amendment.

Hodges v. *United States* (203 U. S. 1 (May 28, 1906)).

16. R. S. 4937–4947 (act of July 8, 1870, 16 Stat. 210), and act of August 14, 1876 (19 Stat. 141).

Original trade-mark law, applying to marks "for exclusive use within the United States"; and a penal act designed solely for the protection of rights defined in the earlier measure.

Trade Mark cases (100 U. S. 82 (Nov. 17, 1879)).

17. R. S. 5132, subdivision 9 (act of Mar. 2, 1867, 14 Stat. 539).

Provision penalizing "any person respecting whom bankruptcy proceedings are commenced * * * who, within 3 months before the commencement of proceedings in bankruptcy, under the false color and pretense of carrying on business and dealing in the ordinary course of trade, obtains on credit from any person any goods or chattels with intent to defraud * * *."

United States v. *Fox* (95 U. S. 670 (Jan. 7, 1878)).

18. R. S. 5507 (act of May 31, 1870, 16 Stat. 141, sec. 4).

Provision penalizing "every person who prevents, hinders, controls, or intimidates another from exercising * * * the right of suffrage, to whom that right is guaranteed by the fifteenth amendment to the Constitution of the United States, by means of bribery * * * held not authorized by the said fifteenth amendment.

James v. *Bowman* (190 U. S. 127 (May 4, 1903)).

19. R. S. 5519 (act of Apr. 20, 1871, 17 Stat. 13, ch. 22, sec. 2).

Section providing punishment in case "two or more persons in any State * * * conspire * * * for the purpose of depriving * * * any person * * * of the equal protection of the laws * * * or for the purpose of preventing or hindering the constituted authorities of any State * * * from giving or securing to all persons within such State * * * the equal protection of the laws * * *", held invalid for punishment of conspiracy within a State.

United States v. *Harris* (106 U. S. 629 (Jan. 22, 1883)).

NOTE.—In *Baldwin* v. *Franks* (120 U. S. 678 (Mar. 7, 1887)), an attempt was made to distinguish the *Harris case*, and apply it to conspiracy against aliens, though within a State, and held, the provision was not separable in such case.

20. Revised Statutes of the District of Columbia, section 1064 (act of June 17, 1870, 16 Stat. 154, ch. 133, sec. 3).

Provision that "prosecutions in the police court (of the District of Columbia) shall be by information under oath, without indictment by grand jury or trial by petit jury", as applied to punishment for conspiracy (*Callan* v. *Wilson*, 127 U. S. 540 (May 14, 1888)).

21. Act of March 1, 1875 (18 Stat. 336, secs. 1, 2).

Provision "That all persons within the jurisdiction of the United States shall be entitled to the full and equal enjoyment of the accommodations * * * of inns, public conveyances on land or water, theaters, and other places of public amusement; subject only to the conditions and limitations established by law and applicable alike to citizens of every race and color, regardless of any previous condition of servitude." Section 2 prescribed a penalty for violation.

Held unconstitutional (a) in operation within the States in *Civil Rights cases* (109 U. S. 3 (Oct. 15, 1883)); (b) in operation outside the States, and therefore void in toto; in *Butts* v. *Merchants' & Miners' Transportation Co.* (230 U. S. 126 (June 16, 1913)).

22. Act of March 3, 1875 (18 Stat. 479, ch. 144, sec. 2).

Provision that "if the party (i. e., a person stealing property from the United States) has been convicted, then the judgment against him shall be conclusive evidence in the prosecution against (the) receiver that the property of the United States therein described has been embezzled, stolen, or purloined."

Kirby v. *United States* (174 U. S. 47 (Apr. 11, 1899)).

23. Act of July 12, 1876 (19 Stat. 80, sec. 6, in part).

Provision that "postmasters of the first, second, and third classes * * * may be removed by the President by and with the advice and consent of the Senate."

Myers v. *United States* (272 U. S. 52 (Oct. 25, 1926)).

24. Act of August 14, 1876 (19 Stat. 141, entire act).

Act for protection of trade-mark rights established by R. S. 4937–4947.

Trade Mark cases (100 U. S. 82 (Nov. 17, 1879)).

25. Act of August 11, 1888 (25 Stat. 411).

Clause in a provision for the purchase or condemnation of a certain lock and dam in the Monongahela River that "* * * in estimating the sum to be paid by the United States, the franchise of said corporation to collect tolls shall not be considered or estimated * * *."

Monongahela Navigation Co. v. *United States* (148 U. S. 312 (Mar. 27, 1893)).

26. Act of May 5, 1892 (27 Stat. 25, ch. 60, sec. 4).

Provision of a Chinese exclusion act, that Chinese persons "convicted and adjudged to be not lawfully entitled to be or remain in the United States shall be imprisoned at hard labor for a period not exceeding 1 year and thereafter removed from the United States * * *." (The conviction and judgment thus referred to was by a justice, judge, or commissioner upon a summary hearing.)

Wong v. *United States* (163 U. S. 228 (May 18, 1896)).

27. Joint resolution of August 4, 1894 (28 Stat. 1018, No. 41).

Provision authorizing the Secretary of the Interior to approve a second lease of certain land by an Indian chief in Minnesota (title to which land was vested in the lessor's ancestor by art. 9 of a treaty with the Chippewa Indians) held not to affect validity of first lease.

Jones v. *Meehan* (175 U. S. 1 (Oct. 30, 1899)).

28. Act of August 27, 1894 (28 Stat. 553–560, secs. 27–37).

Income-tax provisions of the Tariff Act of 1894. "The tax imposed by sections 27 to 37, inclusive * * * so far as it falls on the income of real estate and of personal property, being a direct tax within the meaning of the Constitution, and, therefore, unconstitutional and void because not apportioned according to representation, all those sections, constituting one entire scheme of taxation, are necessarily invalid." (158 U. S. 601, 637.)

Pollock v. *Farmers' Loan & Trust Co.* (157 U. S. 429 (Apr. 8, 1895), and rehearing (158 U. S. 601 (May 20, 1895)).

29. Act of January 30, 1897 (29 Stat. 506).

Prohibition on sale of liquor "* * * to any Indian to whom allotment of land has been made while the title to the same shall be held in trust by the Government * * *."

Matter of Heff (197 U. S. 588 (Apr. 10, 1905)); overruled in *United States* v. *Nice* (241 U. S. 591 (1916)).

30. Act of June 1, 1898 (30 Stat. 428).

Section 10, penalizing "any employer subject to the provisions of this act" who should "threaten any employee with loss of employment * * * because of his membership in * * * a labor corporation, association, or organization."

(The act applied "to any common carrier * * * engaged in the transportation of passengers or property * * * from one State * * * to another State * * *", etc.)

Adair v. *United States* (208 U. S. 161 (Jan. 27, 1908)).

31. Act of June 13, 1898 (30 Stat. 459).

Stamp tax on foreign bills of lading in War Revenue Act.

Fairbanks v. *United States* (181 U. S. 283 (Apr. 15, 1901)).

32. Same (30 Stat. 460).

Tax on charter parties, as applied to shipments exclusively from ports in United States to foreign ports.

United States v. *Hvoslef* (237 U. S. 1 (Mar. 22, 1915)). (See note to next case.)

33. Same (30 Stat. 461).

Tax on policies of marine insurance, as applied to insurance during voyage to foreign ports.

Thames & Mersey Insurance Co. v. *United States* (237 U. S. 19 (Apr. 5, 1915)).

NOTE.—The Revenue Act of 1898 was repealed April 12, 1902, and the Hvoslef and Insurance Co. cases were claims brought under a refunding act of 1912 to recover amounts claimed to have been illegally collected.

34. Act of June 6, 1920 (31 Stat. 359, § 171).

Section of the Alaska Code providing for a six-person jury in trials for misdemeanors.

Rasmussen v. *United States* (197 U. S. 516 (Apr. 10, 1905)).

35. Act of March 3, 1901 (31 Stat. 1341, § 935).

Section of the District of Columbia Code granting the same right of appeal, in criminal cases, to the United States or the District of Columbia as to the defendant, but providing that during trial.

United States v. *Evans* (213 U. S. 297 (Apr. 19, 1909)).

36. Act of June 11, 1906 (34 Stat. 232, ch. 3073).

The act provided that "every common carrier engaged in trade or commerce in the District of Columbia * * * or between the several States * * * shall be liable to any of its employees * * * for all damages which may result from the negligence of any of its officers * * * or by reason of any defect * * * due to its negligence in its cars, engines * * * roadbed", etc.

Held invalid in two cases involving employees engaged in moving trains in interstate commerce—in *Employers' Liability Cases* (207 U. S. 463) (Jan. 6, 1908) (but upheld as to the District of Columbia in *Hyde* v. *Southern Ry. Co.*, 31 App. C. C. 466; and as to Territories, in *El Paso & Northeastern Ry. Co.* v. *Gutierrez*, 215 U. S. 87).

37. Act of June 16, 1906 (34 Stat. 269, sec. 2).

Provision of Oklahoma Enabling Act restricting relocation of the State capital prior to 1913.

Coyle v. *Oklahoma* (221 U. S. 559 (May 29, 1911)). (The case specifically upheld the validity of a State law of 1910 relocating the capital, in defiance of the act of Congress of 1906).

38. Act of February 20, 1907 (34 Stat. 899, sec. 3).

Provision in the Immigration Act of 1907 penalizing "whoever * * * shall keep, maintain, control, support, or harbor in any house or other place, for the purpose of prostitution * * * any alien woman or girl, within 3 years after she shall have entered the United States."

Keller v. *United States* (213 U. S. 138 (Apr. 5, 1909)).

39. Act of March 1, 1907 (34 Stat. 1028).
Provisions authorizing certain Indians "to institute their suits in the Court of Claims to determine the validity of any acts of Congress passed since * * * 1902, insofar as said acts * * * attempt to increase or extend the restrictions upon alienation * * * of allotments of lands of Cherokee citizens * * *", and giving a right of appeal to the Supreme Court.
Muskrat v. *United States; Brown & Gritts* v. *United States* (219 U. S. 346 (Jan. 23, 1911)).

40. Act of May 27, 1908 (35 Stat. 313, sec. 4).
Provision making locality taxable "all land [of Indians of the Five Civilized Tribes] from which restrictions have been or shall be removed"—in view of the Atoka Agreement, embodied in the Curtis Act of June 28, 1898, providing tax exemption for allotted lands while title in original allottee, not exceeding 21 years.
Choate v. *Trapp* (224 U. S. 665 (May 13, 1912)).

41. Act of August 19, 1911 (37 Stat. 28).
A proviso in section 8 of the Federal Corrupt Practices Act fixing a maximum authorized expenditure by a candidate for Senator "in any campaign for his nomination and election" held invalid as applied to a primary election.
Newberry v. *United States* (256 U. S. 232 (May 2, 1921)).

42. Act of June 18, 1912 (37 Stat. 136, sec. 8).
Part of section 8 giving the Juvenile Court of the District of Columbia concurrent jurisdiction of desertion cases (which were, by law, misdemeanors punishable by fine or imprisonment in the workhouse at hard labor for 1 year).
United States v. *Moreland* (258 U. S. 433 (Apr. 17, 1922)).

43. Act of March 4, 1913 (37 Stat. 988, part of par. 64).
Provision of the District of Columbia Public Utility Commission Act authorizing appeal to the United States Supreme Court from decrees of the District of Columbia Court of Appeals modifying valuation decisions of the Utilities Commission.
Keller v. *Potomac Electric Power Co. et al* (261 U. S. 428 (Apr. 9, 1923)).

44. Act of September 1, 1916 (39 Stat. 675, c. 432, entire).
The original child labor law, providing "that no producer * * * shall ship * * * in interstate commerce * * * any article or commodity the product of any mill * * * in which within 30 days prior to the removal of such product therefrom children under the age of 14 years have been employed or permitted to work more than 8 hours in any day, or more than 6 days in any week * * *."
Hammer v. *Dagenhart* (247 U. S. 251 (June 3, 1918)).

45. Act of September 8, 1916 (39 Stat. 757, sec. 2 (a) in part).
Provision of the income-tax law of 1916 that a "stock dividend shall be considered income, to the amount of its cash value."
Eisner v. *Macomber* (252 U. S. 189 (Mar. 5, 1920)).

Same, p. 765, sec. 10 as amended—see below, act of October 3, 1917.
Act of August 10, 1917, as amended—see below, act of October 22, 1919.

46. Act of October 3, 1917 (40 Stat. 302, sec. 4, 303, sec. 201 and 333, sec. 1206 (amending 30 Stat. 765, sec. 10); and
Act of February 24, 1919 (40 Stat. 1075, sec. 230, and 1088, sec. 301).
Income and excess-profits taxes on income of "every corporation", as applied to income of an oil corporation from leases of land granted by the United States to a State, on admission, for the support of common schools, etc.
Burnet v. *Coronado Oil & Gas Co.* (285 U. S. 393 (Apr. 11, 1932)).

47. Same; 40 Stat. 316, sec. 600 (f).
The tax "upon all tennis rackets, golf clubs, baseball bats, * * * balls of all kinds, including baseballs * * * sold by the manufacturer, producer, or importer * * *" as applied to articles sold by a manufacturer to a commission merchant for exportation.
Spalding & Bros. v. *Edwards* (262 U. S. 66 (Apr. 23, 1923)).

48. Act of October 6, 1917 (40 Stat. 395, c. 97, in part).
The amendment of sections 24 and 256 of the Judicial Code (prescribing the jurisdiction of district courts) "saving * * * to claimants the rights and remedies under the workmen's compensation law of any State."
Knickerbocker Ice Co. v. *Stewart* (253 U. S. 149 (May 17, 1920)).

49. Act of September 19, 1918 (40 Stat. 960, c. 174).
Specifically, that part of the minimum-wage law of the District of Columbia which authorized the Wage Board "to ascertain and declare * * * (a) standards of minimum wages for women in any occupation within the District of Columbia, and what wages are inadequate to supply the necessary cost of living to any such women workers to maintain them in good health and to protect their morals * * *."
Adkins et al. v. *Children's Hospital* and *Adkins et al.* v. *Lyons*, 261 U. S. 525 (Apr. 9, 1923).
NOTE.—The minimum-wage law applied to minors as well as women, and in section 14 to minors exclusively, but it is generally assumed that the Adkins decision invalidated the act in its entirety.

50. Act of February 24, 1919 (40 Stat. 1065, ch. 18, sec. 213, in part).
That part of section 213 of the Revenue Act of 1918 which provided that "* * * for the purposes of this title * * * the term 'gross income' * * * includes gains, profits, and income derived from salaries, wages, or compensation for personal service (including in the case of * * * judges of the Supreme and inferior courts of the United States * * * the compensation received as such * * *" as applied to a judge in office when the act was passed).
Evans v. *Gore*, 253 U. S. 245 (June 1, 1920).
Miles v. *Graham* (268 U. S. 501, June 1, 1925) held it invalid as applied to a judge taking office subsequent to the date of the act.

Same; page 1075, section 230; see above, act of October 3, 1917 (40 Stat. 302, sec. 4).

51. Same; page 1097, section 402 (c).
That part of the estate tax providing that "gross estate" of a decedent should include value of all property "to the extent of any interest therein of which the decedent has at any time made a transfer, or with respect to which he had at any time created a trust, in contemplation of or intended to take effect in possession or enjoyment at or after his death (whether such transfer or trust is made or created before or after the passage of this act), except in case of a bona-fide sale * * *" as applied to a transfer of property made prior to the act and intended to take effect "in possession or enjoyment" at death of grantor, but not in fact testamentary or designed to evade taxation.
Nichols, Collector, v. *Cooledge et al., Executors* (274 U. S. 531 (May 31, 1927)).

52. Act of February 24, 1919, title XII (40 Stat. 1138, entire title).
The Child Labor Tax Act, providing that "every person * * * operating * * * (b) any * * * factory (etc.) * * * in which children under the age of 14 years have been employed or permitted to work * * * shall pay * * * in addition to all other taxes imposed by law, an excise tax equivalent to 10 percent of the entire net profits received * * * for such year from the sale * * * of the product of such * * * factory * * *."
Bailey v. *Drexel Furniture Co.* (child-labor tax case) (259 U. S. 20 (May 15, 1922)).

53. Act of October 22, 1919 (41 Stat. 298, sec. 2), amending act of August 10, 1917 (40 Stat. 277, sec. 4).
Section 4 of the Lever Act, providing in part "that it is hereby made unlawful for any person willfully * * * to make any unjust or unreasonable rate or charge in handling or dealing in or with any necessaries * * *" and fixing a penalty, held invalid to support an indictment for demanding a sum for certain necessaries which the seller knew "was an unjust and unreasonable rate."
United States v. *Cohen Grocery Co.* (255 U. S. 81 (Feb. 28, 1921)).

54. Same.
That provision of section 4 making it unlawful "to conspire, combine, agree, or arrange with any other person to * * * exact excessive prices for any necessaries" and fixing a penalty, held invalid to support an indictment.
Weeds, Inc. v. *United States* (255 U. S. 109 (Feb. 28, 1921)).

55. Act of August 24, 1921 (42 Stat. 187, ch. 86 entire).
(a) Section 4 (and interwoven regulations) providing a "tax of 20 cents a bushel on every bushel involved therein, upon each contract of sale of grain for future delivery, except * * * where such contracts are made by or through a member of a board of trade which has been designated by the Secretary of Agriculture as a 'contract market' * * *."
Hill v. *Wallace* (259 U. S. 44 (May 15, 1922)). This decision covered section 4 and other sections so far as applicable, but the Court stated: "There are sections of the act to which under section 11 (the separability clause) the reasons for our conclusion as to section 4 and the interwoven regulations do not apply * * *."
(b) Section 3, providing "That in addition to the taxes now imposed by law there is hereby levied a tax amounting to 20 cents per bushel on each bushel involved therein, whether the actual commodity is intended to be delivered or only nominally referred to, upon each * * * option for a contract either of purchase or sale of grain * * *."
Trusler v. *Crooks* (269 U. S. 475 (Jan. 11, 1926)).

56. Act of November 23, 1921 (42 Stat. 261, sec. 245, part).
Provision of Revenue Act of 1921 defining net income of life-insurance companies as gross income less (1) interest on tax-exempt securities and (2) an amount equal to the excess over this interest on tax exempts of 4 percent of the mean reserves—i. e., abating the deduction (4 percent of mean reserves) allowed from taxable income in general by the amount of interest on tax exempts, and so according no relative advantage to the owners of the tax-exempt securities.
National Life Insurance Co. v. *United States* (277 U. S. 508 (June 4, 1928)).

57. Act of June 10, 1922 (42 Stat. 634).
A second attempt to amend secs. 24 and 256 of the Judicial Code, relating to jurisdiction of district courts, by saying "to claimants for compensation for injuries to or death of persons other than the master or members of the crew of a vessel, their rights and remedies under the workmen's compensation law of any State * * *."
Industrial Accident Commission of California v. *Rolph et al.*, and *Washington* v. *Dawson & Co.* (264 U. S. 219 (Feb. 25, 1924)).

58. Act of June 2, 1924 (43 Stat. 313), as amended by act of February 26, 1926 (44 Stat. 86, sec. 324).
The gift-tax provisions of the Revenue Act of 1924, as applied to bona-fide gifts made before passage of the act.
Untermeyer v. *Anderson* (276 U. S. 440 (Apr. 9, 1928)).

59. Revenue Act of June 2, 1924 (43 Stat. 322, sec. 600 in part).
Excise tax on certain articles "sold or leased by the manufacturer", measured by sale price [specifically, "(2) * * * motorcycles. * * * 5 per centum"] as applied to sale of motorcycle to a municipality for police use.
Indian Motorcycle Co. v. *United States* (283 U. S. 570 (May 25, 1931)).

60. Act of February 26, 1926 (44 Stat. 70, sec. 302, in part).
(a) Second sentence of section 302 defining, for purposes of the estate tax, the term "made in contemplation of death" as including the value, over $5,000, of property transferred by a decedent, by trust, etc., without full consideration in money or money's worth, "within 2 years prior to his death but after the enactment of this act", although "not admitted or shown to have been made in contemplation of or intended to take effect in possession or enjoyment at or after his death."
Heiner v. *Donnan* (285 U. S. 312 (Mar. 21, 1933)).
(b) Same, section 701 in part (44 Stat. 95).
Provision imposing a special excise tax of $1,000 on liquor dealers in States where such business is illegal.
U. S. v. *Constantine* (296 U. S. 287 (Dec. 9, 1935)).

61. Act of March 20, 1933 (48 Stat. 11, sec. 17, in part).
Clause in the Economy Act of 1933 providing "* * * all laws granting or pertaining to yearly renewable term insurance are hereby repealed", held invalid to abrogate an outstanding contract of insurance.
Lynch v. *United States* (292 U. S. 571 (June 4, 1934)).

62. Act of May 12, 1933 (48 Stat. 31).
Agricultural Adjustment Act (not considering the amendatory act), providing for processing taxes on agricultural commodities and benefit payments therefrom to farmers.
U. S. v. *Wm. M. Butler, Receiver of Hoosac Mills Corp.* (297 U. S. 1 (Jan. 6, 1936)).

63. Act of June 16, 1933 (48 Stat. 200, sec. 9 (c)).
(a) Clause of the oil regulation section of the National Industrial Recovery Act, authorizing the President "to prohibit the transportation in interstate * * * commerce of petroleum * * * produced or withdrawn from storage in excess of the amount permitted * * * by any State law * * *" and prescribing a penalty for violation of orders issued thereunder.
Panama Refining Co. et al. v. *Ryan et al.* (293 U. S. 388 (Jan. 7, 1935)).
Amazon Petroleum Corporation et al. v. *Ryan et al.* (293 U. S. (Jan. 7, 1935)).
(b) Same, title I, except section 9.
Provisions relating to codes of fair competition, authorized to be approved by the President in his discretion "to effectuate the policy" of this act.
Schechter Poultry Corporation v. *United States* (295 U. S. 495, May 27, 1935).

64. Act of June 16, 1933 (48 Stat. 307, sec. 13).
Temporary reduction of 15 percent in retired pay of "judges (whose compensation, prior to retirement or resignation, could not, under the Constitution, have been diminished)", as applied to circuit or district judges retired from active service (but still subject to perform judicial duties) under the act of March 1, 1929 (45 Stat. 1422).
Booth v. *United States* (together with *Amidon* v. *United States*) (291 U. S. 339 (Feb. 5, 1934)).

65. Act of April 27, 1934 (48 Stat. 646, sec. 6, amending sec. 5 (1) of Home Owners' Loan Act of 1933).
Provision for conversion of State building and loan associations into Federal associations, upon vote of 51 percent of the votes cast at a meeting called to consider the action.
Hopkins Federal Savings & Loan Association v. *Cleary* (296 U. S. 315, Dec. 9, 1935).

66. Act of May 24, 1924 (48 Stat. 798).
Provision for readjustment of municipal indebtedness.
C. L. Ashton, petitioner, v. *Cameron County Water Improvement District No. 1* (decided May 25, 1936, No. 859).

67. Act of June 27, 1934 (48 Stat. 1283, ch. 868, entire).
The Railroad Retirement Act, establishing a detailed compulsory-retirement system for employees of carriers subject to the Interstate Commerce Act.
Railroad Retirement Board v. *Alton R. R. et al.* (May 6, 1935—No. 566, October Term, 1934).

68. Act of June 28, 1934 (48 Stat. 1289, c. 869).
The Frazier-Lemke Act, adding subsection (s) to § 75 of the Bankruptcy Act, designed to preserve to mortgagors the ownership and enjoyment of their farm property, and providing specifically, in paragraph 7, that the bankrupt left in possession has the option at any time within 5 years of buying at the appraised value—subject meanwhile to no monetary obligation other than payment of reasonable rental.
Louisville Joint Stock Land Bank v. *Radford* (295 U. S. 555, (May 27, 1935)).

69. Act of Aug. 24, 1935 (49 Stat. 750).
Agricultural Adjustment Act amendments.
Rickert Rice Mills v. *Fontenot* (297 U. S. 110 (Jan. 13, 1936)).

70. Act of Aug. 30, 1935 (49 Stat. 991).
Bituminous Coal Conservation Act of 1935—Guffey-Snyder Coal Stabilization Act.
James A. Carter v. *Carter Coal Co.* (decided May 18, 1936, Docket Nos. 636 and 651).

NOTE.—Aside from the few instances where an entire act, or a complete title, etc., have been expressly held unconstitutional, the question of the exact scope of the decisions is frequently one of considerable difficulty. It is not always a matter simply of striking out; often it is to introduce qualifications or limitations. The indications given in the above list are, therefore, suggestive only. Any such list must be used with the utmost care, bearing in mind the established rule, that a decision against the validity of an act of Congress goes no further than is absolutely required by the case at bar.

THE WALSH-HEALEY BILL

Mr. AYERS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. AYERS. Mr. Speaker, I shall not be a candidate for reelection to this honorable body. In retiring, Mr. Speaker, let me say to you that it has been a distinct honor to have served under you as majority floor leader and as Speaker, and also that it has been a distinct honor to have served under the late Speaker Byrns and the late Speaker Rainey, and let me add and say to the membership in general that I consider it has been the greatest honor of my life to have served as a Member of this body. [Applause.]

At all times during my service it has been my purpose to work with and for the best interests of the administration, and I have at all times used my every effort to promote all beneficial legislation for the producers, the farmers, the laborers, and the toilers of this Nation. I have consistently supported the administration except in such instances when I was convinced that it was not doing the best thing for the producers, the farmers, the laborers, the toilers, and the veterans of the Nation; and in such instances when I had to make a choice, which, indeed were few, I chose to go with and cast my ballot for the producers, the farmers, the laborers, the toilers, and the veterans of the country. [Applause.]

PROOF OF PIE IS IN THE EATING

The Roosevelt administration, of which I have been a part, has worked wonders for the country and for the Government. Mr. Speaker, the proof of the pie is in the eating. The proof of the success of this administration is in the effect upon the well-being of the country. In the impending contest this Democratic administration will have the support of millions who formerly classified themselves as Republicans. This will come about by reason of the effect that this administration has had upon the well-being of the people. [Applause.]

Mr. Speaker, the opposition to the President does not invite a comparison between what he has done and what the opposition desired. Have you noticed that none of his critics invite a comparison between the condition of the farmer and of the laborer and of the toiler under the present administration and under the past administration? Nor do they attempt to compare what he and his administration have done with what they advocate. They simply say, "Let us try it."

Now, Mr. Speaker, let me suggest that, in the words of an eminent critic of the President and of his administration, "Let us take a look at the record."

A WORD FOR THE TOILING MASSES

Mr. Speaker, my time will not permit extended remarks this afternoon, and since this is the last time I will appear before this House of Representatives, please permit me in my last speech to say a few words for the toiling masses.

THE WALSH-HEALEY GOVERNMENT CONTRACTS BILL

The Walsh-Healey bill will come before the House before final adjournment and in behalf of that bill I desire to leave with the House a few facts which I trust will aid my colleagues in the passage of this bill. It is now known as S. 3055, as amended by the House Judiciary Committee.

PRESENT CONDITIONS HAVE BECOME A NATIONAL, SOCIAL, AND ECONOMIC PROBLEM

At the instance of the Judiciary Committee, Hon. Frank Healy, former Chief of the Government Contracts Division, made an investigation since the N. R. A. decision, of 3,507 firms in 46 different States, contracting and doing business

with the Government, and covering 354 industries, and involving 1,515,486 employees.

This investigation disclosed that 1,309, or a little over 37 percent, of these contracting firms have increased their hours of labor; of these, 804 firms, or nearly 33 percent, had made hour increases of less than 15 percent, and 505 firms, or a little over 14 percent, had increased their hours from 15 percent to nearly 23 percent.

Of the total firms investigated, 1,480, or a little over 42 percent, have reduced their wages from 10 to a little over 22 percent, and many of them were among those listed above which had also increased hours.

One hundred and forty-seven, or 4.2 percent of the firms, refused to furnish any information.

The investigation also disclosed that the child-labor regulations as had been provided by the N. R. A. were being disregarded in many, many instances. Horrible, Mr. Speaker, horrible.

Mr. Speaker, this has become a social and economic problem of national proportions. These evils must be and can be corrected by legislation. [Applause.]

WALSH-HEALEY BILL NOT UNCONSTITUTIONAL

Senator WALSH of Massachusetts and Congressman HEALEY of the same State, introduced in their respective Houses a bill to correct this situation. It passed the Senate and came to the House, where for a long time it reposed in the Judiciary Committee. During this time cries of unconstitutionality went up from all sides which favored chiseling capitalist and manufacturing interests as against the laborers, but if the Supreme Court ever settles anything, it must have settled that question in its majority decision last Monday when it declared the New York minimum wage law unconstitutional.

In that majority opinion, the Supreme Court said:

> This Court has found not repugnant to the due-process clause statutes fixing rates and charges to be exacted by business impressed with a public interest, relating to contracts for the performance of public work, prescribing the character, methods, and time of payment of wages, fixing hours of labor.

With all the harm that minimum-wage-scale decision did and with its gross conflict with other decisions, yet we are entitled to take from it the quotation above, and assume that the Walsh-Healey bill is constitutional, for that is the last word of the Supreme Court on the subject of Government contracts.

EVILS OF PRESENT LAW HAVE DEVELOPED BID BROKERS

Mr. Speaker, in order to impress upon you and the honorable membership of this House the necessity for the passage of the Walsh-Healey bill, let me call to your attention, in addition to the facts already mentioned, the fact that under existing law and the interpretations made thereof, the Government has no say between bidders, and it must award the contract to the lowest so-called responsible bidder. Responsible bidder means a bidder who can furnish a bond to the effect that he can deliver the specified product at the price bid. The responsible bidder does not have to be a manufacturer, he does not have to be a processor, nor does he have to be a producer. Ah, Mr. Speaker, he does not even have to be a dealer in the article upon which he bids nor does he have to show any qualification for the handling, distributing, or knowledge of the character of the article upon which he bids. He may be the height of a speculating floater; he does not have to be even a taxpayer nor a citizen.

This way of letting Government contracts has developed a system of bid broker which has become ridiculous and detrimental to bona-fide industry, trade, and laboring and producing people of this Nation. The bid broker may be a man without a factory, without a plant, without a reduction or development works, without a mine, and, above all, he may be a man without any experience, even as a dealer, in the subject of the contract upon which he bids. He may be a man only with an office, and that office may be under his hat or in his pocket, and he may not be an employer of a single solitary person. He is just a bid broker for profit at the expense of somebody else, and, indeed, ofttimes he is.

BID BROKER AND BONDING COMPANIES HAVE DEVELOPED A RACKET

This program which has been followed has developed into a racket, and without the Walsh-Healey bill it will gradually grow worse and worse. The bonding companies go along because of the profit they will make and of their consciousness of their influence on either the dealer or the producer to take over the bid broker's contract.

Mr. Speaker, let me give you some simple and concrete examples in this instance. The Government is probably the biggest coal buyer in America and, under the present law, it must let coal contracts to the lowest responsible bidder. In many instances the bidder has nothing but a bonding company back of him, and that only in order that he qualify as to responsibility. He is not a mine operator and he is not a dealer, but he can qualify if he says in his bid that he can comply with the specifications and then put up a bond. He gets the bid, the bonding company puts up the bond, and then he and the bonding company can go to the dealer or the producer and put the deal over at a profit to those concerned, and, of course, at a loss to the fellow who goes underground and mines the coal.

ANOTHER GOVERNMENT SAMPLE OF BID BROKERS

The Civilian Conservation Corps contracts annually for about $300,000,000 worth of equipment and clothing for the C. C. C. camps. They buy thousands of crosscut saws, wheelbarrows, shovels, and like tools annually. These purchases are made from the lowest responsible bidder. The requirement is that the bidder say that he can live up to the specifications and furnish a bond to deliver the goods. He may not, and in many instances does not, know a crosscut saw from a circular saw; nor does he know a wheelbarrow from a bicycle; nor does he know a shovel from a pitchfork; yet he gets the bid if he gives a bond that he can live up to the specifications as prescribed.

THIS RACKET GOES TO BIDS FOR MATERIAL ON FEDERAL BUILDINGS

Mr. Speaker, it has come to a point where a man can go in and bid on furnishing equipment for a post-office building or on furnishing the plumbing and heating equipment for a Federal building, and all he has to do is to show that he is the lowest bidder according to the specifications and his qualifications are based upon that and his ability to furnish a bond. He may not know anything in the world about post-office equipment. He may not know a lock box from the general-delivery window; and as to plumbing, he may not know a wash bowl from a urinal—yet if he is the lowest bidder under the specifications and can furnish a bond, he gets the contract. As support for this statement, I invite you, Mr. Speaker, and the Members of this House to read the decision in Thirteenth Comptroller Generals' Opinions, page 121.

THIS IS HOW THE WORKING MAN IS "TOOK" UNDER THE PRESENT SYSTEM

Here are some of the things that have resulted from this system: The bid brokers qualify by having the lowest bid and furnishing their bonds under the contract for C. C. C. equipment, or for C. C. C. clothing, or for post-office equipment, or for plumbing material, or for Government coal for buildings, Government institutions, or on the Indian reservations, and the like, and then they go to the manufacturer, the dealer, or the mine operator and make a deal whereby the article has to be manufactured or mined and delivered for less than actual cost.

Of course the bidder and the manufacturer or the mine operator, as the case may be, are making their profit, but it is made by actually bearing down the cost of labor. I do not say this of all manufacturers and of all mine operators, but there are some; and there are plenty of them who are disposed to brush aside any and all implied obligations and who do not hesitate to employ any and all tactics in the way of wage reduction and the establishment of maximum hours

and the use of child labor and the failure to provide proper and adequate places to work in order that they and the bid broker may make theirs at the expense of the toiler.

GOVERNMENT ACTUALLY HINDERING ITS OWN PROGRAM

This also places this type of chiseling employer, manufacturer, mine operator, or operator of sweatshops in an advantageous position over the legitimate and fair manufacturers, mine operators, and employers when it comes to bidding on Government contracts. In other words, the Government, under the present system, is actually a party to a destruction of the very social and economic problem it is now trying to correct.

REAL PURPOSE OF THE WALSH-HEALEY BILL

The Walsh-Healey bill is designed to require persons and firms taking contracts with the Government to conform to decent and reasonable labor conditions. This bill fixes a maximum day of 8 hours and a maximum week of 40 hours and provides for time and a half for overtime. That is getting down to regular union scales which all legitimate contractors will undoubtedly agree to.

This bill also provides for prevailing wages in the locality where the work is done. I had hoped that the bill would provide for prevailing union-wage scales, and I hope that it may yet be amended to that effect. That is the only weakness in the bill.

The bill prohibits the use of convict labor and child labor, and it provides that all work shall be done in plants, factories, and mines in accordance with the local State safety and sanitary inspection laws.

Above all, the bill provides that the contractor must be a manufacturer, producer, or regular dealer in the material, supplies, articles, or equipment which is the subject of the contract.

The bill provides for the use of American goods in all contracts and expressly makes the buy-American act a provision precedent to the letting of a contract.

Farm, dairy, and nursery products processed for first sale by the original producer are exempted from the bill.

None of the provisions of the act can be evaded by subcontractors, and real penalties are provided for any and all violations of the act. The administration of the act is under the Department of Labor, with adequate authority for speedy decisions.

The bill establishes labor benefits which have long been admittedly necessary.

WALSH-HEALEY BILL IS CONSTITUTIONAL

As to the constitutionality of this bill, I respectfully call your attention, Mr. Speaker, not only to the quotation I have made from the Supreme Court decision of last Monday, but I also refer to One Hundred and Twenty-ninth United States Reports, page 207, and Two Hundred and Sixth United States Reports, page 246, where the Supreme Court has upheld the validity of the theory of legislation affecting labor hours, wages, and working conditions, in which the Government is a party to the subject matter of the contracts effected. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Walsh-Healey bill.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

AMEND THE CONSTITUTION TO RESTORE TO THE STATES THE POWER TO ENACT LEGISLATION DECLARED UNCONSTITUTIONAL IN THE NEW YORK MINIMUM-WAGE CASE

Mr. PETTENGILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the minimum-wage decision of the Supreme Court.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. PETTENGILL. Mr. Speaker, I attach a statement given to the press the day Speaker Byrns died. The matter is of very great importance. The Constitution should be amended so that the States may do what the Supreme Court on last Monday held they are powerless to do. I invite the earnest consideration of my colleagues to this subject.

The New York minimum-wage law for women and minors was held unconstitutional by reason of the fourteenth amendment. Fundamentally, therefore, all that is needed to be done is to repeal or restrict so much of the fourteenth amendment as stands in the way of State legislation of this character.

In other words, for the purpose under consideration, we ought to go back to the Constitution as it existed before the fourteenth amendment was passed.

In the same way that we passed and later repealed the eighteenth amendment as giving too much power to the Nation and restricting too much the power of the States, so in this instance, we have found that the fourteenth amendment has too much restricted the power of the States. The remedy, therefore, is essentially the same regardless of the language used to accomplish the result.

Our fathers believed in "an indestructible union of sovereign States." A return to that concept, and a correction of departures from it places the problem in its true light.

At the moment I do not discuss the economic advisability of minimum-wage legislation. There are many who do not favor it, especially for male adults. They believe that the minimum prescribed by statute tends to become the maximum in actual practice. There is much more that can be said for and against such legislation with reference to men and women adults, as well as minors.

But surely there must be somewhere a sovereign power capable of attempting to solve the problem, and through trial and error, experiment and experience, work toward its sound and just solution. That is all I am arguing for now—to place legal tools in the hands of State legislatures so that they may deal with the problem.

My statement follows:

The decision of the Supreme Court holding invalid a statute of the State of New York dealing with minimum wages for women and minors presents an issue of profound importance. Other decisions have held that Congress cannot regulate conditions of labor within the States. It has now held that the States are also practically powerless to deal with the same subject.

Several courses are open. One is to cuss the Court. I shall not join in any such futility. I respect the Court and the Constitution. The Court did its duty as it saw it and we should do our duty as we see it.

Another course is to amend the Constitution by giving Congress the power to legislate on intrastate matters such as those now involved. That is open to two objections. One is that Congress is not as well fitted to deal with these matters over a vast country, with countless diverse conditions, as are the legislatures of the several States.

The second objection to any attempt to consolidate such powers at Washington is the practical one of the difficulty of getting the States to grant Congress that power. That is demonstrated by actual experience with the pending child-labor amendment. This amendment was submitted for ratification 12 years ago this month and is still not ratified.

If, with respect to child labor, as to which there is no large vested interest and with a strong humanitarian appeal, it is impossible to get ratification by the States, can it be expected that the States, north and south, east and west, industrial and agricultural, will readily confer like power to deal with their own labor, both adults, men and women, as well as minors?

The third, and I think the practical and sensible course, is to provide, in effect, that State legislation such as that condemned by the Court shall not be held invalid as contrary to the Constitution. In other words, override the decision of the majority and hold valid the views of Justices Hughes, Brandeis, Stone, and Cardozo.

It must be apparent that many States would ratify such an amendment were the power to legislate in local matters left in their own hands, to be exercised as they see fit, which would oppose an amendment which would take all such powers from the States and transfer them to Washington. The amendment I propose would be entirely consistent with the American tradition of States' rights and would avoid many highly controversial questions. To grant to the Federal Government new and far-reaching powers is one thing, but to restore to the States powers which the minority of the Court holds they have always possessed ought not to do violence to the convictions or prejudices of any large number of our citizens.

The amendment should permit the States to act either singly or by concerted action through interstate compacts to outlaw chiseling employers, who would cut prices by destroying the human values at the base of the economic pyramid.

Action is imperative. The question very possibly involves the survival of private enterprise and the American system of government. As Justice Stone said, "A wage insufficient to support the workers * * * may affect profoundly the entire economic structure of society."

The question is so important that both parties should take it out of politics by adopting planks at the conventions to be held this month pledging their members, both in Congress and in the State legislatures, to the immediate submission and ratification of such an amendment. I hope a large number of my colleagues will join me in memorializing the resolutions committees of both parties to adopt such a plank.

It is possible, of course, that State legislation can still be drafted that will meet the objections of the majority of the Supreme Court. That effort can go forward. It is apt, however, to be so circumscribed as not to meet the practical necessities of the situation.

I repeat that there is nothing here that is disrespectful of the Court. The Constitution itself provides for its own amendment. In fact, two amendments, the eleventh and sixteenth, have been passed for the very purpose of meeting, in a constitutional way, adverse decisions of the Supreme Court.

I shall not attempt at the moment to phrase the needed amendment. Essentially, however, it is to restore to the States the power to deal with this subject which they possessed prior to the passage of the fourteenth amendment.

MOTHER'S DAY

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, under leave to extend my remarks, I insert the following address delivered by me before the convention of the Polish Women's Alliance at Washington, D. C., May 10, 1936:

Mother's Day, Mme. Chairman and delegates of the Polish Woman's Alliance, is but 1 day of the 365 upon which she who bore us is glorified at gatherings such as this.

For me, and I hope for most of us, Mother's Day is every one of the days of the year, not one day prescribed by custom. Every time we are blessed with the wholesome thought of mother we should dedicate not only the day but the precious moment which absorbs our thought.

We are all convinced that motherhood is the crowning glory of womankind; more than that we are certain that Nature chose woman for the prime place in this world of ours.

Motherhood sanctifies the everyday woman, elevates her to a plane which no mortal man in all his earthly accomplishment can ever hope to attain. In childhood it seemed to us we understood instinctively the greatness and significance of motherhood. The kindness of our mothers, the gentleness and self-sacrifice of which we were the beneficiaries, undoubtedly made a fundamental and lasting impression upon us, though appreciation in its fullest sense can only be realized long after maturity, when, through age and experience, we have learned the three dimensions—depth, width, and length—which the term motherhood embraces.

In children there is no difference; no distinctions are made by parents as between boys and girls. But the equiplane of the human offspring is soon unbalanced by Nature in favor of the daughter if and when she marries and bears a child. She becomes the sacred vessel which God Himself designed and charged to propagate and perpetuate the race. However sweet, innocent, and lovely she may have been in her virginity, never could she approach such radiance and glory as are hers when God's mandate in wedlock is carried out—when she brings forth her first-born.

However lowly her station in life may be, motherhood raises woman to her highest estate. In queen or pauper motherhood is glorious, promising, an endless romance which may be realized when this mite of humanity at her breast matures, perhaps, into a great scientist whose discoveries may revolutionize and simplify the lives of the peoples of the world. In her arms she may be fondling an inventor whose contributions may dwarf the accomplishments of an Edison or of a Moscicki. As a mother she may be privileged to guide and actually direct her son toward supereminence in the field of poetry and literature. The lullabys she sings to her baby may be the inspiration which is needed to attain the pinnacle of fame in the operatic world. The voice of a Sembrich or a Caruso in all their acknowledged glory may be unworthy of even a comparison with that of her baby. The boundlessness of a mother's love, her constancy and idealism may be of the same force and effect upon her own babe as that which gave stimulus and fervency of faith to the countless saints throughout the ages.

The inexplicable something about motherhood inspires her husband and father, rekindles the love in his breast, forges a bond of loyalty and of devotion which perpetuates the family ties and promotes genuine happiness. And as in life, so also after the angel of death shall have escorted the wife and the mother to the throne of the Creator she shall be remembered, loved, and revered with greater ardor and constancy than her sister who departs from this earthly sphere as she came, without the blessed contribution of a mother.

The pages of history record the names of great men—Copernius and Chopin, Sobieski, Napoleon, Foch, Pershing, Paderewski, Conrad, Shakespeare, and Sienkiewicz. The might and fame of these, however, is dwarfed by the greatness of their mothers.

Washington, Lincoln, Wilson, and Roosevelt have made for themselves an imperishable name; without the pain and sacrifice of motherhood the world would never have known the greatness of these men. In fact, the history of our own beloved country may not have been written as we know it today. The destinies of all of us may have been different were it not for the mother of some great man of our country.

The world would, indeed, be poorer and a great people might still be subject to the tyranny and oppression of powerful foes were it not for the birth of Woodrow Wilson, who declared for a free and independent Poland, with access to the sea. Many years before this same ideal which prompted the great wartime President to so declare himself was bred into the very being of the patriot, soldier, and statesman, Marshal Joseph Pilsudski. Who would deny the influence of the noble mother upon the benevolent dictator, the father of regenerated Poland? The stories she told him, the prayers she taught him, the songs he heard her sing impressed little Joseph with the lost glories of his beloved Poland and inspired him with the determination to restore them to his fatherland.

A contemporary and patriotic coworker of this great historic figure, Stanislaw Patek, whom many of us were privileged to know as the Ambassador of his Government and as a genial friend and host, is to me living proof of the greatness of motherhood as reflected in her son.

A barrister of great ability, he gave himself wholeheartedly for the defense of the patriotic heroes of Poland who faced banishment and prison in far-off Siberia. He himself endured unjust imprisonment while defending others in the unfriendly and corrupt political courts of an alien oppressor.

Pasteur and Lister, Murphy and Mayo; where would they have been without their guiding mothers? It is my fervent belief that this world of ours depends upon motherhood, not only for the perpetuation of the race but also upon her guiding influence for the happiness which honesty and good character only can promote among us. What is most important in this world for woman? What is most important for all of us? That woman should become a great leader among her own sex or a profound, recognized scientist? Should she produce as God intended or should she follow an inherent personal urge to supersede some man in the post or position which he attained, or should she abandon her family and seek a career, chasing the political will-o'-the-wisp in the hope that she may assume her place among men as a diplomat, a Member of Congress, or even as President?

I say to you that to subjugate motherhood to any other purpose or calling is to cheat herself, and more, to cheat the world. Women who cease bearing prematurely because other impulses dominate their time may be depriving the world of a Caruso or of a Newman. Some people stress the influence of women in politics, their wholesome contribution in this field so important in our daily life. I do not deny some material unlift in this regard, but I am prone to be critical as to the ultimate value of woman in politics. Under like circumstances woman is just as weak and deficient as is her brother.

Feminists contend that a woman loses nothing and gains a great deal by her devotion to politics. I wish I could agree with that viewpoint, although in some individual cases I will concede a point. As a whole, however, womanhood obsessed with politics and affairs foreign to her calling and constitution sacrifices far more than she gains.

God gave me a little girl about 4 weeks ago; prayerfully I awaited her arrival. What are my plans for her future? What do I look upon her as being? Just a little mother, a mother of the future. The mother who bore her and I, her father, plan to bring her up and prepare her for the moment when her destiny shall have been fulfilled—when she, too, shall be a mother.

To mention politics in the same breath with motherhood seems almost a sacrilege. It becomes necessary, however, to do so in order to illustrate a forceful point of my discourse.

Many people believe that a woman must vote to protect herself and her family. God grant the day will never come when woman and her brood will be dependent upon her own vote for protection. The question of the right of a woman to vote is not debatable; it is a sacred, inherent right altogether too long denied. The exercise of the franchise is a duty as well as a privilege which woman must willingly and faithfully discharge.

I hold to the theory that a mother, besides bearing a son or daughter, is the dominating influence throughout the life of her child; and if she trains her daughter for motherhood and her son for the responsibilities of a citizen and a substantial father, politics will at once be purged of demagogues and scoundrels. The son of today, the man of tomorrow, if properly trained by his mother, will vote to protect his mother and sister, his sweetheart and later his wife and daughter. Neglect your children for politics or for any other equally insignificant reason and you jeopardize your own and the security of the Nation. A woman cannot protect herself against man unless she trains him to be gentle, fair, and honest. Next to motherhood, woman's most important duty is to properly formulate the plastic character of man and to direct it toward humanity's advancement.

Which in your estimation would be the greater role which might be played at will by the world-famous Amelia Earhart; that of a

long-distance, nonstop flyer, a record breaker in a man-made plane, with calibrators, two-way radio communication, blind-flying instruments, gliding blindly behind a powerful motor upon an invisible radio beam; all of these improvements created by the man child of some noble woman, or would she be greater in the role of a mother to a great designer, builder, and flyer of the future? To my notion this woman flyer accomplished nothing, proved nothing, advanced no new theory or contributed any new development to aeronautics. All she did was to fly solo, high, long, and far. This any man with a little training and the instruments she had to guide her could do, but no man could give to the world what a woman of her pioneering courage could—a son or a daughter with promise of future accomplishment and greatness.

Mme. Sklodowska Curie, said to be the world's greatest woman, was greater as a mother than as a scientist. It was the combination of the two which made her the peer of all famous women.

If I were asked to name the world's greatest living woman, I would spontaneously declare for Ernestine Schumann-Heink. Would I be swayed in this decision by her musical fame or extraordinary artistic ability which charmed millions of people throughout the world? Not by these qualifications alone; others have been blessed with unusual voices, charm, and magnetism. However, no other great artist could fill her place in my heart, because she is the mother of one daughter and five sons.

God hath blessed her abundantly for her faithfulness and periodic journeys into the valley of the shadows, for each time she returned she was revitalized, strengthened, extending her range higher and lower upon the musical scale to more effectively charm idolizing millions of her admirers. Think of it, this genial soul, this glorious mother at the age of 75 continues an operatic career as though she were a sprightly maid in her teens. Compare this artist with another great contemporary, Ignace John Paderewski, whom we all love. On the basis of ability, magnetism, fame, attraction of the multitude, and they are equals until the word motherhood is linked to Schumann-Heink, then her contemporary is placed in the background.

Why is motherhood such an inspiration and joy to a husband? Is it because it brings with it immediate compensations for the uncertainties of the long months prior to the birth of the heir? Not at all; the secret lies in the fact that when the wife becomes a mother she at the same time elevates her husband to the sublime state of proud fatherhood and the promise of a bright future which is linked to every born infant.

If I live a century, I shall never forget what a sight I beheld when I entered the room of the maternity hospital where my oldest son was born There in her most glorious mood, radiant and happy, fresh as a rose, was the mother of my boy. Only a few hours before she was but a wife, loyal and steadfast, a real helpmate, to be sure; together we fought a relentless, unwilling world, but she was, nevertheless, until her elevation to motherhood, only a wife. My love for her has not diminished or faded as the years wore on. Quite the contrary, it has grown in undiminished fervor because of the babies she bore me.

In conclusion let me say as a tribute to my own beloved mother, God rest her soul, that whatever I amount to, whatever I hope to be, what good there is in me, I credit to her whom God gave me as a mother.

THE SUPREME COURT EXTENDING ITS POWER AT THE EXPENSE OF THE OTHER DEPARTMENTS

Mr. CROSS of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to quote certain excerpts from decisions of the Supreme Court.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CROSS of Texas. Mr. Speaker, under the second paragraph of section 2 of article III of the Constitution there is delegated to Congress in unequivocal language the power to deny to the inferior Federal courts the right to pass on the constitutionality of acts of Congress and also the right of the Supreme Court to pass upon the constitutionality of an act of Congress on any case coming before the Supreme Court on appeal, so that only a sovereign State could attack the constitutionality of an act of Congress by an original suit in the Supreme Court.

On January 28 I addressed this body advocating H. R. 9478, a bill introduced by me to effectuate this purpose. Since then that measure, and those of us who endorse it, have been attacked by two of our most brilliant and eloquent colleagues, one of whom [Mr. HOLLISTER] hails from the capitol of the famous Buckeye State, the other, my distinguished friend [Mr. Cox], from the peanut-clad hills of ancient Georgia. Their zeal and fury was such that Job must have had them in mind when he declared:

> Their necks shall be clothed with thunder. * * * The glory of their nostrils terrible. * * * They shall paw the air and rejoice in their strength. * * * They shall swallow up their enemies with fierceness and rage. * * * The quiver shall rattle against them, the glittering spear and shield.

And so, the prophetic brain of Job, looking down the centuries visioned and depicted in this graphic language what was to happen when these two gallant plumed knights were to indict as heretics, convict, draw and quarter in your very presence a number of your meekest and most timid colleagues. You heard with what frightfulness their quivers rattled as they thundered through the neck. You saw the terrible glory of their nostrils as they pawed the air and rejoiced in their strength. And then you also saw with what fierceness and rage they swallowed us up. As they made their devastating charges upon us, you saw upon their left arm that mystic shield woven in the silence of the cobwebbed cloisters of our immaculate Supreme Court. Woven under the spell of such incantations as "commerce among the States", and being charged with "Liberty League dynamics" smashes into unconstitutional fragments every law of Congress tending to establish economic and social justice. And then as they were cruelly demolishing us, you saw with what marvelous skill they wielded that famous glittering spear, welded in the occult fires of yonder dread hallowed oracle by the nine black-robed fates as they chanted those magical words, "due process of law", and at the touch of which the rights of States vanish as the mist before the sun.

Mr. Speaker, having somewhat recovered from the shock of such "sound and fury", I wish to again in a modest way present some additional reasons why this bill should be enacted into law.

Mr. Speaker, the Federal Government is one of delegated powers, consisting of three coordinating departments, the legislative, executive, and judicial. Of these the Constitution recognizes the legislative as being the most important, delegating to it the power and duty to enact laws, exercising their judgment to do so within the scope of the Constitution, under which the country is to function. The Constitution recognizes the executive as the next in importance, and delegates to it certain rights and prerogatives; while it delegates to the judiciary the duty to construe and pass upon the rights of litigants as they exist under the laws as passed. But there is nothing to be found in the Constitution that any more authorizes the judicial branch of the Government to nullify the acts of Congress than there is for the legislative branch of the Government to nullify the decisions of the courts in rendering judgment between litigants.

A number of the delegates who served in the Constitutional Convention had been educated in England, and all of them were versed in English jurisprudence, being as they were, prior to the Revolution, loyal subjects of their mother country. They were familiar with English history and knew how its people had suffered as the result of the Tory courts nullifying the acts of Parliament prior to the Bill of Rights of 1688. They knew since that time no court had dared to nullify an act of Parliament. They never dreamed that the court they were creating would ever dare presume to go back a hundred years and arrogate unto themselves the right to nullify the acts of Congress and thus play the role of the Tory courts that existed in England prior to 1688, and cite as their authority for so doing the very clause, "due process of law", which was transplanted out of the English Bill of Rights into our Bill of Rights, and which was placed in the English Bill of Rights to put an end to the high-handed judicial tyranny of Tory courts in nullifying acts of Parliament. It was to prevent them from depriving citizens of their life, liberty, or property except in accordance with rules and regulations prescribed by Parliament.

It is patent had it been intended by the framers of the Constitution that the Court was to have the authority to nullify acts of Congress, the power would not only have been specifically delegated to it but they would never have specifically delegated to Congress the power to deny to the Court the jurisdiction to so do, as is done in unequivocal language of section 2 of article III.

There is nothing that so completely dispells the general impression that the Supreme Court in its decisions are not actuated by their own economic and political views as an examination of the cases in which they have assumed the authority to declare acts of Congress unconstitutional. At the time the now famous case of Marbury against Madison was decided in 1803, it is interesting to note that the judges who composed that Court were disciples of the Federalist Party which was the exponent of the wealthy class of that day and time and who feared that the Representatives of the people might enact laws detrimental to their interests. At the time this decision was handed down the Federalist Party had been defeated, and the Democrats under Jefferson had come into control of the country.

In this case President Adams had appointed Mr. Marbury a justice of the peace of the District of Columbia just before leaving the White House, and Marbury applied for a writ of habeas corpus to the Supreme Court to compel Mr. Madison, Mr. Jefferson's Secretary of State, to deliver to him his commission. Before the case was heard, the law authorizing the Supreme Court to issue a writ in such a case had been repealed, so that at the time the Supreme Court heard the case it had become a moot question, and the Court under every rule of practice should have dismissed the application, but the Court seized upon this opportunity in an ex-parte proceeding to get a precedent to hold an act of Congress unconstitutional for the purpose, no doubt, of using it as a precedent to hold any act of Congress unconstitutional which might be passed that in their opinion would be detrimental to the moneyed interests.

In the next case in which an act of Congress was held unconstitutional by the Supreme Court, in order to do so again acted contrary to the fixed rule of long-settled practice. This was in the notorious Dred Scott case decided in 1857. When this case reached the Court it held that the lower court had no jurisdiction. Having so determined, under every rule of practice the case should have been dismissed. But by a divided Court it seized upon the opportunity to hold the Missouri Compromise Act of 1820 unconstitutional, and this in the face of the Constitution as it then existed, and in violation of the rights of the free States, and held in effect that all the States were compelled to permit the institution of slavery. In order to accomplish this purpose they resorted to the fifth amendment of the Constitution known as the due-process clause. This clause was placed in the English Bill of Rights in 1688 for the purpose of stopping the life-appointed Tory courts from depriving citizens of their life, liberty, and property contrary to the procedure provided for them to follow under the laws enacted by Parliament. Up until this case the Court had never intimated that this clause authorized them to declare an act of Congress unconstitutional.

Although the Supreme Court, under Marshall as Chief Justice, in 1803 first assumed the authority to hold an act of Congress unconstitutional, the decisions of the Court during his reign acceded to Congress far broader powers in legislation than is acceded in its more modern decisions. As time passed the Court, grasping for more and more power, has restricted more and more the field in which Congress can legislate unless that legislation happens to be in accord with their economic and political views. In the case of *McCulloch* v. *The State of Maryland* (4 Wheat.), decided in 1819, in which an act of Congress, chartering and setting up what was known as the Bank of the United States, was attacked as being unconstitutional because there was no delegation of power in the Constitution for Congress to set up such a bank with the Government taking one-fourth of the stock and this so-called Bank of the United States was to be operated as a private institution for profit. Chief Justice Marshall, in delivering the opinion, had this to say:

> This could not be done by confining the choice of means to such narrow limits as not to leave it in the power of Congress to adopt any which might be appropriate, and which were conducive to the end. This provision is made in a constitution intended to endure for ages to come, and consequently, to be adapted to the various crises of human affairs. To have prescribed the means by which government should, in all future time, execute its powers, would have been to change, entirely, the character of the instrument, and give it the properties of a legal code. It would have been an unwise attempt to provide, by immutable rules, for exigencies which, if foreseen at all, must have been seen dimly, and which can be best provided for as they occur. To have declared that the best means shall not be used, but those alone without which the power given would be nugatory, would have been to deprive the legislature of the capacity to avail itself of experience, to exercise its reason, and to accommodate its legislation to circumstances. If we apply this principle of construction to any of the powers of the Government, we shall find it so pernicious in its operation that we shall be compelled to discard it * * *.
>
> The result of the most careful and attentive consideration bestowed upon this clause is, that if it does not enlarge, it cannot be construed to restrain the powers of Congress, or to impair the right of the legislature to exercise its best judgment in the selection of measures to carry into execution the constitutional powers of government. If no other motive for its insertion can be suggested, a sufficient one is found in the desire to remove all doubts respecting the right to legislate on that vast mass of incidental powers which must be involved in the Constitution, if that instrument be not a splendid bauble * * *.
>
> We think the sound construction of the Constitution must allow to the National Legislature that discretion, with respect to the means by which the powers it confers are to be carried into execution, which will enable that body to perform the high duties assigned to it, in the manner most beneficial to the people. * * *
>
> Where the law is not prohibited—that is, not specifically denied to the Court by the Constitution—and is really calculated to effect any of the objects entrusted to the Government, to undertake here to inquire into the degree of its necessity, would be to pass the line which circumscribes the judicial department and to tread on legislative ground. This Court disclaims all pretentions to such a power. * * *
>
> In the Legislature of the Union alone, are all represented. The Legislature of the Union alone, therefore, can be trusted by the people with the power of controlling measures which concern all, in the confidence that it will not be abused. * * *

It has been said by some that the Court in this case conceded broad powers to Congress because the legislation was in accord with their economic and political views, and earnestly desired by the major financiers of that day.

In keeping with the broad powers conceded to Congress in this case of McCulloch against The State of Maryland, decided in 1819, is the case of the Veazy Bank against Fenno (75 U. S.), decided in 1869, where an act of Congress levying a tax of 10 percent upon the circulating notes of State banks and which, of course, was levied for the patent purpose of driving them out of circulation, Chief Justice Chase in handing down the opinion of the Court sustaining the constitutionality of the act, used this language:

> The power to tax may be exercised oppressively upon persons, but the responsibility of the legislature is not to the court, but to the people by whom its members are elected.

In the so-called Child Labor case (259 U. S.) decided in 1921, in which an act of Congress was attacked as being unconstitutional because it levied a tax of 10 percent on the net profits of employers who use children as employees, and which act, of course, affected interstate commerce in affecting the price of products produced, Chief Justice Taft held this act unconstitutional although it was stated in the act that it was "An act to provide revenue, and for other purposes." The act of Congress upheld in the Veazy Bank against Fenno case was attacked on the same ground on which this act was attacked. In the case of Veazy against Fenno the financiers were anxious that the law be held constitutional that the circulation of notes of State banks be suppressed, while in the other the employers of children were anxious that the law be held unconstitutional. In this case Justice Clark dissented.

The case of *Pollock* v. *Farmers Loan & Trust Co.* (157 U. S. 429, and 158, 601), decided in 1895, grew out of the income-tax law passed in 1894 in compliance with the demand in the Democratic platform upon which Cleveland had been elected. The power of Congress under the Constitution to enact such legislation as the Constitution then stood had been settled for nearly a hundred years by a decision of the Supreme Court in the case of *Hilton* v. *United States* (3 Dall. 171), decided in 1796. The same objections to this so-called carriage tax were raised and urged as were raised and urged in the case of Pollock against Farmers Loan & Trust Co.

Congress passed an income-tax law in 1861, which continued in force until 1873. This act was attacked as being unconstitutional in the case of the *Pacific Insurance Co.* v. *Soule* (74 U. S. 446), decided in 1868. The Court, with the Hilton case as a precedent, held that act constitutional. All the questions were raised and argued in this case and in the Hilton case that were raised and argued in the case of Pollock against the Farmers Loan & Trust Co.

Organized wealth attacked the act of 1894 with great bitterness as being socialistic and communistic and an assault on property. They had many of the ablest lawyers in the country employed to get the Court to reverse the position that it had laid down and maintained for a hundred years. When the case of Pollock against The Farmers Loan & Trust Co. was first argued Justice Jackson was sick and the Court divided 4 to 4, which would have meant that the decision of the lower court that had held the act unconstitutional would have been sustained. However, when Justice Jackson returned to the bench the Court granted a rehearing, and while Justice Jackson voted to sustain the act as being constitutional, Justice Shiras, who had voted to sustain the act as being constitutional in the first decision, changed his opinion and in the second decision voted with the four who had voted against its constitutionality in the first instance, so that the case was held unconstitutional by a 4-to-5 decision. Excitement ran high and Justice Shiras was charged with being corrupt and having been bribed. Justice Harlan, in his dissenting opinion, among other things, had this to say:

> I cannot resist the conviction that its (a majority of the Court) opinion and decree in this case virtually annuls its previous decisions in regard to the powers of Congress on the subject of taxation, and is therefore fraught with danger to the Court, to each and every citizen, and to the Republic. * * * If the permanency of its conclusions is to depend upon the personal opinions of those who from time to time may make up its membership, it will inevitably become a theater of political strife, and its action will be without coherence or consistency. * * *
>
> Is the judiciary to supervise the action of the legislative branch of the Government upon questions of public policy? * * *
>
> The safety and permanency of our institutions demand that each department of Government shall keep within its legitimate sphere. * * *
>
> Break down this belief in judicial continuity, and let it be felt that on great constitutional questions this Court is to depart from the settled conclusions of its predecessors, and to determine them all according to the mere opinion of those who temporarily fill its bench, and our Constitution will, in my judgment, be bereft of value and become a most dangerous instrument to the rights and liberities of the people. * * *
>
> Such a result is one to be deeply deplored. It cannot be regarded otherwise than as a disaster to the country. The decree now passed dislocates—principally, for reasons of an economic nature—a sovereign power expressly granted to the general Government and long recognized and fully established by judicial decisions and legislative action. * * *

This decision resulted in the sixteenth amendment to the Constitution which is as follows: "The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration." And which was finally ratified by the necessary three-fourths of all the States in 1913. But organized wealth had succeeded, as a result of this decision, in escaping their just burdens of government for a period of 19 years.

In the case of *Evans* v. *Gore* (253 U. S.), decided in 1920, the majority of the Court handed down a decision that should forever cause them to blush with shame. In this case a majority of the Court held that Congress could not, under this amendment to the Constitution, pass any law requiring the Court to pay an income tax. This in spite of the fact that this amendment had been recently adopted and ratified by the necessary three-fourths of the 48 States with a population of more than a hundred million people living at the time of the decision. In this respect unlike the original Constitution that had been adopted some 150 years ago by three-fourths of the Thirteen Original States, with a population of less than 4,000,000 of people and long since dead. A majority of the Court in this case held the act of Congress applying an income tax to Federal judges was unconstitutional; in other words, that the Constitution was unconstitutional or that they were above the Constitution. This, too, in the face of the fact that under the income-tax law on the statute books from 1861 to 1873 the Court, with all citizens, had been called upon and did pay the income tax. The majority opinion of the Court was delivered by Justice Van Devanter, who is still on the bench. In this case Justices Holmes and Brandeis dissented, and in their dissenting opinion used this language:

> The decision below (the lower court had held that the act was constitutional) seems to me to have been right for two distinct reasons: That this tax would have been valid under the original Constitution, and that if not so, it was made lawful by the sixteenth amendment * * *. To require a man to pay the taxes that all other men have to pay cannot possibly be made an instrument to attack his independence as a judge. I see nothing in the purpose of this clause of the Constitution to indicate that the judges were to be a privileged class, free from bearing their share of the cost of the institutions upon which their well-being if not their life depends.

And yet when we dare to criticize such decisions we are denounced by the Liberty League and its satellites as communists and public enemies.

And then we all know the story of the Legal Tender cases, how the creditor class brought every influence and pressure to bear to get the Legal Tender Act passed by Congress in February 1862 declared unconstitutional in order to collect from debtors gold and silver dollars in lieu of paper dollars which they had loaned, and in that way make them pay in real values twice what they had borrowed. In the case of *Hepburn* v. *Griswold* (8 Wallace), decided in 1869, they succeeded in getting the Legal Tender Act declared unconstitutional by a divided court of 4 to 3. And in order to get rid of this pernicious decision, President Grant rushed a bill through Congress increasing the Court to nine judges and placing on the bench two lawyers who it is understood agreed beforehand that they would decide with the three dissenting judges in the Hepburn case, in the next case to come before the Court, which they did, and the act was then held constitutional, the decision being a 5-to-4 decision.

In 1921 the Congress passed an act, the purpose of which was to regulate the buying and selling of future contracts on the grain exchanges. The constitutionality of this act was attacked in the case of the *Chicago Board of Trade* v. *Olson* (U. S. 262) and decided in 1922. It was contended that these contracts, purchases, and sales being made by parties in the State of Illinois, were purely intrastate transactions and beyond the power of Congress to regulate. Chief Justice Taft, in delivering the opinion of the Court sustaining the constitutionality of the act, used this language:

> The question of price dominates trade between the States. Sales of an article which affect the country-wide price of the article directly affect the country-wide commerce in it.

In 1933 the Congress enacted what is known as the National Industrial Recovery Act, setting out in the act the deplorable conditions of the country, and that as a result of the emergency this legislation was enacted to regulate interstate commerce by regulating the wages to be paid by employers to labor in certain industries. This act was attacked as being unconstitutional, and in the case of the *Schechter Corporation* v. *United States* (295 U. S.) the Court in that decision holding the act unconstitutional said:

> In determining how far the Federal Government may go in controlling intrastate transactions upon the ground that they "affect" interstate commerce, there is a necessary and well-established distinction between direct and indirect effects. The precise line can be drawn only as individual cases arise, but the distinction is clear in principle. * * *
>
> Extraordinary conditions do not create or enlarge constitutional power.

There can be no more question but what the amount of wages paid to the employees of a factory or other industries as much affects interstate commerce as does the price paid for grain on the floor of a grain exchange. The Court in the Schechter case makes the statement that there "is a well-established distinction between direct and indirect effects." The precise line can be drawn only as individual cases arise. This leaves Congress in the dark and places the Court in a position to declare or not any act passed by

Congress as unconstitutional, as they may take a notion to say that it has a "direct" or "indirect" effect upon interstate commerce. Besides, in holding that "extraordinary conditions do not create or enlarge constitutional powers", they take a reverse position from that of Chief Justice Marshall in the case of McCulloch against The State of Maryland, and a number of other decisions.

In the recent case of the Great Northern Railway Co., petitioner, v. J. J. Weeks, State Tax Commissioner, decided on the 3d of February 1936, the majority of the Supreme Court for the first time assumed to act as the guardian of major corporations and to order the taxing authority of a State to lower the value at which the State authority had assessed it for taxes. Not that it was assessed higher than property in general or that it is not assessed according to the standard upon which other such property is assessed. This decision strikes at the very heart of the sovereignty of the States. This was a 6-to-3 decision, and Justices Stone, Brandeis, and Cardozo dissented from the majority decision. Justice Stone, who wrote the minority opinion, ably points out the effect of this decision, and, among other things, says:

The feature of the decision which is especially a matter of concern is that for the first time this Court is setting aside a tax as a violation of the fourteenth amendment on the ground that the assessment on which it is computed is too high, without any showing that the assessment is discriminatory or that petitioner is in any way bearing an undue share of the tax burden imposed on all property owners in the State.

Assessment for taxation is a quasi-judicial act, and the tax assessment has the quality of a judgment (citing a number of authorities). Even if the valuation of the Board be erroneous, the errors of a State judicial officer, however gross, whether of law or of fact, are not violations of the Constitution and are not open to review in the Federal courts merely because they are errors. If overvaluation, even though gross or intentional, were, without more, held to infringe the fourteenth amendment, every taxpayer would be at liberty to ask the Federal courts to review a State tax assessment upon the bare allegation that it is grossly excessive, and without showing that it does more than subject him to taxation on the same basis as every other taxpayer. * * *

Taxation is but a method of raising revenue to defray the expenses of government, and of distributing the burden among those who must bear it. The taxpayer cannot complain of the tax burden which he has to bear, who shows no inequality in the application of it. * * *

The burden of a property tax like the present is distributed by applying a rate of tax to the assessed valuation of all taxable property. Variation of either, without discrimination, affects the amount of the tax but not the equality of its distribution. The activities and expenses of government, over which the State has plenary control, do not cease in time of depression. They may increase. The State may meet those expenses by raising the valuation of taxable property, or by raising tax rates, or both, without infringing any constitutional immunity. Here the State, so far as appears, is raising the needed revenue and distributing the burden as in previous years, by continuing old valuations. However high those valuations may be, if not discriminatory, they impose no unequal share of the tax burden on petitioner and cannot be said to be arbitrary or oppressive in the constitutional sense. * * *

The States need not fear the destruction of their sovereign rights by Congress, the Members of which are citizens of the various States and who must at short intervals account to and be elected by the voters of the various States, but this decision clearly shows that they are being deprived of their sovereign rights by the nine men who constitute the Supreme Court.

A majority of the Supreme Court in the case of the St. Joseph Stockyards Co., appellant, against the United States and the Secretary of Agriculture, decided on the 27th of April 1936, in this decision holds:

When the legislature acts directly, its action is subject to judicial scrutiny and determination in order to prevent the transgression of these limits of power. The legislation cannot preclude that scrutiny or determination by any declaration of legislative finding.

This action resulted from the Secretary of Agriculture acting under the law passed by Congress authorizing him to ascertain the facts and to regulate the rates to be charged in stockyards. This was also a decision by a divided court, the dissenting Justices being Justices Stone, Cardoza, and Brandeis. Justice Brandeis delivered the dissenting opinion, and in doing so used this language:

This Court has consistently declared in cases arising under the Interstate Commerce Act that to "consider the weight of the evidence is beyond our province" [citing authorities], and that courts have no concern with the correctness of the Commission's reasoning, with the soundness of its conclusions of fact, or with the alleged inconsistency of the findings with those made in other proceedings [citing authorities]. * * *

The history of this case illustrates that regulation cannot be effective unless the legality of the rates prescribed may, if contested, be determined with reasonable promptness. Six and one-half years have elapsed since the Secretary of Agriculture concluded that the rates of this utility were so high as to justify inquiry into their reasonableness, and nearly 2 years since entry of his order prescribing the reduced rates. In the judgment of the lower court and of this Court the attack upon the order reducing them was unwarranted. But the rates of 1929 have remained in force; and, despite the supersedeas and injunction bonds, there will be practically no redress for the wrong done to the business community throughout the long years in which excessive rates have been exacted. * * *

Chicago telephone rates: On September 13, 1921, the Illinois Commerce Commission, the regulating body, issued an order that the company show cause why its rates should not be reduced. The hearing began November 17, 1921, and closed July 31, 1923. On August 16, 1923, the commission entered an order reducing the rates, to become effective October 1, 1923. Before that date enforcement was enjoined by the Federal court on a bill which charged that the rates prescribed were confiscatory. On April 30, 1934, this court sustained the validity of the rate order entered August 16, 1923. Thus the rates became effective 12½ years after the commencement of the investigation and nearly 11 years after they were prescribed.

The case of *James W. Carter, petitioner,* v. *Carter Coal Co., George L. Carter as vice president and director of said company, et al.,* decided in May 1936, is a case in which the constitutionality of an act recently passed by Congress was attacked, which act was commonly known as the Guffey Coal Act, and set out the fact that the industrial life of the country was largely dependent upon this product and its uninterrupted production and transportation in interstate commerce. That both the production and transportation were frequently interrupted by labor troubles, such as strikes. The purpose of this act was to prevent the uninterrupted production and transportation of this product by getting rid of cutthroat competition through fixing minimum prices and minimum wages. Six of the nine judges held this act to be unconstitutional, while three in their dissenting opinion held it to be constitutional.

The majority of the Court took the position that Congress had no constitutional authority to regulate interstate commerce by regulating the price of the product, as the price of a product had no direct relation to interstate commerce. It is difficult to reconcile this view of the majority of the Court with the decision in the *Chicago Board of Trade* v. *Olson* (U. S. 262) decided in 1922. Chief Justice Taft in sustaintaining an act of Congress having to do with transactions on the Chicago Board of Trade affecting the price of grain says:

The question of price dominates trade between the States. Sales of an article which affect the country-wide price of the article directly affect the country-wide commerce in it.

Justice Cardozo handed down the dissenting opinion as to the constitutionality of the Guffey Coal Act, in which dissenting opinion Justices Brandeis and Stone concurred.

In 1933 Congress passed a law known as the Agricultural Adjustment Act setting out the distressed bankrupt condition of agriculture and the fact that it was a primary industry of the Nation upon which the welfare of the country depended. That among other things the act was to regulate interstate commerce in agricultural products. In the case of the United States of America, petitioner, against William M. Butler, and others, receivers of Hoosac Mills Corporation, decided on the 6th day of January 1936, this act was attacked on the ground that it was unconstitutional, and a majority of the Court so held. In holding this act unconstitutional the majority holds agriculture is not for the general welfare

of the country and that it is a local matter subject to control by the State. The majority decision uses this language:

Powers not granted are prohibited. None to regulate agricultural production is given, and therefore legislation by Congress for that purpose is forbidden.

The majority opinion in this case neither harmonizes with that of the Chicago Board of Trade against Olson or with McCulloch against the State of Maryland. In the case of the Chicago Board of Trade against Olson, Chief Justice Taft held that where contracts entered into with the State of Illinois on the Chicago Grain Exchange affected the price of grain and consequently interstate commerce, Congress had the power to act. In the case of McCulloch against Maryland the Court held although there was no power delegated to Congress to set up a chartered bank and to take one-fourth of the capital stock, the bank to be run and operated by individuals for private profit, that Congress nevertheless had the power so to do and sustained the act as being constitutional. Justice Stone, in writing the dissenting opinion, concurred in by Justices Brandeis and Cardozo, used this language:

I think the judgment should be reversed.

A lower court having held it unconstitutional.

The present stress of widely held and strongly expressed differences of opinion of the wisdom of the Agricultural Adjustment Act makes it important, in the interest of clear thinking and sound result, to emphasize at the outset certain propositions which should have controlling influence in determining the validity of the act. They are:

1. The power of courts to declare a statute unconstitutional is subject to two guiding principles of decision which ought never to be absent from judicial consciousness. One is that courts are concerned only with the power to enact statutes, not with their wisdom. The other is that while unconstitutional exercise of power by the executive and legislative branches of the Government is subject to judicial restraint, the only check upon our own exercise of power is our own sense of self-restraint. For the removal of unwise laws from the statute books appeal lies not to the courts but to the ballot and to the processes of democratic government. * * *

It must be remembered that legislators are the ultimate guardians of the liberties and welfare of the people in quite as great a degree as the courts. * * *

Courts are not the only agency of government that must be assumed to have capacity to govern. Congress and the courts both unhappily may falter or be mistaken in the performance of their constitutional duty. * * *

And he might have added, the people, through the ballot box, can make Congress correct its mistakes, but are helpless to make the Supreme Court correct its mistakes.

The Legislature of the State of New York enacted a law fixing the minimum wage to be paid to women and children when employed in certain businesses and industries. Its purpose was to prevent sweatshop employers working women and children and paying them less than a fair and reasonable wage for the services rendered and less than sufficient to meet the minimum cost of living. This act was attacked in the case of Frederick L. Morehead, petitioner, against People ex rel. Joseph Tipaldo, the decision being handed down on the 1st of June 1936. This act was attacked on the ground that it was in violation of the "due process of law clause" of the fourteenth amendment of the Constitution. The opinion in this case was a 4-to-5 decision, Justice Butler delivering the opinion for the majority, in which he says:

This Court's opinion shows (pp. 545, 546): The right to make contracts about one's affairs is a part of the liberty protected by the due-process clause. Within this liberty are provisions of contracts between employer and employee fixing the wages to be paid. In making contracts of employment, generally speaking, the parties have equal right to obtain from each other the best terms they can by private bargaining.

And then he concludes his opinion sustaining the view of the lower court which held the act unconstitutional with these words:

It is plain that the judgment in the case now before us must be affirmed.

And yet four of the nine judges were convinced that it was plain that the act was constitutional, and among the four, Chief Justice Hughes, who, in delivering his dissenting opinion, said:

I am unable to concur in the opinion in this case. In view of the difference between the statutes involved, I cannot agree that the case should be regarded as controlled by *Adkins* v. *Children's Hospital* (261 U. S. 525). And I can find nothing in the Federal Constitution which denies to the State the power to protect women from being exploited by overreaching employers through the refusal of a fair wage as defined in the New York statute and ascertained in a reasonable manner by competent authority. * * *

When there are conditions which specially touch the health and well-being of women, the State may exert its power in a reasonable manner for their protection, whether or not a similar regulation is or could be applied to men. The distinctive nature and function of women—their particular relation to the social welfare—has put them in a separate class. * * *

She becomes an object of public interest and care in order to preserve the strength and vigor of the race. * * *

In the statute before us, no unreasonableness appears. The end is legitimate and the means appropriate. I think that the act should be upheld.

While Justices Stone, Cardozo, and Brandeis agreed with Chief Justice Hughes, Justice Stone in handing down the dissenting opinion, joined in by Justices Cardozo and Brandeis, says:

There is grim irony in speaking of the freedom of contract of those who, because of their economic necessities, give their service for less than is needful to keep body and soul together. * * *

It is difficult to imagine any ground, other than our own personal economic predilections, for saying that the contract of employment is any the less an appropriate subject of legislation than are scores of others, in dealing with which this Court has held that legislatures may curtail individual freedom in the public interest. * * *

So far as the requirement of due process is concerned, and in the absence of other constitutional restriction, a State is free to adopt whatever economic policy may reasonably be deemed to promote public welfare, and to enforce that policy by legislation adapted to its purpose. The courts are without authority either to declare such policy, or, when it is declared by the legislature, to override it. If the laws passed are seen to have a reasonable relation to a proper legislative purpose, and are neither arbitrary nor discriminatory, the requirements of due process are satisfied, and judicial determination to that effect renders a court functus officio.

That declaration and decision should control the present case. They are irreconcilable with the decision and most that was said in the Adkins case. They have left the Court free of its restriction as a precedent, and free to declare that the choice of the particular form of regulation by which grave economic maladjustments are to be remedied is for legislatures and not the courts. * * *

It is not for the courts to resolve doubts whether the remedy by wage regulation is as efficacious as many believe, or is better than some other, or is better even than the blind operation of uncontrolled economic forces. The legislature must be free to choose unless government is to be rendered impotent. The fourteenth amendment has no more embedded in the Constitution our preference for some particular set of economic beliefs than it has adopted, in the name of liberty, the system of theology which we may happen to approve. * * *

The judgment should be reversed.

This decision clearly shows the cleavage of the economic and political views that exist among the members of the Supreme Court; the majority being of that school that feel that the employer should have the right to take advantage of the necessities of his employees and work them at starvation wages. While the minority, in keeping with their political and economic views, feel that the employees are entitled to be protected from such exploitation by the arm of the State.

Thus this Court's sacrosanct halo, the product of inspired propaganda, is completely dissipated by these patriotic dissenting opinions. They reveal to us how through the years this Court by assuming the role of the Tory courts of England prior to 1688 has shackled the legislative and executive branches of the Government until they are impotent to carry out the will of the people and protect them in their liberties and from the depredations of monopolistic greed.

Truly the alias for this country's Nemesis is the Supreme Court. From its cloisters came a decision that for 4 long years dyed the battlefield with blood of the Nation's best and bravest. It has been a shield for monopoly and oppression. It has created a "no man's land" and commissioned sweat-

shop bosses to enslave helpless women and children. But I vision the coming of a better day when this Congress aroused to a sense of its patriotic duty will by exerting its authority under the second paragraph of section 2 of article III of the Constitution, dethrone this judicial oligarchy and issue another proclamation of emancipation that will wipe out this "no man's land" of sweatshop slavery.

EXTENSION OF REMARKS

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from California [Mr. HOEPPEL] may extend his remarks in the RECORD and include therein certain letters, affidavits, extracts, and newspaper items referring to his appearance before the House Committee on Military Affairs considering West Point appointments. He has obtained an estimate from the Public Printer.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MAPES. Mr. Speaker, reserving the right to object, can the gentleman give us some idea how extensive these letters and affidavits are?

Mr. COSTELLO. They will probably take two or three pages of the RECORD, although I do not know the exact amount of space required.

Mr. MAPES. Not more than two or three pages?

Mr. COSTELLO. I could not say the exact number of pages.

Mr. SNYDER of Pennsylvania. Mr. Speaker, I object.

TRANSMOUNTAIN WATER DIVERSIONS HAVE BEEN LONG RECOGNIZED AS PART OF A WELL-ESTABLISHED NATIONAL POLICY

Mr. LEWIS of Colorado. Mr. Speaker, in view of the ruling of the Chair in regard to the incorporation of short extracts in the RECORD, I ask unanimous consent to extend my remarks in the RECORD, and to include therein certain short excerpts from Supreme Court decisions, statutes, and other official documents.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

"Transmountain water diversions" have been the subject of some recent discussions. In the Congress and elsewhere questions have been raised, from time to time of late, conconcerning projects in the far West to divert water from one watershed to another. It has been inaccurately implied that transmountain water diversions are something novel and of doubtful economic soundness. It has even been erroneously suggested that a definite national policy concerning such projects has not yet been established by the Federal Government and that before any such projects can properly be approved an entire national policy should first be determined.

Any such questions, implications, or suggestions reflect a lack of familiarity with long-established local customs, laws, and the decisions of courts concerning waters in the far Western States and a lack of familiarity with the fact that the United States Government—always scrupulously conforming to such local customs, laws, and court decisions—has throughout many years, by repeated affirmative acts and declarations, frequently approved and aided projects to divert water from one watershed to another.

Obviously each project involving a transmountain diversion of water must be appraised, as should every other project, upon its own individual merits based upon careful surveys to determine its engineering and economic feasibility. Furthermore, plans for every such project should, wherever necessary, provide for the construction of such compensating or replacement reservoirs as may be requisite to protect fully and adequately all existing water rights on the stream from which the water is to be diverted.

However, in the far West, such projects have long since become familiar and commonplace. Their economic soundness is established beyond question. They are the foundations for the prosperity of vast, highly productive, and long-cultivated agricultural regions. They are the bases upon which rest the very existence of large cities. Even on the Atlantic seaboard such projects have their counterparts, chiefly for supplying water to towns and cities; but, as recent doubts and queries as to national policy have all concerned projects in the far West, this discussion will be confined to the region beyond the Missouri River.

In fact transmountain water diversions—that is, diverting water from one watershed to another—have long since been recognized, approved, and frequently acted upon by all three branches of the Federal Government—legislative, judicial, and executive—as part of a well-established national policy.

Inasmuch as it will presently be shown in detail hereinbelow that both the Congress and the Supreme Court of the United States have recognized, time after time, the validity and supremacy of local customs, laws, and the decisions of courts relating to the control, appropriation, use, and distribution of water for irrigation and other beneficial purposes, it is pertinent to inquire at the outset as to just what are such local customs, laws, and the decisions of courts.

APPROPRIATION DOCTRINE CONCERNING WATER HAS SUPERSEDED RIPARIAN DOCTRINE IN STATES OF FAR WEST

Seventy-five or eighty years ago, when agriculture was first undertaken by American settlers in regions now included in Colorado and neighboring States where irrigation is practiced, it was realized that the common-law doctrine of riparian rights in regard to the waters of natural streams was not applicable to conditions in those regions. Consequently the common-law doctrine of riparian rights, or riparian doctrine, that a riparian landowner was entitled to have waters of a natural stream continue to flow as they had flowed from time immemorial, subject to the reasonable uses of other riparian landowners, was rejected; and there was formulated and adopted the doctrine of prior appropriation, or appropriation doctrine, under which he who first diverts the water of a natural stream and applies such water to beneficial use, regardless of the locus of such application to the beneficial use, acquires a prior right or priority to the extent of such use against all subsequent appropriators up and down the stream.

This doctrine, sometimes called the Colorado doctrine, enunciated by the Supreme Court of Colorado Territory, was embodied in the constitution when Colorado was admitted to the Union. Sections 5 and 6 of article XVI of the Colorado Constitution—adopted in 1876 and never amended as to these sections—are as follows:

SEC. 5. Water, public property: The water of every natural stream, not heretofore appropriated, within the State of Colorado, is hereby declared to be the property of the public, and the same is dedicated to the use of the people of the State, subject to appropriation as hereinafter provided.

SEC. 6. Diverting unappropriated water—Priority: The right to divert the unappropriated waters of any natural stream to beneficial uses shall never be denied. Priority of appropriation shall give the better right as between those using the water for the same purpose; but when the waters of any natural stream are not sufficient for the service of all those desiring the use of the same, those using the water for domestic purposes shall have the preference over those claiming for any other purpose, and those using the water for agricultural purposes shall have preference over those using the same for manufacturing purposes.

This appropriation doctrine has since been fully elaborated and defined by the courts of Colorado and other neighboring States. (*Yunker* v. *Nichols* (1872) (1 Colo. 551); *Schilling et al.* v. *Rominger* (1878) (4 Colo. 100, 103); and a host of other later cases in Colorado and other far western States.)

In order to preclude misapprehension, it should be pointed out that the so-called California doctrine—which differs from the Colorado doctrine in some respects not pertinent to this discussion, but which may be said in general to be a hybrid of the appropriation doctrine and the riparian doctrine—prevails in the States of California, Oregon, Washington, Montana, North Dakota, South Dakota, Texas, Kansas, Nebraska, and Oklahoma. The Colorado doctrine, as hereinabove outlined, is the settled law prevailing in the States of Colorado, Arizona, Idaho, New Mexico, Nevada, Utah, and Wyoming.

TRANSMOUNTAIN DIVERSIONS OF WATER RECOGNIZED AND APPROVED BY LAWS OF ALL FAR WESTERN STATES

As a corollary to this Colorado doctrine, and very early in the development thereof, the prevailing local custom and practice that a prior appropriator had the right to divert water from one stream across an intervening divide to lands tributary to a different stream, or even tributary to a different river system, was recognized, acknowledged, and approved and enunciated as a principle of law by the courts of Colorado and other States and Territories where the so-called Colorado doctrine prevails.

Furthermore, this principle of law approving transmountain water diversions has been repeatedly reaffirmed by decisions of the courts, for example: *Coffin et al.* v. *Left Hand Ditch Co.* (1882) (6 Colo. 443, 449–450); *Thomas* v. *Guiraud* (1883) (6 Colo. 530, 532); *Hammond* v. *Rose* (1888) (11 Colo. 524; 19 Pac. 466); *Oppenlander* v. *Left Hand Ditch Co.* (1892) (18 Colo. 142, 144; 31 Pac. 854); *Wyoming* v. *Colorado* (1921) (259 U. S. 419, 466–467). See also *Connecticut* v. *Massachusetts* (1931) (282 U. S. 660, 671–672); *New Jersey* v. *New York* (1931) (283 U. S. 336, 342, 343).

It is, and long since has been, the settled law of Colorado and of neighboring States that the water of a natural stream may be diverted and conveyed across an intervening divide for the irrigation of lands in the valley of another stream (*Oppenlander* v. *Left Hand Ditch Co., supra*).

CONGRESS AND UNITED STATES SUPREME COURT HAVE REPEATEDLY RECOGNIZED AND APPROVED THE VALIDITY OF LOCAL CUSTOMS, LAWS, AND COURT DECISIONS IN RESPECT TO APPROPRIATION, CONTROL, USE, AND DISTRIBUTION OF WATER, INCLUDING TRANSMOUNTAIN WATER DIVERSIONS

Also very early in the period of initial settlement of the region now comprised within the so-called irrigated-land States of the far West the Congress recognized and approved, as respects the public domain, so far as the United States are concerned, the validity of the local customs, laws, and the decisions of courts in respect to appropriation of water and to its control, use, and distribution. This recognition and approval has been repeatedly reaffirmed by subsequent acts of Congress and opinions of the United States Supreme Court: Act of Congress of July 26, 1866 (c. 262, sec. 9; 14 Stat. L. 253; Rev. Stat. 2339; U. S. Code, title 43, sec. 661); act of Congress, June 17, 1902 (32 Stat. L. 388, sec. 8; U. S. Code, title 43, sec. 383). *Gutierres* v. *Albuquerque Land Co.* (1902) (188 U. S. 545, 553); *Kansas* v. *Colorado* (1906) (206 U. S. 46, 92–93, 94–95); *Wyoming* v. *Colorado* (1921) (259 U. S. 419, 465.)

By way of example: The Reclamation Act—act of June 17, 1902, chapter 1093, section 8; 32 Statutes at Large 390; United States Code, title 43, section 383—expressly provides:

> Nothing in this chapter shall be construed as affecting or intended to affect or to in any way interfere with the laws of any State or Territory relating to the control, appropriation, use, or distribution of water used in irrigation, or any vested right acquired thereunder, and the Secretary of the Interior, in carrying out the provisions of this chapter, shall proceed in conformity with such laws, and nothing herein shall in any way affect any right of any State or of the Federal Government or of any landowner, appropriator, or user of water in, to, or from any interstate stream, or the waters thereof.

TRANSMOUNTAIN WATER DIVERSIONS CONTEMPLATED BY COLORADO RIVER COMPACT AND BOULDER CANYON PROJECT ACT

Furthermore, the principle and policy of transmountain water diversions was expressly recognized in the Colorado River Compact, signed at Santa Fe, N. Mex., November 24, 1922, and approved by the Congress in the so-called Boulder Canyon Project Act (act of Dec. 21, 1928, c. 42, sec. 13; 45 Stat. L. 1064; U. S. C., 1933 Supp., title 43, sec. 617 (l)).

In article II of the Colorado River Compact, subparagraph (b) is as follows:

> The term "Colorado River Basin" means all of the drainage area of the Colorado River system and all other territory within the United States of America to which the waters of the Colorado River system shall be beneficially applied.

And subparagraph (f):

> The term "Upper Basin" means those parts of the States of Arizona, Colorado, New Mexico, Utah, and Wyoming within and from which waters naturally drain into the Colorado River system above Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system above Lee Ferry.

Subparagraph (g) of article II of the compact is as follows:

> (g) The term "Lower Basin" means those parts of the States of Arizona, California, Nevada, New Mexico, and Utah within and from which waters naturally drain into the Colorado River system below Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system below Lee Ferry.

By article IV, paragraph (c), of the compact it is provided:

> (c) The provisions of this article shall not apply to or interfere with the regulation and control by any State within its boundaries of the appropriation, use, and distribution of water.

As required by the Constitution of the United States (art. I, sec. 10), the consent of the Congress was given in advance to the negotiation of the Colorado River compact (act of Aug. 19, 1921, 42 Stat. L. 171); and by the Boulder Canyon Project Act (act of Dec. 21, 1928, c. 42, sec. 13; 45 Stat. L. 1064; U. S. C., 1933 Supp., title 43, sec. 617 (l)) the Colorado River compact was expressly approved.

Furthermore, by section 18 of said Boulder Canyon Project Act (c. 42, 45 Stat. L. 1065; U. S. C., 1933 Supp., ch. 43, sec. 617q) it is provided:

> Nothing herein shall be construed as interfering with such rights as the States now have either to the waters within their borders or to adopt such policies and enact such laws as they may deem necessary with respect to the appropriation, control, and use of waters within their borders, except as modified by the Colorado River compact or other interstate agreement.

It thus appears that by repeated acts of Congress a definite national policy, from which there has never been the slightest deviation, was long since determined upon, to wit, that the Federal Government shall proceed in conformity with the local customs and laws and the decisions of courts of the respective States in relation to the control, appropriation, use, and distribution of water used in irrigation; and, further and more specifically, the Congress has directed that the Secretary of the Interior, in carrying out the provisions of the Reclamation Act, shall proceed in conformity with such laws. As we have already seen, transmountain water diversions are valid under the customs, laws, and the decisions of courts in Colorado and neighboring States.

EXECUTIVE DEPARTMENTS OF FEDERAL GOVERNMENT HAVE CONSISTENTLY CONFORMED TO POLICY OF FAR WESTERN STATES WHICH APPROVE TRANSMOUNTAIN WATER DIVERSIONS

Furthermore, the Department of the Interior, of course, has at all times consistently and without question complied with this reiterated mandate of the Congress; and, acting through the Bureau of Reclamation, has uniformly and universally conformed to the policy of the respective States which permit and approve of transmountain water diversions.

The Bureau of Reclamation has completed, is now constructing, and is preparing to construct, several projects involving transmountain water diversions, and has made and is now making, and is preparing to make, surveys for other such projects.

TRANSMOUNTAIN WATER DIVERSION PROJECTS CONSTRUCTED BY RECLAMATION BUREAU

For example, the so-called Strawberry Valley project in Utah, completed many years ago by the Bureau of Reclamation, diverts water from the Strawberry River, a tributary of the Colorado River, by a tunnel to a branch of the Spanish Fork River which flows into Great Salt Lake, which is in a closed basin completely out of the Colorado River drainage area. In addition, the Sanpete project, also in Utah, now under construction by the Bureau of Reclamation, involves the diversion of water from the Colorado River to a branch of the Sevier River, completely out of the Colorado River drainage area. Also, the full development, not yet under construction, of the Provo River project in Utah, involves boring of the Duchesne Tunnel, over 5 miles in length, to divert water from the Colorado River to the Provo River.

Among the investigations for transmountain diversions now in progress is the so-called San Juan-Rio Chama project which contemplates diverting water from the Colorado River

in Colorado to the Rio Grande River in New Mexico. This is being carried on as part of the participation by the Bureau of Reclamation in a study of the Rio Grande Basin for the National Resources Committee and is being financed by a combination of Bureau of Reclamation allotments plus a contribution by the National Resources Committee.

ALL-AMERICAN CANAL

Pursuant to the authorization of the Boulder Canyon Project Act, the Bureau of Reclamation is now constructing the so-called All-American Canal, which will have a capacity to divert a maximum of approximately 10,000 cubic feet per second, being the equivalent, if operated every day throughout the year, of about 7,200,000 acre-feet of water annually, from the Colorado River, 80 miles to Imperial Valley and 130 miles to Coachella Valley and adjacent areas in California, to be distributed by 1,700 miles of canals and laterals for the irrigation of about 1,000,000 acres. Strictly speaking this is not a transmountain diversion in that no ranges of mountains are to be tunneled and the lands to be irrigated, are, in the largest geographical sense, within the Colorado River drainage area. Nevertheless this project involves cutting for 10 miles through a ridge of sand hills, the deepest cut being over 100 feet. The lands to be irrigated drain not into the Colorado River but into the so-called Salton Sea, the surface of which is 244 feet below sea level. None of the water diverted by this project can by any possibility ever find its way back by return flow to the Colorado River. Moreover, part of the plans for the All-American Canal project involve a not unlikely extension of the canal to the Pacific coast to supplement the municipal water supply of San Diego to the extent of 155 cubic feet of water per second.

COLORADO RIVER AQUEDUCT OF METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFOENIA

The largest, most expensive, and most ambitious transmountain water diversion now being undertaken in the United States is the much-needed project to supply the Metropolitan Water District of Southern California. Under this project, water of the Colorado River will be taken, by approximately 242 miles of main aqueduct and 150 miles of feeder lines, from Parker Dam, which is located about 155 miles below Boulder Dam, to Los Angeles and 12 other cities and towns in southern California. The water will be pumped by successive stages to a total elevation of 1,617 feet and will pass through several ranges of hills and mountains by means of 29 tunnels, totalling 92 miles in length, the longest of which tunnels is 18 miles. When ultimately developed to its full capacity, this project will deliver to Los Angeles and vicinity 1,050,000 acre-feet per year, which is equivalent to about 1,500 cubic feet per second or about 1,000,000,000 gallons of water per day, completely out of and far from the Colorado River drainage area, to the Pacific coast of southern California.

SUBSIDIZED BY IMMENSE LOANS AND GRANTS FROM R. F. C. AND P. W. A.

The actual work of construction of the Colorado River aqueduct for the benefit of the metropolitan water district of southern California is being carried on by the district and not by the Bureau of Reclamation. However, of the bond issue of $220,000,000 authorized by the district the Reconstruction Finance Corporation has agreed to purchase $91,000,000, of which $69,628,000 has been taken over up to the present time.

Furthermore the Public Works Administration, on or about November 2, 1934, made an allotment of $2,000,000—of which $1,500,000 was a purchase of bonds and $500,000 a grant—to the metropolitan water district for the purpose of subsidizing this project so necessary for the towns and cities of southern California.

Therefore both the Reconstruction Finance Corporation and the Public Works Administration have given their approval to transmountain water diversions by subsidizing with immense loans and grants this greatest of all such projects.

SUMMARY

To summarize: The Congress, by repeated enactments, has declared that the policy of the National Government is to comply with the laws of the respective States as to the control, appropriation, use, and distribution of water used for irrigation and other beneficial purposes; and has directed that the Secretary of the Interior shall proceed in conformity with such laws. The principle and policy of transmountain water diversions from one watershed to another was recognized and approved by the constitution, laws, and decisions of courts of Colorado and of other neighboring States; it has been repeatedly recognized by decisions of the United States Supreme Court; it is expressly recognized and approved in the Colorado River compact, which in turn was expressly consented to and approved and the policy of the respective States again expressly and carefully safeguarded in the Boulder Canyon Project Act of the Congress.

Pursuant to the mandate of the Congress to comply with the laws of the respective States, the Department of the Interior, through its Bureau of Reclamation, has constructed several transmountain water diversions and has made and is now making surveys for others. Finally, the Reconstruction Finance Corporation and the Public Works Administration, by large loans and grants of money from the Federal Treasury, have subsidized the largest transmountain diversion ever undertaken in the United States.

CONCLUSION

It is therefore apparent that by affirmative action of each of the three branches of the Federal Government—legislative, judicial, and executive—an entire national policy in regard to diverting water from one watershed to another has long since been fixed and determined as approving such transmountain water diversions. Such national policy is no longer open to question by the Federal Government.

DEDICATION OF THE BUFFALO (N. Y.) FEDERAL BUILDING

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a speech delivered by the Fourth Assistant Postmaster General at Buffalo, N. Y., on the occasion of the laying of the cornerstone of the post-office building.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, under permission granted me this afternoon to extend my remarks in the RECORD, I am inserting the address of Hon. Smith W. Purdum, Fourth Assistant Postmaster General, at the cornerstone exercises of the new Federal building in Buffalo, N. Y., on May 29, 1936.

The address is as follows:

It is an honor and a real pleasure to be here today to join with the citizens of Buffalo in the laying of the cornerstone of your new Federal building. The Postmaster General has asked me to convey to you his personal greetings and his sincere regret that other engagements made prevented him from being personally present on this important occasion in the history of one of the finest cities in his home State.

He shares your pride and gratification that this long-needed Federal facility is beginning to rise and take form—this building which will house the United States courts, the internal revenue and other Government agencies, as well as a modern well-equipped unit for the transaction of postal business.

The need for this building has been apparent for many years. The second largest city in the State, one of the ranking commercial ports of the world, an important manufacturing center, with unusual diversification of industries, and, above all, favored with an intelligent and progressive citizenship, the growth of Buffalo through the years being outstanding among American cities.

The growth of your city is well reflected in the increase of the postal receipts. The postal receipts of your Buffalo post office for the fiscal year ended June 30, 1835, were $6,490, while those receipts for the fiscal year ended June 30, 1935, 100 years later, amounted to $3,825,598.

And with its business expansion the city of Buffalo has preserved those elements of beauty and charm that make it attractive to all who visit this hospitable community. Its fine residential sections, its well-developed park system and other public improvements, and its splendid educational facilities bespeak a fine civic spirit.

I recall that Buffalo gave to the Nation one of its outstanding Presidents, who brought to that high office the same intense interest in the welfare of the people, sincere devotion to public duty, and inteligent and progressive leadership that characterized the service he rendered to the city of Buffalo and to the State of New York. I am happy to pay my humble tribute to that great American statesman, Grover Cleveland.

Buffalo may well be proud of the contributions which its sons and daughters have made to your State and to the Nation.

Its representatives in the National Congress down through the years have been fine examples of American citizenship, and this includes your present postmaster, Hon. Daniel A. Driscoll, who, as Congressman from Buffalo from 1909 to 1917, served as efficiently as he is today discharging the duties of his present position.

I also have in mind your present representation in Congress, Hon. JAMES M. MEAD, Hon. ALFRED BEITER, and Hon. WALTER G. ANDREWS, all serving on very important committees.

The chairmanship of the very important Committee on the Post Office and Post Roads of the House carries with it a heavy responsibility, hard work, and necessarily an intimate knowledge of the postal system of our country; that governmental activity which is more closely interwoven with the business and social life of our people than that of any other branch of the National Government. It is necessary in the performance of duty for us in the Post Office Department at Washington to have frequent contact with the chairman of that committee and his associates; we have high esteem for him as a man and great respect for his outstanding ability, splendid judgment, and thorough knowledge of the various branches of the Postal Service.

His discharge of the duties of that arduous position has won for him a measure of esteem and respect that comes to few men in public life. Conscientious to a high degree and ever mindful of the welfare of his fellow men, regardless of position in life, his service not only as chairman of that important committee but as a representative of the citizens of his district has been outstanding. It is eminently fitting that he is here today as we lay the cornerstone of this public building which he has so long and so consistently advocated, and it is, indeed, a great pleasure for me to have this opportunity to pay this sincere tribute to your Congressman and my friend, the Honorable JAMES M. MEAD.

I am also happy to see that we have the pleasure of having with us today his colleagues, Hon. ALFRED F. BEITER and Hon. WALTER G. ANDREWS, both of whom have been continuously interested in this project since its inception. I know that they also share with the citizens of Buffalo an intense feeling of satisfaction and accomplishment on this occasion which marks another forward step in the progress of your community.

When Congress, by the act of June 19, 1934, placed Federal building construction under the control of the Treasury Department and the Post Office Department, an allotment of funds was made by the Secretary of the Treasury and the Postmaster General for this project. It is estimated that, including the cost of a site and miscellaneous expenditures, the cost of the project will approximate two and a quarter millions of dollars. When completed, it will be a lasting monument to the genius of its designers, Edward B. Green & Son and Bley & Lyman, of Buffalo, who prepared the plans in conjunction with the Supervising Architect of the Procurement Division of the Treasury Department, and to the industry of its builders, the Fleisher Engineering & Construction Co., of St. Paul, Minn., under the supervision of the Procurement Division, which is represented here in Buffalo by its construction engineer, Mr. Robert A. Greenfield.

We must not, however, lose sight of the fact that without the hands of labor this building could never pass the blue-print stage. Without the physical efforts of the lumbermen in the forest who fell the trees, to the miners, to the men in the stone quarries, to the workers in the mills and factories, perhaps, hundreds of miles from Buffalo, and the mechanics and artisans directly employed in its construction, this fine architectural concept could not come into being. In laying this cornerstone today it is fitting that we pay sincere tribute to those in Buffalo or far from your good city, the result of whose labor will be a magnificent structure, to be appreciated through the years by all who have occasion to use it.

This new building is one of several hundred being erected under the present administration throughout the length and breadth of the Nation and in its Territories and island possessions.

The act of June 19, 1934, authorized the expenditure of $65,000,000 for public-building construction at places to be selected by the Secretary of the Treasury and the Postmaster General. Three hundred and sixty-one projects were selected for consummation under this authorization. At present 74 of these projects have been completed and 214 have been placed under contract and are now in course of construction. In 17 cases bids have been opened or invited. In the remaining cases under the $65,000,000 program, comprising less than 15 percent of the total in number, plans are well under way and it is believed that it will be possible to ask for construction bids in the immediate future.

Under the act of August 12, 1935, 353 building projects were set up. This program has progressed to the extent that it is expected 90 percent of the projects will be under contract within the next few weeks. Already sites have been selected in 290 of the cases where the acquisition of land was necessary. Contracts have been awarded in 38 cases and in practically all the remaining cases plans are nearing completion.

The laying of the cornerstone of a new Federal building is a noteworthy occasion. It is an important event to the citizens of your splendid city, county, and State, and to our Nation. Such an event is so representative of our great Republic, for our people, regardless of creed, condition in life, or party affiliation, gather together and give testimony by their presence and voice to their fidelity, loyalty, and love for our National Government and its institutions. It indicates that within our hearts we feel an appreciation that we are marching on and on rightly and properly, carrying on the work which was planned so well by our forefathers who in years ago so strongly and wisely laid the foundation, and today we are reaping the benefits of their wisdom for we are living in the greatest country and under the greatest Government in the world.

It gives me much pleasure and I am sure that it is a source of gratification to the fathers and mothers here to see so many young men and women present. These young people will in due time take up the work and carry on when we drop out of the picture; therefore, it behooves us to so conduct ourselves at all times and to let our speech in private and in public be such that it will be of value to the youth of the land.

We do not erect a building in a day. The stonemason and bricklayer lay one stone and one brick at a time, carefully and accurately, true to the plumb line.

Likewise, life is comparable to a building; it takes years to fully develop the human-being structure; and in that building let us build wisely and well to the end that our men and women will be of sterling integrity and of the highest character.

Today you have an opportunity to note the most important feature in connection with this building—its foundation—which is so laid and built that it will carry the superstructure for years and years to come. Likewise, in our lives and in our Government, we should be builders, building wisely, strongly, and well.

As the poet has said:

"I watched them tear a building down,
A gang of men in a busy town,
With a ho-heave-ho, and a lusty yell,
They swung a beam and the side wall fell.

"I asked the foreman, 'Are these men skilled
And the kind of men you hire to build?'
And he laughed and answered and said,
'No, indeed; just common labor is all I need.

" 'Why, I can easily wreck in a day or two
What builders have taken years to do.'
I thought to myself as I went my way,
Which of these roles have I tried to play?

"Am I a builder who works with care,
Shaping my deeds by rule and square,
Or am I a wrecker who walks the town,
Content with the labor of tearing down?"

It is my belief that of all the governmental activities to be housed in this structure, those which are closest to the lives of our people are the postal establishment and the United States courts. The postal establishment is one to render an important daily service in every city, village, hamlet, and rural section of our land, coming into direct contact with the lives of all our citizens. The United States courts render a service of justice to all, regardless of creed, color, or position in life, as indicated in that wonderful oath to which all United States judges subscribe before entering upon their duties and which is, in part, as follows:

"I do solemnly swear that I will administer justice without respect to persons, and do equal right to the poor and to the rich, and that I will faithfully and impartially discharge and perform all the duties incumbent on me, according to the best of my abilities and understanding, agreeable to the Constitution and laws of the United States, and that I will support and defend the Constitution of the United States against all enemies, foreign and domestic."

I feel that the people of this country are builders, building for contentment and happiness. Sometime ago the clouds were dark and the roads heavy. Distress and suffering were seen throughout the land. Conditions are better now and still improving. One of the truest barometers of improvement in business conditions is increase in the postal receipts, and we have been witnessing for several years past a constant and steady increase in those revenues.

The farmer is getting good prices for his products; the factories are resuming operations, and many of them have gone on full time; the banking situation is better than it has been for many years past.

Our people are more contented now; there is cooperation between employer and employee in such degree that general good feeling prevails.

All of these accomplishments and many more, which time does not permit me to mention, have been under the able and far-sighted leadership of that great American whose heart beats in sympathy with the heart of every man, woman, and child in this land, regardless of creed, position in life, or political affiliation; and to him we should give the best that is in us; to our great President Franklin D. Roosevelt.

I thank you.

JEREMIAH O'BRIEN

Mr. HAMLIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on Jeremiah O'Brien, who pulled down the first British flag that was taken in the Revolutionary War.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HAMLIN. Mr. Speaker and my colleagues of the House, I want to use a few minutes of the valuable time of this House to speak of a naval hero who today is without a monument to his name, but one was authorized to him by the Massachusetts Senate last Thursday. I do not claim

that his capture of the British ship *Margueretta*, in hand-to-hand fighting with pitchforks, axes, swivel and flintlock guns, showed more courage or typified better the spirit of the American Navy than did John Paul Jones of the *Bon Homme Richard*, or Howe of the *Constitution*, Decatur of the *Philadelphia*, Farragut of the *Hartford*, Perry in Put in Bay, or Wainwright of the *Gloucester*.

All of these are of the same stamp; but what I do claim is that this captain was the first captain to stand against the proud mistress of the seas, and was the first American to haul down the British flag before our patriot Army and Navy had even been started. His act was more than personal courage; it was the first challenge of the American Navy to the world—it was the first naval victory for the patriots in the Revolutionary struggle, and it aroused our patriot fathers like a trumpet blast.

The life story of Capt. Jeremiah O'Brien is the short and simple annals of the poor. Born in Kittery, Maine, 1744, he died in 1818, while collector of customs at Machias. I love to read of the noble patriot, brave, honest, liberty loving all his life. We do not need to skip any lines in his life. Briefly told, he with five brothers, a lion's brood of the Louisburg patriot father, Norris, with some 55 Machias patriots, rushed and took the *Unity*, a British lumber sloop, and sailed down the bay. Another captured sloop, the *Polly*, ran aground, so O'Brien informed his men they would not be reinforced, and asked if any wished to leave. Three left amid jeers. Captain Moore, of the *Margueretta*, now shouted that a nearer approach of the *Unity* meant his firing. O'Brien shouted "Surrender!" It was met by a sheet of flame from the British vessel, and John MacNeil fell, the first sailor to die for the Stars and Stripes.

These Machias patriots now lashed the vessels together, boarded the Britisher, and with pitchforks, axes, anything and everything they could lay their hands on, began the first naval battle of the Revolutionary War. The gallant young Commander Moore was killed. It was a gruesome battle. Over the slippery deck Captain O'Brien sprang to the halyards and pulled down the British flag, carried it back to Machias amid bonfires and hurrahs, and hoisted it on the Machias flagpole. That flagpole had had on it a patriot flag before this, but not the Stars and Stripes, and yet O'Brien was sacrificing, for later the old flag, which has cost so much and which means so much, and which every man and woman in this Nation should be glad to salute and reverence, or if they are not proud to do it at any time, should depart from its folds which protect them.

Later, July 12, O'Brien captured two British schooners and took them to Boston, and later by the provincial House of Representatives was appointed commander of the American Navy, and his few vessels were to patrol from Cape Ann to Nova Scotia. Ship after ship he captured for the patriots until in 1780 his ship, *Hannibal*, was taken by two British vessels and he was confined in a Jersey prison ship, and later sent to the awful Mill Prison in England, from which he escaped in 1781. He kept the faith.

Again he captained the patriot ship *Tiger*, and captured vessels from the enemy fleet, fought and fought until the close of the Revolutionary struggle. He was more than a brave patriot sailor. He had a noble, generous character, as we should suspect heroes do have. He had sympathy for his men always and pleaded for pensions for them, and during his life gave a home to the gallant Negro, Richard Earl, who fought with him on the slippery decks of the *Margueretta*.

Such men as Jeremiah O'Brien have made the American Navy the envy of the world and today, in the soil of the land he freed, on the shores of the sea on which he fought, rest the bones of the dear old naval patriot. Yes; his remains are there in the old Machias graveyard, but his noble and courageous spirit has gone to the God who gave it.

UNLAWFUL RESTRAINTS AND MONOPOLIES

Mr. UTTERBACK submitted a conference report and statement on the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes.

UTAH DEMOCRATIC CONVENTION

Mr. MURDOCK. Mr. Speaker, recently I asked unanimous consent to extend my own remarks in the RECORD and include therein a speech delivered by the Governor of Wyoming at the Democratic State convention in Utah on May 23. This was returned to me by the Public Printer because it took up more than two pages of the RECORD.

I now renew my request to extend my own remarks in the RECORD and include the speech referred to, notwithstanding the fact that it will occupy more than two pages of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. MURDOCK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech delivered by Hon. Leslie A. Miller, Governor of Wyoming, before the Democratic State convention of Utah, at Ogden, Utah, May 23, 1936:

To be invited to address you at such a time is an honor which I fully appreciate. You have congregated here to discuss momentous questions—questions which are concerned with the welfare of the people of your State and of the Nation at large. It is clear to me simply by looking over this gathering that you realize the importance of the decisions you are to make and that also you are attacking your problems with enthusiasm and confidence.

It would not do for me, an outsider, to undertake to advise you with regard to local situations and State candidates. I am going to take advantage, however, of the opportunity to speak just a brief word about the standing your State enjoys among her sister States by reason of the conduct in office of some of the men the Democratic Party of Utah has chosen to honor. Governor Blood is widely known as a man of capability and integrity; he has the respect of his fellow Governors in an unusual degree. Your Senators and Congressmen occupy a prominent place in the councils of the Nation. Senators KING and THOMAS are called upon to speak before audiences in all parts of the country, which is a testimonial to their effectiveness. Wyoming's Representative in Congress, Mr. GREEVER, has told me of the very high esteem in which he holds Representatives MURDOCK and ROBINSON, and of their very fine work for Utah and the West in general. Accordingly, Utah is entitled to compliments and congratulations for the superior type of statesmanship she has produced.

This convention, I take it, will be a proper time to fire the opening gun in the approaching national campaign, and you will expect me to discuss some of the things which will be in our minds until the results of the November election are known. I do not know just what contribution I can make, but I feel rather deeply with regard to some of the propaganda now being broadcast throughout the country, and so I will devote most of the time allotted me to a discussion of what I deem to be the inconsistencies of the position adopted by our Republican opposition and by some of the banking and industrial leaders of the country.

LET'S CAST A SPELL

I suppose that most of you when boys and girls enjoyed as I did reading fairy tales and stories of hobgoblins, and so you get quite a kick from reading the kind of material being sent out from Republican headquarters to the press of the land in an attempt to frighten the American citizenship. You remember the tales of our childhood into which entered some possessor of an Aladdin's lamp who could cast a spell over people? I sometimes wish I could cast such a spell and roll back the mantle of time for some of these propagandizing Republicans, bringing to them again the full realization of what the days preceding the Roosevelt administration were like. I should like to have them once more experience the fear which was in their hearts every night when they went to bed that the money in their bank accounts might not be there when they awakened the next morning; that they might again feel the despair and the hopelessness which was universal in the hearts and the minds of the great mass of our people, the ranches and the farmers, the home owners, and the businessmen as a whole; that they might again visualize the specter of hungry men and women, of beggars lurking in groups on every street corner and asking for food at the doors of homes.

And then when full realization of those conditions of 1932 and early 1933, which you understand could be greatly elaborated upon, had been brought to their minds and they were feeling again just as they did in those days, I would break the magic spell and bring them suddenly back to the present that they might reconsider the condemnatory statements they are making

with respect to the acts of the Roosevelt administration. I believe that, if this could be done, those among them who are honest and who have at heart the basic public welfare would cease their activities with the press and thank their lucky stars that a change has been brought about, and that President Roosevelt in the White House had the courage to do what was necessary to save the homes, the farms, and the industries of America from the financial and social chaos which so gravely threatened the very foundations of our country in those dark days of Mr. Hoover.

REPUBLICAN CONSISTENCY?

Honest people who can and will recall the actual conditions which then prevailed will not sincerely question the cost of the measures brought to bear in relief of our common problems. Our opponents, if they considered the facts seriously and honestly, could not even raise the question of the national debt with any degree of consistency for it is a matter of record that since 1933 the listed stocks and bonds upon the exchanges, due to industrial and business recovery, have increased in value far beyond the amount of the increase in the national debt. The investing public of the United States alone could pay off that increase and much more from the added values of their holdings and still be far better off financially than they were before the present administration took office.

By means of congressional acts guided by President Roosevelt, millions of homes and farms have been refinanced and thus saved to their owners. There is no way of calculating the values which have been saved to the country through the operations of the Home Owners' Loan Corporation and Federal Farm Credit Administration, but the preserving of values as a result of the President's interest in the fundamental prosperity of the people has meant more to the salvation of our form of Government than anything else which could be accomplished by a national administration.

But those high in the councils of the Republican Party, I am sorry to say, are not sincere, and they are not consistent. Unfortunately for the real well-being of the country, those who contend against President Roosevelt control a major part of the Nation's press and so they can spread their propaganda without effective opposition in many sections. Not only do sinister influences operate through the press, but they work in other directions as, for example, through the bankers.

THE INGRATITUDE OF BANKERS

We should all like to believe that people generally are grateful, but when I hear of what the majority of bankers are saying against the Roosevelt administration I cannot avoid the thought that gratitude is not one of their attributes. When I recall that the bankers who are making the loudest outcry against conditions as they are today are the same bankers who sold to us back in the days before the depression billions of dollars of German marks, worthless South American bonds, and the watered stocks of vast combinations of capital in the public-utility and other fields in this country, I wonder just how gullible the American people will be in the final analysis. When I hear of some of the attacks which emanate from the financial interests, my mind goes back to the dark days of March 1933 when a condition had come upon the banks of this Nation which made drastic action imperative if the credit structure were to be saved and if the bank deposits of our people were to be made once more secure. In an unprecedented line of action President Roosevelt, with one stroke of his pen, closed all of our banks pending the enactment of emergency legislation by the Congress and the restoration of the confidence of our citizenship in banking institutions. In the history of this land a no more unconstitutional act was ever performed by any President, and yet I venture the assertion that few, if any, bankers at that time raised the clamor about unconstitutionality. On the contrary, these people recognized President Roosevelt as a veritable savior and offered up their heartfelt thanks that he had the courage to do the thing necessary to right a condition which, if left to run its course, meant nothing other than the utter financial destruction of the Nation.

Following this action by the President, applauded by every banker, what transpired? Under the provisions of the emergency legislation, the Reconstruction Finance Corporation put millions and hundreds of millions of dollars into the capital structures of banks, and they were shortly reopened in an entirely sound condition. In due time legislation was enacted to provide for deposit insurance, whereby the deposits of individuals and corporations up to $5,000 are insured against loss. This, perhaps, was the greatest single act in history for the protection of our people in their ordinary everyday financial affairs. Thus were the banks of the country saved and restored to usefulness; and I say now, with all the emphasis at my command, that no class of people in this land should be more grateful to the President of the United States, Franklin D. Roosevelt, than the bankers. Theirs is not the right to criticize and to cry "unconstitutionality." The ordinary demands of decent gratitude dictate their course, and that course is approval and cooperation, not antagonism.

A point which our banker friends discourse upon is that the Government has engaged in too many lending activities. I am sure no branch of the administration has made a loan which it will not willingly sell to any banker who desires to take it over. It was the refusal of bankers to lend which made it necessary for the Government to enter that field. The financial institutions of the country can take the Government out of the business of financing homes and farms any time they desire to do so.

WHAT DO THEY MEAN, POLITICS?

In another direction our Republican friends are more than ordinarily inconsistent. I refer to their announced position that unemployment relief should be handled by the States and local communities. I believe there are a great many astute minds in the Republican Party and those people know, if they have any sense of judgment at all, that to have Federal funds expended solely under the direction of State authorities is the one certain way to plunge relief into partisan politics. I have had enough to do with relief matters to make this a very positive statement, and so I am sure that in this regard the Republican politicians are not really honest with the people.

Truly amazing among Republican inconsistencies, and one which has amused many people, has been the appointment by their national chairman, Mr. Fletcher, of a "brain trust." We can all recall the satire and ridicule with which Republicans greeted the employment by President Roosevelt in the early days of his administration of some highly trained minds to assist him in bringing order out of the existing economic debacle. Had anyone actually taken stock in their lamentations they would have done so in a conviction that, contrary to what we had all theretofore believed, trained minds were unnecessary and probably we could have gotten along without our institutions of higher education. But lo and behold, the Republicans have seen fit to imitate, and we are advised that a group of 57 college professors has been prevailed upon by Mr. Fletcher to advise him what is wrong with the country. I do not know just what this figure of 57 has to do with the certain 57 varieties with which we are so familiar, but I do know they are in a pickle.

Our friends of the opposition like to talk and use up a great deal of newspaper space in an effort to confuse our minds with regard to the existent deficit in our fiscal affairs. Do they really believe the people have such short memories they will not recall the deficits of the last 2½ years of the Hoover administration? Great deficits were piled up then, and the national debt was added to in no inconsiderable sums. As a matter of fact, the deficit in the ordinary activities of government in the last 30 months of Mr. Hoover amounted to $1,794,000,000, whereas in the first 37 months of the present administration there was a surplus in the expenditures for the same activities.

Except as a matter of comparing figures, it is difficult to measure what, if anything, was accomplished by the Hoover administration as contrasted with the Roosevelt regime. For example, the Republicans in those days apparently could see merit only in advances and loans to the large corporations and banking houses. Roosevelt has loaned to the farmers, the home owners, and to municipalities. We cannot find in the record of this administration anything to compare with the $90,000,000 loan of the Republicans to the Dawes bank in Chicago, which it is now admitted will probably entail a final loss of $50,000,000. It will not be consistent for Republicans to discuss their record and accordingly we will hear little about it unless we, as Democrats, recall that record to the minds of the voters. A very large part of the increase in the national debt under Roosevelt can be attributed to loans made to political subdivisions for public improvements, which loans will surely be repaid. When we come to a final reckoning, it is certain the total losses in loans made under the previous administration will be staggering, but I am confident the record of this administration in the same respect will be something in which we can take a great degree of pride.

It is interesting to inquire from whence all this money came that went into the increase of the national debt. The Government has simply borrowed money at a low rate of interest from those of our own citizens in our own country who had it to lend, and has used that money to employ millions of men who had to have it in order to live and clothe and feed their families. All of it was put immediately into circulation and practically none of it has left our shores—the country has not been impoverished in the least. The critics of the Roosevelt administration would have you believe that it has been wasted, lost entirely. Quite the contrary is true.

We have spent a net sum of some three or four billion dollars (the increase in the national debt less the loans which will be repaid) to pull the United States out of the depression which was handed to us by a Republican administration, the worst depression the country has ever experienced. But look, we spent $20,000,000,000 in the World War. That money was burned up—worse than that, it was used to destroy life and property. The comparatively small amount expended during the present administration has been used to build rather than to destroy, to clothe the naked, to feed the hungry, and to maintain the self-respect of our own citizens. It has not been wasted—it has been invested in human life and character.

BALANCED BUDGETS

Perhaps it would be pertinent here to say a word about balanced budgets. It was no trick at all for the previous Republican administration to unbalance its Budget and thereby create a formidable deficit, but in Republican minds a similar procedure by a Democratic administration should not be countenanced. The Budget has been exceeded for the very simple reason that as the depression advanced human needs demanded attention, and the Federal Government was in no different situation than is a private individual in like circumstances. People everywhere were required to call upon their reserves and to spend beyond their immediate incomes. It is important indeed that these budgets of individuals

be brought to a balanced state, and this can only be done through increased general prosperity. When that condition is arrived at, and, happily, we are approaching the day, it will be easy to make the curtailments in Federal expenditures necessary for the balancing of the National Budget. No one regrets the necessity for emergency expenditures more than Democrats, and no one will be quicker to cut expenses once the emergency has passed. In the meantime the Democratic leadership will have the courage to adhere to its policy of drawing upon reserves of finance and of credit if that course is required to protect people in this land from the miseries of helpless destitution.

CREDIT AND INTEREST

This fear the Republicans would build up about what we owe is another evidence of inconsistency. It is not what the average man owes that frightens him; it is the lack of ability to pay. If a businessman owes $50,000 and he finds that by borrowing $25,000 more he can double his revenue and by refunding his whole indebtedness he can cut his total interest charges to what they were before or less, he considers it good business to make the loan. This is just exactly what the present administration has done. Admittedly, it has increased the net national debt to the extent of three or four billion dollars; but by doing so—by putting men to work in public enterprise and in private industry—it has increased the prosperity of the people, almost doubled the national income, and has more than doubled its own revenue. To be specific, the total Government revenue during the last fiscal year of the Republican administration was $2,000,000,000. In 1935 it had practically doubled, and at the rate taxes are now being paid the Federal revenue for 1936 will be more than four and one-half billion dollars. It is much more agreeable to pay taxes on a good income than to pay no taxes on no income.

Another thing: During the last three Republican administrations the New York banks, generally speaking, determined the rate of interest to be paid on Government bonds. Not so during the present administration—the rate of interest has been dictated by Washington, not by New York, with the result that by refunding the old high-rate bond issues into new issues at low rates the Government is now saving hundreds of millions of dollars in interest annually. The record indicates that the annual interest on our present higher bonded indebtedness is many millions of dollars less than it was on the lower debt when President Roosevelt took office.

Republican critics have been attempting in recent months to make us believe that the credit of the National Government is imperiled. The fact is it has never been better. Recently the Government offered a bond issue of about $1,500,000,000, the largest offer ever made at one time and the lowest rate of interest on a comparable issue. The amount offered was oversubscribed seven times in one day.

The quoted prices of Government bonds appearing on the financial pages of metropolitan newspapers give us to understand that these securities are listed never lower than 101 and they have been as high as 118. During Mr. Hoover's administration these bonds sold as low as 82, yet the eminent gentleman says now that the Government's credit is endangered.

Incidentally, it may be worth mentioning that the practice of making generous refunds and rebates to certain gentlemen and corporations influential in political affairs has been discontinued. In the 9 years during which Mr. Mellon served as Secretary of the Treasury under three Republican Presidents, the total income-tax refunds amounted to about $3,000,000,000, by which you can see the beneficiaries were refunded an amount which very closely approximates the net cost of recovery during the 3 years of the Roosevelt administration.

NO COMPLAINT IN 1933

Our Republican friends complain of "Government in business." There was no such complaint in the spring of 1933. What the bankers and the captains of industry who are now so loud in their denunciations of the administration then feared was the complete collapse of our industrial structure. They feared something even worse than that—they feared the destruction of the morale of the people; they feared revolution. To save the situation they were willing to go even to the extent of openly advocating a dictatorship. "What we need is a Mussolini", was the cry of a prominent Republican on the floor of the United States Senate. Agriculture was prostrate; there were 13,000,000 unemployed men and women, and even children were tramping the streets, hitchhiking along the highways, and riding the freight cars; mills and factories were idle; farmers' strikes were organized; banks from one end of the country to the other were falling like houses of cards; and hunger and want were spreading over the country like a pestilence. The men who are now complaining of "Government in business" were then begging the President to do something—do anything to save the country from ruin. "Spend, spend", was the public slogan. "Save us lest we perish!"

The President did do something and he did it quickly. It was not possible to strike out along one avenue, but many different lines of effort necessarily were explored. The results you know. The news columns every day give proof to our regained ground in industry. People are more secure in their daily lives and consequently happier. The administration has indicated an interest in men who labor in a degree hitherto not displayed by men entrusted with public affairs. The President has decreed that there shall be no child labor in the United States if governmental measures can prevent. He has advocated shorter hours of labor for all who work with their hands, with no diminution in wages. He believes that higher earnings, whether for the man who works in industry or for the farmer, are essential to the prosperity of the country.

What of the future? It is this interest of the administration in the restoration of the well-being of people which is put to the test by the criticisms originating in Republican sources. We will or we will not save what has been gained. We will go forward, or we will go backward; and it is well that today we make plain to all the people the two choices they are offered.

The Republicans look to the past. Democrats look to the future, and because our party has this forward vision it expects to meet by appropriate action every crisis that may arise in human affairs. It has used the constitutional power of the Federal Government to create employment, to stabilize the prices of farm products and livestock; it has used and will continue to use the power of the Federal Government to extend to the common people the blessings and advantages of modern invention and progress. It has used and will continue to use the power of the Federal Government to raise the standard of wages, to improve living conditions. It has used and will continue to use the power of the Federal Government to provide for the comfort and security of the aged and distressed, to protect children from the demoralizing and degenerating effect of shop and factory employment, and to insure to them the inalienable right to enjoy the benefits of the schoolroom, the playground and the sunshine.

The Democratic Party through this administration has given unprecedented stability to the banks; it has made secure the $25,000,000,000 of deposits in those institutions; by the regulation of security exchanges it has made safe the investments of the people; it has restored prosperity to the farmer, the workingman, the merchant, and the manufacturer; it has saved hundreds of thousands of farms and homes; it has constructed vast permanent improvements; and it has made it once more desirable to be a citizen of the United States.

Shall this great humanitarian work go on? That is the question the American people are to answer in the coming campaign. Shall the work that has been begun be continued under the leadership of the man who started it, or shall he be succeeded by "just an ordinary President"? I am confident of the reply which Utah will make to this question. I find it easy to believe that on the 3d of November with a great avalanche of votes the citizens of this State will say, "Utah appreciates what you have done and casts her vote to continue you in your work, and we will give you the assistance you need in electing a Democratic State administration and Democratic Representatives in the National Congress."

THE TRUE WAY TO CIVIC GREATNESS—SOUTH CAROLINA'S WAY TO WEALTH AND POWER

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to include as an extension of my remarks an address delivered by myself at the University of South Carolina on June 3 of this year.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, in 1801 the Legislature of South Carolina, in order to promote learning and to solidify sentiment between the so-called lower section and the upper section of the State, chartered the South Carolina College, which opened its doors in 1805 and held its first commencement in 1806. The capital had been established in the center of the State about 15 years prior thereto, and now the college was established in the center of the State at the capital, Columbia, in order to be equally accessible to the youth from all parts of the State. We must remember that at that time there were no railroads and none were dreamed of by so-called practical men. The roads were not highways, but narrow trails of mud and dust in quick succession. Small streams were forded, larger streams were bridged, and the largest streams were crossed by ferryboat.

Through all these intervening years the institution, then called South Carolina College, has continued in its original mission of educating and training the youth from all parts of the State and from all walks of life, and, especially, in cementing friendships and in removing provincial feeling. Many truly distinguished educators have headed that institution as president and have taught as professors. Last week at the commencement of this institution, now legally known as the University of South Carolina, Dr. Leonard T. Baker retired from the presidency of the university after many years of faithful and constructive service. Succeeding Dr. Baker as president is Dr. J. Rion McKissick, who takes over the reins of administration with the confidence and good wishes of thousands of friends. We who love the university because of what it has done for us, and more especially because of what it has done for the good of our

State through its 130 years of active service, predict for Dr. McKissick a career of great usefulness in his leadership of the university. Dr. McKissick has the scholarship, the character, and the personality essential to success in a field of such varied demands and complex problems. I cordially join with his thousands of admirers and friends in bidding him Godspeed in his great opportunity for service.

On Wednesday, June 3, 1936, by the previous invitation of the faculty, I delivered the commencement address. I had chosen as my subject the idea expressed by these words: "South Carolina's Way to Wealth and Power." By the authority of the House, I am now printing that address as part of my remarks:

Mr. President, trustees, faculty, students, and friends of the University of South Carolina, just 43 years ago this very month I heard Dr. James H. Carlisle, then 68 years of age, addressing a graduating class at Wofford College, recite some of the wonderful progress that he had witnessed in his lifetime, enumerating especially the steam railroad, the telegraph, the telephone, harvesting machines, electric lights, electric motors, anaesthetics and aseptics in surgery, as well as antiseptics generally. Among other things he said substantially the following:

"Young men, what I have seen is but a forecast and prophecy of what you are sure to see."

These words, spoken by a great teacher, a sincere patriot, and a Christian gentleman, with all the solemnity of a clear conviction, stuck in my memory, and I then marveled that mere man should have such firm faith in things to come. But subsequent developments have confirmed his prediction. If young men see visions, then the dreams of some old men do not all relate to the past but reveal things yet to be. Truly Dr. Carlisle was a seer and a prophet on that memorable day. Have not we who heard him then seen automobiles come, tens of thousands of them, come and go over the face of the earth? Have we not seen movie-tone pictures suiting the words to the action? Have we not witnessed the radio reducing the world to one community? Do we not daily witness airplanes speeding in all directions and at speeds three and four times as fast as any steam train can make? Do we not know of thousands of other machines reflecting by their marvelous action the intelligence of their builders? Verily, the words of the good Dr. Carlisle have been fulfilled.

It is a characteristic of original and progressive minds to look forward and to forecast the outline of coming events. One of the earliest and most original progressives of America was Benjamin Franklin. In calling attention to the possibilities of scientific progress, he said:

"It is impossible to imagine the heights to which may be carried, in a thousand years, the power of man over matter. We may perhaps learn to deprive large masses of their gravity and give them levity, for the sake of easy transportation. Agriculture may diminish its labor and double its produce; all diseases may by sure means be prevented or cured, not excepting that of old age, and our lives lengthened at pleasure even beyond the antediluvian standard."

Thomas Paine, whose pamphlet The American Crisis was declared by George Washington to be more valuable to the cause of the Revolution than a new levy of troops, sketched an outline of political economy embracing universal education, the abolition of poverty, the reform of criminal law, pensions for the aged, the reduction of armaments, and international peace. We must admit that the world has not yet caught up with this then derided dream of Paine, pictured in his Rights of Man, but certainly the world is on its way.

A LOOK INTO THE FUTURE

I am greatly tempted to repeat today the prophetic words of Dr. Carlisle. I am sure the fields of invention and discovery have not been exhausted. Reports come to us almost daily of researches being conducted in hundreds of laboratories in this country and in other countries, searching out the profoundest truths concerning the manifestations about us of what we call matter. As these so-called elements of matter are broken into smaller elements and combined and recombined in different proportions, marvelous results are being accomplished, and, doubtless, still more wonderful things are in store. The most powerful telescope ever made is being put in place. Daily new evidence comes to us of the miracles of surgery. In the light of what we have seen come to pass during these 43 years, in the light of what we know is going on in scientific research, all inspiring faith in the ever-widening vistas of science and in the progress and betterment of the human race, I am emboldened to suggest for the especial consideration of the young people who may hear these words or of those who may hereafter read them, that the next 43 years will witness still more marvelous and wonder-working discoveries and inventions than I have witnessed during the past 43 years. The burden of this address will be, therefore, to urge all the young people of South Carolina to be on the alert, and to become personally identified with this great forward movement for the betterment of mankind, and thus contribute most powerfully to placing our beloved State in the front ranks of the American Commonwealth of States.

PROGRESS IS PART OF OUR "MANIFEST DESTINY"

With this background, with a knowledge of the progress of the race since prehistoric times, can we not safely make prophecy today as Dr. Carlisle did 43 years ago? I venture to say that we can, and am thus emboldened by my fixed faith in the progress of science. I believe that multiplication of inventions is inevitable, and I believe that the law of development is in fact the law of life. This progress of mankind, this faith in a greater destiny for the race, does not rest upon any force or influence imposed from above or exerted from the outside. Whence, then, this hope for the betterment of the race? It is found only in the minds and hearts of men and women, of individuals, of single separate human beings, inspired with the belief that all things, all machines, all methods, all laws, all social conditions, all moral forces, all spiritual life, may be bettered, may be deepened, may be strengthened, and so must continue to increase.

"Men, my brothers, men the workers, ever reaping something new;
That which they have done, but the earnest of the things that they shall do."

THE KEY TO THE GATEWAY OF PROGRESS

What is the method of progress, the mode of procedure, the way of this bigger, better, wider life? Inevitably we must proceed from the known to the unknown. All that we know as a result of the scientific methods of studying nature so ably expounded by Lord Bacon, has come step by step, by observation, by experimentation, by analysis, and by recombination. All that we have learned existed from the beginning. The marvels of electricity, of the radio, and of radio-activity were not created by man, but merely uncovered by man's faithful searching. Just as mathematical symbols and formulas indicate relations that have always existed, so the progress made by men in science, and in the application of science to the useful arts, was the mere discovery of what hitherto had been merely covered and needed only the genius of man, guided by the knowledge of man and driven by the ambition of man, to be revealed to all men.

KNOWLEDGE OF THE PAST NECESSARY TO DISCERN THE FUTURE

Upon one face of the magnificent Federal Archives Building in Washington these words are inscribed: "What is past is prologue." In a sense, The Archives is a mausoleum of the records of past events. In another sense, it is the womb from which springs the great future. This surging, ever-changing, many-sided life about us which we call civilization is the fruit of the past but it is also the seed of the future. Edmund Burke wisely remarked that civilization constitutes the covenant between the dead, the living, and the unborn. Knowing the past, as partially recorded by printed word and picture, understanding at least partially the present by our constant contacts with present forces, we may seek to influence effectively that future which so deeply concerns every right-minded person. Indeed, we all hold in trust what we have inherited in the form of knowledge and culture, and what we may add thereto by our own efforts as trustees under God for our children and their posterity.

"WHAT CONSTITUTES A STATE?"

We in South Carolina are too apt to despair, to bewail our lack of rich natural resources, such as coal, oil, natural gas, copper, iron, lead, tin, sulphur, zinc, silver, and so forth. The once virgin soil has been largely depleted and much of it completely lost by remorseless erosion. But why should we live us those without hope? It is in our power, it is within ourselves, to produce something vastly more valuable, something infinitely more precious than much fine gold and all the material things that gold stands for and can buy. What then is our hope? It is for us to produce persons, people, men and women so far superior in character, in intellect, and in their faith in progress that South Carolina will stand among her sister States even as Athens did throughout all Greece. These superior men and women, these individuals capable of standing upon their own intellectual feet, buttressed by strong moral character, and filled with faith that progress can and will come, can raise up our States as a city set upon a hill. Such men and women will make improvement and bring advancement in all lines, in agriculture, in art, and in the arts, in literature, in science, in industry, in medicine, in engineering, and in every useful phase of human endeavor.

INTELLIGENT PLAN ESSENTIAL TO COORDINATED PROGRESS

Let us agree upon a plan, by a State-wide program, a long-time program, for the development of such men and such women. It would mean constant insistence on the highest standards of character everywhere, in public and in private, clear thinking, backed by intellectual honesty and progressive, forward-looking attitude of mind and heart. Such a program would not necessarily involve more and bigger or more luxurious schoolhouses and college buildings. Money alone cannot work miracles in the fields that we are contemplating, but all must concentrate on these essential first things, of character, intellect, and faith in the possible betterment of all things. These simple essentials must become popular demands; rewards of all kinds should go to these, and these only. In the bringing about of this mental and spiritual attitude, in the production of this right public opinion, we must invoke and employ the combined influences of home, of the school, of the church, of the press, and of all social contacts and forces.

PARTNERSHIP WITH GOD INSURES TRUE SUCCESS

There can be no genuine and lasting character without taking God into partnership, or, rather and more properly, without going into partnership with God. This essential and indispensable relationship to God does not mean sectarianism or pronouncing theological dogmas or conforming to some man-made orthodoxy.

It is a fellowship between man and God that is supersectarian and above creeds and dogmas. President Roosevelt never said a truer thing in his life than these words, uttered on February 23, 1936:

"No greater thing could come to our land today than a revival of the spirit of religion—a revival that would sweep through the homes of the Nation and stir the hearts of men and women of all faiths to a reassertion of their belief in God and their dedication to His will for themselves and for their world. I doubt if there is any problem—social, political, or economic—that would not melt away before the fire of such a spiritual awakening."

All men of experience who have any vision proceeding from inner light, confess that wayward "Bobby" Burns was right when he said:

"When on life we're tempest tossed,
With conscience but a canker,
A correspondence fixed with Heaven
Is sure a noble anchor."

A CHANCE TO SUCCEED FOR EACH BOY AND GIRL

It is now useless for anyone to sit with folded hands. There is some new field for everyone to conquer. It is idle to make the long existing economic depression an excuse for doing nothing. It is true college graduates and high-school graduates and business-college graduates cannot step out and easily find, as they formerly could, employment at good salaries. To say that education and character are vain because they bring no quick returns in salaries is to put a dollar mark on every diploma and to convert moral character into a letter of credit. Unfortunately, character, superior intellectuality, and abounding faith in our betterment have been too often debased by such low standards, and thereby rendered largely nugatory.

SELF-RELIANCE AND INDIVIDUAL INITIATIVE

Hence, our State needs what the Nation needs and, in fact, what the world needs, and that is more universal and stronger individual initiative, and a greater sense of personal responsibility for success. Within this generation the general attitude toward government has changed, and, I fear, changed for the worse. People are too prone to look to the Government alone for leading and guidance and support. They seem to think there is some mysterious power, some superior knowledge, some inexhaustible resource in Government. Government is nothing but a word of abstraction representing the corporate activities of the whole people. It has only what the people give it, and has only the intelligence of those set up to govern. Every person now has and always will have a chance to succeed when success is measured in terms of character, of intellect and faith in mankind. Every person has a chance to build that better mousetrap, to write that better book, to make that better farm, to invent that better machine, to sing that better song, or to paint that better picture. When we stop looking for the Government to lift us up, and cease to seek only a desk in somebody else's business, and when we begin to rely upon our own efforts, to plan our own lives, to build for ourselves those more stately mansions of the mind and soul, to become a State of more superior individuals each with abundant self-reliance, each with the power of initiative, and each capable of laboring patiently with faith in the final fruition, each resolved to take infinite pains to do well the job in hand, then men everywhere will lift up their eyes and say that South Carolina, without rich natural resources, with wasted soil, has yet found and produced the rarest, richest resource of all, a commonwealth of men and women superior in character, in culture, in intellect, in refinement and in faith in the triumph of things worth while. Then and thus all men, and we first of all, will come to realize that the greatness of a State and the greatness of a nation consists not mostly in the material things of gold and all that gold symbolizes, but in the right sort, the superior kind, of individuals, of persons, of human beings, counted as individuals, asking no favors save the bare opportunity to labor and toil in some field for the advancement of humankind.

The plan of procedure is plain. Thoroughly master all that men now know in a given field. Discern and follow the basic principle involved. Pursue this principle to the very end of its possible application. Somewhere you will find a new field of application. Then make it practicable, workable, to fit the needs of men. This done, another forward step is taken in human progress, and another stone laid in the structure of a great State.

THE "ROYAL ROAD" TO TRUE SUCCESS IS LONG, HARD, AND STEEP

You answer that I thus invite Carolinians to attain greatness by a long, hard road. Of course, I know the road is long and hard, and, therefore, I know it is the only road to true greatness. Mushroom, squashy bigness may occasionally come quickly, but true values with the strength of oak and hickory grow but slowly. "They build strongest who stay longest underground." Only the meeting and overcoming of difficulties ever develops the heroic in human nature. But there is a challenge to action and effort in every obstacle met. Carolinians have never asked for a bed of roses. We know the hardships our fathers and forefathers back to pioneer days met and overcame, and it is our duty and privilege to advance onward and upward along the road beyond the point where they bivouacked forever. Things do not just come to pass. Nations do not merely happen to become great. Individual men and women must bring things to pass. We never drift upward; we climb by conscious effort. We wish South Carolina to be great, but to be truly great. If we could enlarge her bounds, if we could multiply her population and wealth, if we could give her vast mineral deposits, including coal and oil, we would not thereby confer greatness, true greatness, upon her. I quote this little couplet, expressing a profound truth:

"You prate of the wealth of nations as if it were bought and sold;
The wealth of nations is men; not silk, and cotton, and gold."

"Despise not the day of small things." Do not dread humble beginnings. The greatest laboratory is the human brain with ambition and originality. Keep an eye upon those fellows working in attics and basements. Revolutionary inventions have come out of bicycle shops, blacksmith shops, kitchens, barns, and backyard sheds. Inventions and discoveries may seem to come sometimes by accident, but only the person prepared, trained, and watching sees and understands the so-called accident.

A CHALLENGE AND A CHARGE TO HEROIC CAROLINIANS

You men, young women, postgraduates, graduates, and undergraduates, Carolina calls you to service. One generation of trained, truth-loving, unselfish men and women could regenerate our State. Away with scholastic shams and superficial studies. Away with making mere money the measure and standard of success. Away with petty and purely personal politics. Away with self-pity, defeatism, and inferiority complexes. Let us accept the challenge of difficulties. Let us endure hardness and hardships as good soldiers. Let us rebuild our wasted soils, reestablish our economic independence, develop all our natural resources, and, above all and before all, develop our human resources. By keeping our attention fixed upon these ideals, we shall see new vistas of opportunity open, new wealth of things, of mind, and of spirit will rise among us, and a new day, like unto the glories of our historic past, will dawn in South Carolina for our children and our children's children.

SOME OF THE MANY ACHIEVEMENTS UNDER PRESIDENT ROOSEVELT'S PROGRESSIVE ADMINISTRATION

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may have the privilege of including in an extension of my remarks short extracts from the report of the Select Committee to Investigate Real Estate Bondholders' Reorganizations, in view of the fact that the report may not be finished and filed before the House adjourns. I hope to have the report completed, but if I should fail to do so I desire to embody some extracts from the report in my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, as the current session of the Congress draws to a close it is but fitting that we recount our accomplishments, and give a general accounting of the stewardship of the Democratic Party during the last 3 years.

There have been many crises in the history of our country. We have had wars—including the great Civil War—that came near proving that our form of government was unworkable; we have had many serious economic depressions.

But I take it that most of us are agreed that the most serious, all-embracive, and dangerous crisis that ever threatened our country started in the fall of 1929 and culminated on March 4, 1933. Practically all of our people during those turbulent years, due to the reprehensible conduct of those in high industrial and financial places, had lost their life-long faith in men and governments. So thorough was that lack of confidence that we stood at the threshold of governmental dissolution, with all its unimaginable consequences.

Then came that buoyant inaugural message of our great President, Franklin D. Roosevelt. And, best of all, our President did not confine himself to verbal formalities and lip service. He did not give great promises and then inactively recline to court the plaudits of his fellow countrymen. I verily believe that this message was the most effectual and important statement of plan and purpose since the supreme product of the founding fathers; and I have not forgotten the first inaugural message of Lincoln, amid the enormities of that epochal era.

It is now, that the crisis has passed, more comfortable to think of our condition on March 4, 1933; to think of the herculean tasks that faced this administration when it assumed the imperative duty of saving democratic government for the world.

When President Roosevelt assumed office, over 16,000,000 persons, with willing hands and, on an average, each having a wife and a child, were without employment. This meant that about 48,000,000 persons had no buying power. But that was not all. To the number I have named should be added thirty-two and a half million persons on farms whose incomes were so reduced by low prices that their buying power had been almost wholly destroyed or reduced to the vanishing point. In short, March 4, 1933, found about 74,000,000 of our 125,000,000, or about 60 percent, without means with which to buy absolute, stern necessities of life. Does anybody need to inquire why factories and banks, why business was stagnate? Obviously something had to be done and done instanter. These willing workers had to be put to work, which meant that industry had to be revived and encouraged and agriculture had to be rehabilitated. As an indication of agriculture's precarious condition, it may be said that on March 15, 1933, corn was selling at 13 cents, wheat was selling at 36 cents, oats were selling at 10 cents. These prices are fairly indicative of prices of all agricultural products on March 4, 1933.

It is not necessary to recite the deplorable and menacing condition of the labor market on March 4, 1933. Painful memory of that is too green to bear repetition.

Our critics pointed with alarm to the probable expenditure incident to putting willing and deserving Americans to work. We did not expect to effect that necessary reemployment and rehabilitation solely with ink and wind. We accurately sensed the cost, and, moreover, we accurately sensed the impending result if idle workers were not reemployed and agriculture rehabilitated. Our unjustified critics did not sense the impending and menacing dangers; they did nothing, and that is one of the great charges they shall have to meet before the bar of history.

We have been required to increase the public debt by about $10,000,000,000 in 3 years to avoid national destruction by effecting recovery.

In 1917–18 America loaned to foreign governments $26,000,000,000 for purely destructive purposes—not for saving the United States from internal disintegration. I say with confidence that this administration is fully justified in expending $10,000,000,000 to fight a domestic enemy—not one on foreign soil. At the present time our national debt is only a few billions more than it was in 1919, and for what a worthy cause we have thus increased it.

While it is true large sums have been appropriated and disbursed I wish to direct the attention of taxpayers to the consoling fact that a very large part of these moneys are merely investments, and gilt-edged ones at that, and do not represent an unrecoverable outlay. The sums appropriated for the actual relief of the aged and starving cannot and will not be repaid into the Treasury, of course.

But the millions loaned by a humane administration to enable the borrowers to save their homes and farms, or their businesses, will be repaid. They are already beginning to be repaid. Because the opposition may be relied upon to distort the true and actual facts, I wish to emphasize that the large sums loaned by the Reconstruction Finance Corporation, Federal Home Loan Corporation, Federal Housing Administration, and various other Government agencies constitute the best and safest class of loans that can be made, and will be returned to the Treasury.

And few of our citizens realize, perhaps, what New Deal policies have meant in dollars and cents for our own city of Chicago, and the county of Cook, and the State of Illinois. Conditions in this city, county, and State would not be anything approaching what they are today had it not been for the vast loans and expenditures here by the various Federal agencies under the administration of President Roosevelt.

I have compiled an accurate report which will give the lie to the Republican press, particularly of this city, wherein they criticize because, as they claim, this money is being wasted. If the press were fair, it would tell the public why the Government has been subjected to a deficit of $10,000,000,000 in 3 years. If the press were fair, it would outline the many benefits and the great financial aid which the State, county, and city have received from the Federal Government in their hour of dire need. It would relate the crying truth that the President's program brought hundreds of thousands of dollars to those same people who are now his bitterest critics.

For instance, the Reconstruction Finance Corporation reports that as of February 29 the following amounts were authorized and disbursed:

	Amount	
	Authorized	Disbursed
State of Illinois	$373,002,747.06	$313,614,511.46
Cook County, including Chicago	284,539,287.35	245,300,538.23
State of Illinois, through Mar. 31, 1936	428,547,368.06	369,732,945.07

The Federal Housing Administration reports the following activities in Illinois:

	Modernization notes insured, through Apr. 30, 1936		Mortgages accepted for insurance, through Mar. 31, 1936	
	Number	Amount	Number	Amount
State of Illinois	47,467	$17,345,512.21	2,037	$9,003,980
Cook County, excluding Chicago	6,669	2,472,469.00	432	2,824,230
Chicago	22,046	8,003,663.00	465	2,306,835
Total, Cook County	28,715	10,476,132.00	897	5,131,065

The Home Owners' Loan Corporation reports that as of January 2, 1936, the following loans had been closed:

	Number	Amount
State of Illinois	64,180	$253,651,879
Cook County, including Chicago	41,345	190,548,742

According to information compiled from data obtained from the Veterans' Administration, the Statistical Division of the Bureau of Internal Revenue, and from other governmental sources, the Honorable WRIGHT PATMAN, of Texas, states that it is estimated that bonus payments in Cook County will amount to $73,828,560.42. It is estimated that for the whole State of Illinois 253,343 veterans will receive payments amounting to $141,472,589.16.

Farm Credit Administration

STATE OF ILLINOIS

Farm mortgage loans:		
Federal land bank	15,861	$100,633,840
Land Bank Commissioner (through May 31, 1936)	16,571	44,107,900
Total	32,432	144,741,740
Short-term credit:		
Production credit associations	14,310	10,049,062
Emergency crop loans	6,205	587,145
Drought-relief loans (through May 1, 1936)	1,450	125,359

COOK COUNTY

Farm mortgage loans:		
Federal land bank	64	319,400
Land Bank Commissioner (through May 31, 1936)	64	191,100
Total	128	510,500
Short-term credit:		
Emergency crop loans (Jan. 1, 1933, through Sept. 30, 1935)	134	12,045
Production credit association (Geneva Association, serving Cook, Dupage, and Kane Counties) (through Dec. 31, 1936)	457	424,154

The Resettlement Administration reports the following activities in Illinois and Cook County:

Rural rehabilitation loans and grants

	Loans as of May 29, 1936		Grants as of May 29, 1936	
	Number	Amount	Number	Amount
Illinois	2,525	$1,500,267.73	4,832	$286,039.99
Cook County, including Chicago	61	5,824.53	105	8,752.66

The Civil Works Administration reports that advances in the State of Illinois and Cook County were as follows:

	All funds	Federal funds	State funds	Local funds
State	$62,567,943	$57,265,274	$375,033	$4,927,636
Cook County, including Chicago	35,532,984	33,334,700	222	2,198,062

The Federal Emergency Relief Administration reports that obligations through March 1936 in the State of Illinois amounted to $301,860,400, of which $213,875,637 was Federal funds. In Cook County, including Chicago, the amounts were $186,159,884 and $156,875,216, respectively.

The emergency conservation work reports that estimated obligations incurred in the operation of Civilian Conservation Corps camps in the State of Illinois amounted to $45,148,563.93 through March 31, 1936. The personnel numbered 104,149, of which number 93,556 were enrollees. There are 16 camps operating in Cook County.

Works Progress Administration

	Illinois	Cook County, excluding Chicago	Chicago
Projects selected for operation Apr. 15	3,163	255	238
Projects approved by the President Mar. 31	4,666	644	
Total approved cost of projects selected for operation, including sponsors' contribution through Apr. 15	$88,801,821	$5,139,866	$44,391,708
Number of names on pay rolls for half-month period ending May 31	172,574	8,593	76,802
Number of names on pay rolls for peak period of employment, Mar. 1-15	203,891	11,990	88,282
Total earnings through May 31	$60,081,159		

The Public Works Administration reports that the following allotments have been made, including allotments of funds from the Emergency Relief Appropriation Act of 1935 and expenditures incurred through March 31, 1936:

Projects	Allotments	Expenditures	Estimated project cost
Illinois:			
Non-Federal	$115,321,033	$53,188,474	$163,563,940
Federal	44,637,294	38,260,418	
Cook County, excluding Chicago:			
Non-Federal	6,321,724	2,169,029	12,928,582
Federal	2,730,907	1,034,713	
Chicago:			
Non-Federal	76,119,976	28,755,826	88,006,331
Federal	2,487,128	1,505,693	

The following is a listing of the projects to be prosecuted in Chicago, together with their estimated cost and expenditures. The project approvals are through May 31, 1936, and expenditures through March 31, 1936, for the non-Federal projects. The date for the two classifications on Federal projects is March 31, 1936:

Non-Federal	Allotment	Estimated cost	Expenditures
Disposal plant	$58,813,040	$58,813,040	$22,194,768
Dormitory	1,653,000	2,040,500	1,459,128
High schools	1,326,000	5,338,415	3,579,546
Bridge	483,500	1,713,140	1,001,701
Do	472,500	1,050,000	105,939
College	$1,457,000	$1,457,000	$126,534
Schools	2,000,000	2,000,000	47,755
Bridge	356,000	1,250,000	
Disposal plant	106,363	236,200	8,604
Approach	100,000	250,000	38,465
Subway	363,180	1,210,600	
Administrative building	226,344	503,144	9,434
Industrial building	13,367	29,704	4,194
Hospital	68,560	153,144	2,286
Police station	137,612	307,272	17,707
Fire department	95,499	212,727	8,160
Do	87,121	194,545	7,933
Do	36,769	81,700	579
Bridges	1,972,363	4,385,000	66,099
Viaduct	351,818	780,200	76,996
Park improvement	6,000,000	6,000,000	
Total	76,119,976	88,006,331	28,755,826

Federal	Allotment	Expenditures
Laboratory equipment	$16,400	$16,349
Radio control	9,100	9,100
Inspection material	204,100	175,730
Damage repair	110,000	102,306
Postal station	799	799
Do	417	417
Do	159,800	132,050
Do	224,000	123,402
Postal station	139,060	117,252
Do	136,000	131,643
Do	128,000	124,849
Do	468	468
Do	114,000	89,985
Do	159,500	38,102
Do	207,000	162,289
Do	142,643	28,957
Do	127,801	30,632
Do	167,500	65,243
Do	978	978
Do	122,000	59,941
Do	953	953
Do	296,000	73,579
Preserve Immun	857	857
Chicago Airport hangar complete	19,812	19,812
Total	2,487,128	1,505,693

Federal low-cost housing projects in Chicago

	Allotment
Project H-1401. Jane Addams addition	$5,000,000
Project H-1405. Jane Addams Home	1,950,000
Project H-1406. Julia C. Lathrop project	6,000,000
Project H-1408. Trumbull Park Home	3,250,000

The above projects were reported by the Housing Division of the Public Works Administration as having been approved through June 30, 1936.

Additional allotments of Emergency Relief Appropriation Act of 1935 funds were made for projects located in Cook County and prosecuted by the following agencies:

Department	Allocations by the President (warrants approved)	Obligations	Voucher payments (on basis of checks issued)
Treasury Department	$232,632	$183,190.88	$167,185.55
War Department, Corps of Engineers	176,374	173,814.60	122,714.10

A summarization of the foregoing report shows that Illinois has received $966,523,980.93, of which Chicago and Cook County have received $602,197,820.42. This marks the total aid to date which the combined agencies of the Federal Government have granted to our city, county, and State. These millions save the city, the county, the State, the sanitary district, and the park system from disgraceful bankruptcy. The money so granted enabled these governmental bodies to employ upward of 200,000 people, hurried the payment of delinquent taxes and rents, and, besides helping these governmental bodies to readjust themselves, pumped new blood into private industry and business and put them back on their feet.

In early 1933 the great bankers and tycoons came to the National Capital and told the President very earnestly that a special session of Congress should be called and something really remedial be done by the Federal Government at once. In the course of conversations, during which they implored

help for themselves, they assured the President that our country could safely withstand a public debt of $50,000,000,000. They said that, mind you, when they themselves were in real distress, due to their own shameful misconduct.

These bankers and tycoons were the same malefactors of great wealth, the same shameful, flagitious manipulators and racketeers who caused the ruin of most of the honest, small American investors, life-insurance policyholders, independent merchants, and small bankers. These are the very despicable vultures who in 1928–29 set the stage to wreck America; and upon their unworthy heads must rest the condemning verdict of indelible history.

These are the selfsame ingrates who appealed to the President so solicitously to save them from their own vile machinations; these are the very blatherskites, most condemnible of bad, black-hearted men, who, having destroyed 90 percent of our small banks and businesses, appealed to the President for help from the common Treasury to alleviate the inevitable results of their own diabolical wrongdoing. These are the men who did not hesitate to wipe out widows and orphans; yes, even the blind. If this statement seems too strong, I can verify it by the official records of one of your own committees, with whose headship I have been honored.

President Roosevelt clearly saw and heartily agreed that something helpful had to be done at once; and something helpful and beneficial, something saving, was done at once. The President seasonably told these advocates that to do something helpful and saving would cost real money. They agreed, and, as I have said, they even argued that, in their opinion, a national debt of fifty billion would not be menacing. They were in distress then; they have recovered, many of them completely and all to a large extent, under the wise acts of the very administration they now assail with unrestrained, traitorlike ingratitude. They are out of distress and have joined the voluble but impotent opposition, desperately trying to regain power, in the hue and cry that we cannot safely support a national debt of a little more than $30,000,000,000 and we must balance the national Budget. It is interesting to note in this connection that, despite governmental help, 95 percent of the largest and most powerful corporations did not and could not balance their budgets in 1930, 1931, 1932, and 1933. I refer particularly to corporations and companies headed by these present-day critics who draw from one hundred to five hundred thousand dollars each a year in salaries and bonuses. They could not balance their own budgets until they received governmental loans, which loans helped very materially to unbalance the Federal Budget.

We learn with interest that the Liberty League, arch foe of all deficits except its own, is in the "red" by $59,000, despite contributions and loans from Wall Streeters, the Du Ponts, the General Motors crowd, and others intimately connected with big business. "Physician, cure thyself."

In evaluating the work of the Democratic administration let us be specific. During the last 2 years of Mr. Wilson's administration the gross income of American farmers was about thirteen and a half billion. It had declined to about five and a quarter billion, a difference of more than eight billion, by 1932. In 1935 this income had increased to more than eight billion.

In 1932 the ratio of prices received by farmers to the prices paid by them for what they had to buy was 61, as compared to 100; in 1933 it was 64; in 1934 it was 73; in 1935 it was 85; and by the reelection of President Roosevelt I am confident it will reach 100 percent in 1937.

Cash income of farmers was four billion three hundred million in 1932; it was approximately seven billion in 1935.

On March 1, 1933, cotton was selling at an average of under 6 cents a pound; on January 1, 1936, it was selling at nearly 12 cents a pound, an advance of 92 percent.

How did the banks of the country fare during this time? The records of the Treasury Department show that during 1930, 1931, 1932, and the first few months of 1933, 1,205 banks failed; but only 1 bank failed in 1934; and only 4 banks failed in 1935. Between November 1, 1935, and the present time there have been no bank failures in the United States. During 1933, 435 suspensions took place before and during the banking holiday, while only 3 took place during the remainder of 1933. Receivers were appointed to complete the liquidation of 250 banks for suspension before and during the banking holiday, and which later reorganized with part payments to depositors.

In the five banks which were suspended during 1934 and 1935 all depositors' accounts up to $5,000 were insured and paid in full by the Federal Deposit Insurance Corporation, a monumental creation of the Roosevelt administration.

During this administration the Emergency Banking Act and the Banking Act of 1935 were enacted. Under these measures deposits in national banks have reached an all-time high, while the total deposits in all the banks of America have increased by more than $6,000,000,000 in the span of 3 years.

Republican newspapers show that in Chicago alone deposits are almost $400,000,000 greater than they were in the balmy, inflationary days of 1928–29.

When this constructive administration took over, nearly a million homes in the United States were on the verge of foreclosure. Through the Home Owners' Loan Corporation, which was established by a Democratic Congress at the request of the President, more than $3,000,000,000 was advanced to home owners throughout our country for long-term loans at low rate of interest.

In line with the recommendation of our President, the powers of the Reconstruction Finance Corporation were enlarged. This organization has advanced more than ten and a half billion dollars for the revival of American finance and industry. Of this amount a billion and a quarter was loaned on farm products, and most of these loans have been repaid. Of the amount mentioned, one billion one hundred and seventy million went to the depositors in closed banks; six hundred and seventy million was loaned to railroads; one billion three hundred and fifty million was loaned to banks and trust companies; three hundred and eight million was loaned to mortgage-loan companies; two hundred and ninety-four million was loaned to self-liquidating construction projects; one hundred and seventy-eight million went to agricultural-credit companies; eight hundred and thirty-two million went to purchase capital notes and debentures in about 4,000 banks; three hundred and forty-four million went to purchase securities from the P. W. A., which securities had been given by local institutions, public and private.

Since President Roosevelt was inaugurated approximately 9,000,000 wage earners have been reemployed. Moreover, this reemployment has been effected at higher wages and shorter hours. In 1932, which was before President Roosevelt was sworn in, the relatively few who were employed had to work for starvation wages, women for as little as $3 a week, and men with families for as little as a dollar a day.

The aggregate annual income of the American people increased from thirty-nine billion on December 31, 1932, to fifty-four billion in 1935, an increase of fifteen billion.

Commercial failures in the United States have dropped from 31,822, with liabilities of nine hundred and twenty-eight million, in 1932, to 12,185, with liabilities of two hundred and sixty-four million in 1935.

The total wealth of the Nation has increased by more than fifty billion, or five times the amount of increase of the national debt in 3 years, most of which deficit has been used to help States, counties, and municipalities that could not pay their school teachers and other necessary employees, and to agriculture, business, railroads, insurance companies, building-and-loan associations, and home owners, since the incoming of the Roosevelt administration, in spite of the false claim of its enemies that it is seeking to destroy property and the profits of property.

In 1932 American industrial production was 63 percent of normal; in 1935 it was 88 percent.

In 1932 employment in America was nearly nil; in 1935 it was 82 percent.

The net income of class I railroads of the United States for 1935 was the highest since 1931, and the prospects for still further increase are recognized by all.

Industrial production increased from thirty-one billion in 1932 to more than forty-five billion in 1935, and is still growing.

To show the improvement between 1934 and 1935, I want to submit a table from the conservative Christian Science Monitor showing that earnings of 1,799 companies increased 50 percent. One of the most encouraging features of the corporate experience last year was the marked recovery in earnings of heavy industries. Building supply, machinery, and electrical equipment lines, for example, reported total profits more than double those of 1934, while the steel trade operated profitably for the first time since 1930. This shows an increase in 1935 over 1934, and the increase in 1934 was approximately 200 percent greater than 1932.

A comparison of 1934 and 1935 profits by important industries:

	Number of companies	1934	1935
Advertising, printing, and publishing	43	$23,921,000	$28,167,000
Automobiles	20	78,038,000	195,459,000
Automobile parts	75	34,912,000	78,514,000
Automobile tires	20	12,566,000	22,102,000
Beverages	34	40,470,000	48,069,000
Building	124	8,727,000	32,250,000
Chemicals	36	124,625,000	158,446,000
Electrical equipment and radio	51	29,845,000	54,614,000
Household products	48	23,520,000	32,561,000
Leather and shoes	27	13,286,000	18,959,000
Machinery	123	23,543,000	76,254,000
Metals (nonferrous)	57	97,113,000	147,315,000
Miscellaneous	179	79,308,000	104,365,000
Office equipment	15	16,777,000	22,051,000
Oil	99	191,474,000	298,167,000
Paper	49	8,422,000	9,762,000
Retail trade	124	147,894,000	165,558,000
Steel	48	[1] 11,412,000	57,906,000
Sugar	42	26,565,000	31,247,000
Textiles and apparel	105	2,300,000	21,990,000
Theaters and motion pictures	8	5,565,000	9,442,000
Total, industries	1,558	1,199,177,000	1,938,899,000
Railroads	83	[1] 11,116,000	18,341,000
Utilities:			
Holding companies	42	162,576,000	182,790,000
Operating companies	78	176,136,000	183,539,000
Telephone and telegraph	11	120,478,000	149,184,000
Tractions	27	2,294,000	5,279,000
Total	158	461,484,000	520,792,000
Total, corporations	1,799	1,649,545,000	2,477,032,000
Canadian industries	130	55,688,000	65,603,000

[1] Deficit.

Referring further to the upturn in business, wages, and employment, here are just a few dispatches that show which way the wind is blowing:

A Cleveland dispatch says:

STEEL PRODUCTION 33 PERCENT OVER LAST YEAR

NEW YORK, July 7.—Steel-ingot production during the first half of the year showed a gain of nearly 33 percent over output for the first half of 1935, the American Iron & Steel Institute reported today.

A New York newspaper carries the following:

RETAIL ADVERTISING 8.9 PERCENT OVER LAST YEAR

CHICAGO, July 8.—During the week ended June 27, 1936, retail advertising lineage in the newspapers of 66 major cities was 1,330,646 lines greater than during the corresponding week of 1935, Advertising Age reported today.

For the week of June 27, the total retail advertising in these newspapers was 16,304,311 lines, compared with 14,973,665 lines last year, for an increase of 8.9 percent.

A New York dispatch says:

REALTY BONDS TURN UPWARD IN MIDWEST

NEW YORK, June 8.—Middle West real-estate bonds increased 0.3 percent in market value during May, according to statistics compiled by Amott, Baker & Co. on the market action of 200 typical issues.

UNITED STATES INCOME UP 3.7 PERCENT IN APRIL, 12.9 PERCENT IN YEAR

NEW YORK, June 8.—The national income of the United States produced in April showed an extension of the rise which began in March after a 4-month recession. The national income in April amounted to $4,734,000,000, as compared with $4,565,000,000 in March, an increase of 3.7 percent, according to the Alexander Hamilton Institute.

PLATE-GLASS OUTPUT SETS APRIL RECORD

BOSTON, MASS., June 8.—Another blue ribbon was pinned on April for the record amount of plate glass turned out by United States manufacturers. The nineteen and a half million square feet, or 440 acres, produced in April exceeded a year ago by 14½ percent, while in the first 4 months of this year 12 percent more plate glass was manufactured than in the same 1935 months.

ALL-TIME MAIL-ORDER PEAK SET BY WARD FIRM—AUTO SHIPMENTS FOR JUNE ALSO EXCEED ALL RECORDS FOR MONTH

CHICAGO, July 8.—Montgomery Ward & Co. today reported sales volume for June and for the 5-month period ending in June was the largest of any corresponding periods in the company's history.

June sales totaled $30,330,174, compared with $23,822,297 in June 1935, an increase of 27 percent. Sales for the 5 months totaled $133,727,454, compared with $112,995,864 the corresponding period last year, an increase of 18 percent.

GROUP AUTO SHIPMENTS

NEW YORK, July 8.—Members of the Automobile Manufacturers Association shipped more motor vehicles in June than in any previous June in the history of the organization.

NEW J. C. PENNEY PEAK

NEW YORK, June 8.—J. C. Penney Co. sold merchandise valued at $20,639,830 during May, a gain of 21.58 percent over the same month of 1935, and sold $84,341,573 in the first 5 months of 1936, an increase of 12.39 percent over that time last year; in both cases the totals are the highest for the periods in the company's history.

RETAIL TRADE EXPANDS WITH BONUS BUYING

NEW YORK, July 5.—"The general trend of business during the week was upward, with some divisions making the best showing in more than a month", Dun & Bradstreet says today. "Despite the smaller gains in the drought districts, retail distribution was advanced by the cashing of veterans' bonds and the stronger demand for apparel and vacation goods. Wholesale markets were more active, as reorders increased and fall buying gained momentum, most merchants preparing for the largest trade since 1930."

CHICAGO DEPOSITS SET ALL-TIME PEAK

CHICAGO, July 5.—Deposits in Chicago banks reached a new high record, according to figures made public in response to calls from the Comptroller of the Currency and the State auditor.

Figures for 52 Chicago banks, 23 of them national, showed deposits June 30 totaled $3,143,904,000, compared with $2,796,153,000 3 months ago. A year ago deposits totaled $2,626,932,000.

Records show that never before in Chicago's history, even during the peak of the 1929 boom, have bank deposits here exceeded $3,000,000,000.

MEAT PRODUCTION UP 16 PERCENT THIS YEAR

CHICAGO, ILL., July 5.—Production of meat in the United States in the first half of 1936 has been about 16 percent larger than that in the same months last year, according to estimates announced today by the Institute of American Meat Packers.

Pork production in the first 6 months of 1936 has been approximately 20 percent above that of the same period last year, and beef production this year is running about 19 percent above the corresponding 1935 figures.

BANK STOCKS RISE 3.99 PERCENT FOR WEEK

NEW YORK, July 5.—New York City bank stocks scored a substantial advance during the past week, according to records compiled by Hoist, Rose & Foster. The aggregate market value of 16 leading issues on July 3 totaled $1,821,993,000, compared with $1,752,065,000 at the close of the previous week, an increase of $69,928,000, or 3.99 percent.

I have cited but a few of the examples of recovery that have come to agriculture and all industry since the inauguration of President Roosevelt on March 4, 1933.

Between 1922 and 1932 there were issued by corporations of the country and offered to the public $50,000,000,000 in securities. A recent governmental survey shows that twenty-five billion of these securities, sold to the public during Republican administrations—and I do not mention the $8,000,000,000 of foreign bonds sold in addition—were not worth the paper upon which they were printed. This administration passed the Securities Act, which was intended to and has cleared up this unwholesome, unfair, and dishonest condition. Under that legislation no security can be offered to the public without first being registered with the

Securities and Exchange Commission and every fact and circumstance surrounding the security laid before that agency. This act alone will, in my opinion, save to the innocent and worthy investors of our country from two to three billion annually, a larger amount than the annual deficit of our Government during the last few years and against which there is such bitter complaint from the predatory interests.

Up until about 50 years ago no corporation could under the law of any State own stock in another corporation. Then some States, notably New Jersey and Delaware, went into the business of charter selling and passed laws to allow one corporation to own stock in another corporation. In the years that followed there grew up what is known as the holding company. A pure holding company neither owns physical property nor operating property, but it is organized to own and deal in the securities of other corporations. These creatures of our legal ingenuity are operated by a few clever men. They are used as the agencies for disfranchising stockholders of thousands of necessary and prosperous operating companies. They are used to take the control and direction of these local companies away from those who built them and place it in a city that is in many cases far removed. Through the simple device of pyramiding, a small investment by those in control of the top holding company enables them to do as they like with hundreds of millions, and in some instances even billions, of other people's property. In one system the pyramiding goes so far as to pile one company on top of another until there are 10 corporations in the pyramiding, or the local operating company is 9 companies removed from the corporation at the top which controls it, along with hundreds of others. In this particular set-up an investment of $1 at the top enables the managers of the top to control over $30,000 of book value of the operating companies, or with less than $50,000 to control over a billion dollars of book value. Many of these holding companies control properties in many States, and one became such an enveloping empire that it controlled operating properties in 32 States of the Union.

Through these devices the holding-company management, with investment of a small amount of money, were controlling a vast majority of the whole electric and power industry. Absentee management and dictatorship resulted. This Congress passed the Utility Holding Company Act of 1935 to free the operating power industry from these leeches, who were sucking the lifeblood out of the operating companies and who by these methods were trying to concentrate in a few hands control of the wealth of the country. Millions in money were spent by these rascals in hiring high-powered lawyers, corporation-inspired accountants and economists, rhetoricians, penny-a-liners, lecturers, lobbyists, and others of kindred hue for the dissemination of false propaganda in an attempt to defeat this effort to effect fair play, honest dealing, and common honesty. This insidious propaganda sank to such abysmal depths that it sought to influence the minds of even our youth through control of school textbooks; and at least one woman, presumably prominent socially and politically, was hired at six thousand a year to spread in magazine articles of supposed general interest and benefit this vicious, fatuous utility filth. You will recall that this diabolical and dastardly propaganda reached an all-time low for American citizenship when it went to the extreme of charging that the President of the United States was mentally unsound. They libelously misrepresented and shamefully maligned practically every Member prominent in the enactment of this law. Every man who was for this sort of bill was called a Communist or a Socialist or a fool.

By this act the local operating utility company will be free from these monsters in the form of pyramid holding companies and allow honest investment in local utility companies to return a profit, and the saving of more money than the holding companies have been siphoning off may be applied to the reduction of the unconscionably high rates for power and electricity that the people of this country have been paying.

Again, the Congress has passed a rural electrification bill, providing for a 10-year program, with an appropriation of four and a quarter million dollars to electrify the farm and village homes of the country. We want to carry on our program in this, as in other things, of making life for the humbler masses easier, more pleasant, and more profitable. Nothing can come to the home life that will lift more of the burden from the backs of the masses than to have cheap electricity.

I could with pleasure and satisfaction continue to recount the innumerable important achievements of our President and his immediate helpers, but time will not allow it. I must soon close.

I could remind you of the social legislation of this administration which gives humble and willing men and women a fairer chance in a juster world. The men in industry, growing old after a lifetime of service for society in the factories, and haunted by the fear of being thrown into the street when too old to work, are now insured against that horror by the New Deal—and that is a square deal for them.

More beneficial laws have been passed in the interest of all our countrymen under President Roosevelt's administration than the average citizen can recognize, and more than in any other administration in the history of the Republic. He has had and has a constructive program, and, obviously, he has the courage and the wisdom to carry it out. Under his leadership and statesmanship we have emerged from the slough of despond and passed to the delectable mountain of a better day, and a continuation of this progress means that we shall again live in a land where there is, under law, fair play, honesty in dealings, and where opportunity, happiness, and peace abide.

When passions and prejudices have subsided; when clashing aspirations and conflicting attitudes become more tempered; when society adjusts itself to the new order in which human rights transcend property rights, and in which we are happily experiencing government that considers rule by and for the many rather than exclusively by and for the selfish few; when the historian, in a noon-clear atmosphere, writes of our present era, Franklin D. Roosevelt, able, conscientious, far-seeing, doer of big things, humanitarian, will stand as one of the greatest benefactors of his age and compare favorably with Washington, founder of the Republic; Jefferson, the fountain of its idealism; and Lincoln, the exemplar of its magnanimity and the preserver of its internal unity, among the greatest world figures of all time.

SEARS POINT TOLL ROAD

Mr. WELCH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include certain communications between the attorney general of the State of California and myself.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WELCH. Mr. Speaker, this bill will serve two great, important purposes—it will add to our national defense and also act as a main artery to the Golden Gate Bridge, a $35,000,000 publicly owned public utility now under construction.

The right-of-way which the bill seeks to convey from the Navy Department to the State of California is a privately owned toll road and has been operated as such since 1928 and is known as the Sears Point Toll Road. The toll-road company acquired title to the land in question prior to that time. When the matter of purchasing this road by the State of California was before the State legislature, Admiral J. M. Reeves, United States Navy, was commandant of the Navy Yard at Mare Island, Calif., and wrote to the California State Highway Commission as follows:

I have noted with interest a proposal that the State of California purchase the Sears Point Toll Road and that this road be included in the State highway system. Such action would greatly increase the military efficiency of the Mare Island Navy Yard and I believe also that of other naval and military establishments in San Francisco Bay region.

The Sears Point Toll Road, if properly improved and incorporated in the State highway system, will afford the most direct land communication between Mare Island and other military establishments, such as the Army bombing base near San Rafael, the forti-

fications of the Golden Gate, and the Presidio of San Francisco. I hope that the military factors involved will be given such consideration as is practicable in considering this project.

This privately owned toll road had been built and operated 2 years before the Navy Department, through the Department of Justice, brought action to quit title, alleging that the title to the strip of land was vested in the Government and not in the toll-road company.

This road when reconstructed will cut off 21 miles of the present distance by road between the Mare Island Navy Yard and the military establishments referred to by Admiral Reeves.

San Francisco, as you know, is on the tip of a peninsula nearly surrounded by the waters of the Pacific Ocean, the bay of San Francisco, and the Golden Gate. A number of years ago, a movement was started to connect San Francisco, a great seaport city, with its hinterland, the Sacramento, San Joaquin, Livermore, Napa, Sonoma, and Santa Clara Valleys by a comprehensive system of highways and bridges. I am pleased to state that I have been affiliated with this constructive work since its inception.

I went to the State legislature and was instrumental in securing the passage of an act permitting the combining of two or more counties into bridge and highway districts. The Golden Gate Bridge District, the result of this act, consists of San Francisco, Marin, Napa, Sonoma, Mendocino, and Del Norte Counties.

It was then necessary to proceed with a bond election which required a two-thirds vote of the bridge district and resulted in the district being bonded for $35,000,000—the estimated cost of the bridge. Mr. Speaker, from that time until this very day we have had opposition from those opposing this great public improvement. They succeeded in dragging us through the trial court and the Supreme Court of the State of California and to the Supreme Court of the United States and back again to the Federal District Court of California, and I am happy to say we won all the way—not one adverse decision.

The Golden Gate Bridge rests on military reservations on either side of the Golden Gate. It was necessary to secure a grant from the War Department, which was freely given. The War Department also allowed us a right-of-way through the Presidio and other military reservations.

Very recently, the War Department approved and Congess unanimously passed what is known as the Johnson-Welch bill, which reads in part as follows:

To grant to the State of California a retrocession of jurisdiction over certain rights-of-way granted to the State of California over certain roads about to be constructed in the Presidio of San Francisco Military Reservation and Fort Baker Military Reservation.

This bill, returning the roads to the State of California, has been approved by the President. The bill contained the following reservation:

Whenever in the judgment of the Secretary of War or his authorized representative any emergency exists which justifies it, he may assume exclusive control and management of said road and may then in his discretion prohibit, limit, or regulate traffic thereon.

The bill under consideration has been amended at the suggestion of the Navy Department and the United States Attorney General.

The proposed amendment was referred to the attorney general of the State of California for opinion. The attorney general of the State of California is a very capable lawyer and has been the attorney general of that State for approximately a third of a century. Attorney General Webb has ruled that the Department of Public Works of the State of California, under section 104 of the California State Highway Code, is not authorized to expend public moneys in the improvement of land in which the State of California has no interest. In this connection he stated:

In contemplation of law the revocable permit is a mere personal privilege to the State of California and not a right of property. It expressly states that no rights in the property itself is given but simply amounts to a personal permit, revocable instantly at the uncontrolled discretion of one Federal officer.

The difference between the so-called revocable permit and the bill under consideration with the proposed amendment is really a distinction without a difference, except that under the bill the road can and will be taken over by the State of California, reconstructed, and made a part of the State highway system and under the revocable permit this cannot be done, according to the decision of our Attorney General.

The Supreme Court of the State of California has ruled that the property within the Golden Gate Bridge and Highway District, heretofore described by me, is liable for any deficit in case the bridge does not pay, and under the decision the directors are authorized to levy a tax against the district.

When the bridge district was formed and the construction of the great Golden Gate Bridge across San Francisco's Golden Gate was planned, the directors of the bridge district counted upon the construction of a State highway across the right-of-way provided for in this bill. To deny the State of California the right to construct the Sears Point Road and make it a part of the State highway system would deprive the Golden Gate Bridge of at least 30 percent of its revenues. The road in question, when constructed, will bring travel by the most direct route from the great Sacramento Valley and from the great Northwest across the Golden Gate Bridge into San Francisco.

I accepted the amendment suggested by the Navy Department and approved by the Committee with the understanding that it would be satisfactory to and in harmony with the laws of the State of California. Since the Committee recommended the passage of the measure, the Attorney General of my State has ruled that the bill as it now is will be valueless to California because the reservation contained in the amendment suggested by the Navy Department destroys the grant of the easement and makes it a license. The bill, therefore, must be amended in the Senate to strike out a portion of section 2, which gives the Secretary of the Navy, at his option, the right to close the State highway at any time. If the bill were adopted in its present form, it would be a nullity, and no road could be built upon the easement granted, because the laws of California prohibit the use of public funds where the right-of-way is a license and not an easement. The bill was not amended upon the floor of the House because I desire to have its enactment expedited. Favorable action is necessary during the present session. The Golden Gate Bridge will be completed within a year, and the necessary highways leading to it must be ready for use by that time.

I am satisfied that the Navy Department will cooperate and agree that the bill may be amended in the Senate to comply with the ruling of the Attorney General of California.

I have the assurance of the Attorney General of California that the interests of the people of California will be protected and that the Toll Road Co. will not be paid for the Sears Point Toll Road until the title to the property is determined by the courts. The following communication had with the Attorney General makes this very clear:

JUNE 5, 1936.

U. S. WEBB,

Attorney General, State Building, San Francisco, Calif.:

Philip J. Fay, who represents Sears Point Toll Road has wired me today in substance that no escrow has been opened for deposit of State funds pending decision of Government's quiet title action because my pending bill to give State easement over Sears Point Road has not been enacted. I have just wired Fay as follows: "Government not an interested party to transaction between Toll Road Co. and highway commission. The pending deal is for the sale of all interests of Toll Road Co. to highway commission in toll road while the pending bill is grant from Government of easement to use and improve toll road highway by State. It is my belief that escrow should be open immediately and upon such terms as is agreeable to Attorney General Webb. Please have attorney general wire when such escrow is completed so bill may be pressed here. Action must be very prompt or bill cannot be enacted this session." In advocating Sears Point Road bill I have been proceeding under belief that California State Highway Commission had entered into written agreement with private owners of road to place money in escrow and that money so placed to be refunded to the State in case courts decide in favor of Government. In the absence of such an agreement I feel I cannot urge further consideration of bill. If bill is passed it

will be amended to comply with your suggestions contained in recent wire.

RICHARD J. WELCH, M. C.

SAN FRANCISCO, CALIF., *June 7, 1936.*

Hon. RICHARD J. WELCH,
House of Representatives, Washington D. C.:

Re tel fifth, legislative act empowers highway commission purchase Sears Point toll road and provides the money. Money for purchase available in State treasury. No reason for removing money from State treasury and placing it elsewhere. If pending bill be amended as suggested, and highway commission so wishes, road can be purchased and paid for upon such terms as may be arranged. If bill be amended as suggested, satisfactory title can be furnished. See our letter May 18.

U. S. WEBB, *Attorney General.*

JUNE 7, 1936.

Hon. RICHARD J. WELCH,
House of Representatives, Washington, D. C.:

Toll Road Co. is sending the following letter to Attorney General Webb: "Re Sears Point toll road sale to State. You will recall that the sale of this toll road to the State would have been consummated had it not been for an action to quiet title by the United States Government. This action relates to approximately 7,700 acres of land and affects a part of the toll road. It is contemplated that the Government as a result of legislation now being presented to Congress and Senate will cause the execution of a deed conveying such title as it has to the State of California for use by the highway commission of the State, and thereby eliminate any question as to the title the State will receive. Wires from Congressman WELCH, Washington, D. C., disclose that the thought has been suggested that if the Government prevails in its suit it should then receive that proportion of the purchase price of the toll road properly allocatable to the part thereof to which the Government quiets title. This is to advise you in order that there may be a public record of the position of the Sears Point Toll Road Co., that we will enter into such escrows and agreements and execute all documents necessary to protect the Government, and the State in this respect, and to give assurance to the Government the purchase price may be impounded until final judgment has been entered in the pending lawsuit." This letter serves the purpose of a present escrow and is in effect an agreement to create an escrow. Obviously neither the Government authorities nor the State authorities will permit the transaction to be consummated until the escrow is created so that there need be no apprehension in this regard.

PHILIP J. FAY.

AMENDMENT OF COASTWISE LOAD LINE ACT OF 1935

Mr. BLAND submitted a conference report and statement on the bill (H. R. 11915) to amend the Coastwise Load Line Act of 1935.

RUSSELL-KRAMER BILL

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and include therein a letter from the American Legion and the Veterans of Foreign Wars which I have received.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KRAMER. Mr. Speaker, many statements and arguments have been made by Members of the House both for and against the Russell-Kramer bill. I say, in all fairness, there can be a difference in opinion; some Members may take a position either way; and although I may disagree with them, I shall also respect their position.

Many fine and broad-minded American citizens misunderstand the purpose of this bill, because of its misrepresentation by its enemies and misunderstanding by others. I shall endeavor to clarify the situation the best I can, because this legislation is aimed in the direction of preserving, and not destroying, the institutions of the Government which we have inherited and built to the present day.

The Constitution provides for religious freedom, for freedom of speech, freedom of the press, and freedom of assembly. These are a priceless heritage which must be preserved for our children, for our children's children, and future generations, and when I say that it must be made unlawful for anyone to willfully and knowingly advocate the overthrow of the Government of the United States by force or violence, whether he be citizen or alien, I am safeguarding the essential principle of our democracy that this shall continue to be a Government of the people under our Constitution, and by the people under our Constitution, and for the people under our Constitution.

To permit the willful advocacy of changing our form of government by force or violence is to permit the negation of the essential principle that there is a constitutional government which may be changed only by means provided in that document—the Constitution.

I have no objection to anyone who advocates fascism, nazi-ism, or, if you will, communism. This is his inalienable right. But I will oppose him when he proposes to substitute by force or violence any one of these systems, or any other system, for our present form of government, for then he is violating the principles of our Constitution. He is opening the way in this country for what has happened in Russia and in other European countries.

The Constitution provides that there shall be liberty of speech, but it also provides—and provides explicitly—as to how changes in the Government and the Constitution may be effected. But when the Constitution itself provides a means for its amendment, and by which changes in our Government may be lawfully effected, then it cannot be held that the provision for freedom of speech is broad enough to authorize the advocacy of nullifying other provisions in the Constitution through force.

To say that the advocacy of force in changing our Constitution or our form of government is futile, in view of the firm hold which the principles of democracy have upon the overwhelming majority of the people of this country, is to completely disregard the lessons of the history of our own times.

The czarist government was overthrown by a popular movement in which Kerensky, the great democratic leader, participated. It was a movement in which the people of that country overthrew the government. Yet a few months later Lenin and a handful of men overthrew the Kerensky government and imposed by force upon the people of Russia the government of the Soviets, which we describe generally as communism. Lenin and his associates were in the minority. They, however, seized the offices of government and although not workers but revolutionary theorists, imposed upon the people of Russia a government entitled "A government of the soldiers, workers, and peasants." It was, in fact, not that, but a government imposed by a group of revolutionary theorists upon the soldiers, workers, and peasants of that great country.

No further proof of this statement need be offered than a reference to the atrocities committed on the peasants, the greatest single group in Russia during these last 17 years, in an effort to make them conform to the new order. If a group of a few men could do that in a country the size of Russia, they could, under propitious circumstances, impose a similar revolutionary government upon the people of the United States.

Whenever in foreign countries a march was made they had but a few thousand men. Yet through the weakness and pusillanimity of the government they sought to overthrow they were permitted to assume supreme direction. In the years that have elapsed they have imposed a repugnant regime and have stifled any expression of adverse popular opinion.

In Europe the Austrian house painter, Hitler, and his organization were ridiculed for years. Yet he eventually succeeded in obtaining control of the government, and thereafter by a reign of blood and terror killed the German Republic and instituted in its place the dictatorship of the Swastika, and has been—and still is—causing great suffering, humiliation, and hardship to Jews and certain other classes, depriving them of their liberties and rights.

It can happen here. It could have happened here in 1933 with a country sunk in the depths of depression; its mills and factories closed, its farmers bankrupt and destitute, its banks and financial institutions insolvent and closing in great numbers everywhere, and its people taught by bitter experience that they could not rely upon either the integrity or the intelligence of their leaders.

That our economic cataclysm was not accompanied by a political cataclysm is due to the wisdom, the courage, and fidelity to the principles of our Constitution and our demo-

cratic government of one man, Franklin Delano Roosevelt, President of the United States. He assumed office in our darkest hour and has led us back into the light.

If we are to protect the heritage of our fathers, if we are to protect the principles of government for which our President has fought we must insist that such changes in our Constitution, as the times may render necessary, shall be effected only by constitutional means and not imposed upon us by a minority through force of arms.

Does this mean freedom of assembly? Yes. Freedom of press? Yes. Freedom to advocate the principles of communism, nazi-ism, or fascism, or any other ism? Yes. Freedom to establish one of these, or any other forms of government in substitution of our present form by constitutional and lawful means? Yes. But freedom to impose or advocate imposing upon the American people communism, fascism, nazi-ism, or any other ism by violence and force—no; a thousand times no!

The Russell-Kramer and the Tydings-McCormack bills are on the calendar of the Rules Committee of the House, but it takes an act of the Rules Committee to bring either bill on the floor for discussion.

Mr. Speaker, may I also read for the RECORD excerpts from a few letters I have received from the following: Disabled American Veterans, American Legion, Veterans of Foreign Wars, Women's National Defense, B. P. O. Elks, and the late Nathan Burkan, prominent New York City attorney?

DISABLED AMERICAN VETERANS OF THE WORLD WAR,
Munsey Building, Washington, May 14, 1936.

Hon. CHARLES KRAMER,
House of Representatives, Washington, D. C.

MY DEAR MR. KRAMER: Confirming our conversation of yesterday, I would say that the D. A. V. is exerting every possible influence on the Rules Committee of the House to bring out your bill to make it a crime to advocate the overthrow of the American Government by force and violence.

It would seem as though the action of the Judiciary Committee in reporting the bill after due deliberation should be sufficient to justify a vote by the House. It appears to us that it is little more than a travesty to have the present session appropriating unprecedented amounts for the improvement and extension of the national defense to protect us from outsiders and at the same time permit active campaigning by disloyal agitators within our borders to destroy our institutions.

The D. A. V. feels that you have earned the lasting gratitude of representative Americans by your courageous and vigorous conduct in this whole matter, and we propose to continue and intensify our efforts to force the Rules Committee to give the House an opportunity to vote on your bill.

With kindest personal regards,

Cordially yours,

THOMAS KIRBY,
National Legislation Chairman.

LOS ANGELES, CALIF., *May 14, 1936.*

Hon. CHARLES KRAMER,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: A few days ago I read that a movement had been started in Los Angeles against H. R. 6427 and that pressure was to be brought to bear on you for its withdrawal. Not doubting your standfast qualities in the matter, I still am wondering whether anything in the way of counteraction will be of help at this time. The day the opposition came to my attention I was attending a meeting of Federated Women's Relief Corps of this vicinity. The gathering represented possibly a thousand members, and it readily voted support of H. R. 6427 and that a letter of assurance of support be sent you. If this sort of thing is helpful, please indicate. Otherwise, you are much too busy to be bothered with ineffectual things, among which may be this letter.

Good wishes for success, as always.

(MRS. JOHN A.) JENNIE I. BERRY,
Chairman, National Defense through Patriotic Education, Eschscholtzia Chapter, D. A. R.

NEWARK, N. J., *March 29, 1935.*

Congressman CHARLES KRAMER:
Elks backing your sedition legislation.

EDWARD REILLY,
Secretary, Newark Lodge 21, B. P. O. E.

NEW YORK, *May 18, 1936.*

Hon. CHARLES KRAMER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Anent your bill H. R. 6427, to prohibit the advocacy of the overthrow of the Government by force or violence, I took the liberty of discussing your stand upon this bill and the telegram that you received from a group of well-known authors, composers, and motion-picture directors and players with Mr. Abraham Robert Simon, of Simon & Garvis, 807 Equitable Building, Hollywood, Calif.

This gentleman is a very excellent attorney and is probably known to you. He represents, among others, the Hollywood Reporter, and has considerable contacts with the literary, musical, and motion-picture people of Hollywood.

Mr. Simon tells me that in the discussions that he had with some persons regarding this bill he came to the conclusion that some of them misconceived entirely the purpose and intent of your bill. The general impression seemed to be that it was a bill designed to prevent a change of government by peaceful advocacy. No one seemed to realize that your bill is aimed against the overthrow of the Government by force or violence.

With kind regards,

Yours very sincerely,

NATHAN BURKAN.

NEW YORK, *May 18, 1936.*

Hon. CHARLES KRAMER,
Congress of the United States,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN KRAMER: I received yours of the 14th instant and enclosures.

Mr. Berlin has assured me that he innocently signed the telegram and never understood its real tenor, purpose, or effect, and certainly had no desire to oppose any bill aimed against movements toward overthrowing this Government by violence.

He has been very active on the telephone and by letter to lay before the signers of the telegram the true facts concerning your bill, to the end that all who have signed under misconception shall have their names withdrawn from the telegram and to notify you of their regrets in having signed the telegram under misapprehension of the real facts.

I have been in touch with Mr. Berlin since I have first spoken to you. I have taken the liberty of sending him a copy of your letter.

I am confident that you will find that ere long you will receive word of apology from those of the signers who innocently have been misled.

It has been a pleasure indeed to present the real facts to those who have been misguided by one or two agitators.

With all good wishes, believe me,

Very sincerely yours,

NATHAN BURKAN.

NEW YORK, *May 11, 1936.*

Hon. CHARLES KRAMER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I acknowledge receipt of material pertaining to your bill 6427.

I am enclosing herewith a copy of a letter I have this day written to Mr. Irving Berlin at his request.

He told me that he was invited to a dinner in Hollywood which was attended by the signers of the telegram. Somebody delivered a long harangue on what your bill sought to do. He was under the impression that the bill nullified the fundamental rights secured by the Constitution and abridged the right of freedom of speech and assembly.

I am persuaded that neither the speaker nor any of those present ever saw your bill or knew its language, because by no stretch of the imagination does your bill abridge the freedom of speech or the freedom of assembly.

Very sincerely yours,

NATHAN BURKAN.

PERMISSION TO ADDRESS THE HOUSE

Mr. SEARS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SEARS. Mr. Speaker, last Tuesday, after voting, I returned to Washington on the first train to continue working for the Florida cross-State canal. I am sorry my colleague, Congressman GREEN, has not returned to Washington. I wish he were here in order that he might listen to my remarks.

Mr. Speaker, as my colleague [Mr. GREEN] has mailed out to Florida his platform, which was incorporated in the extension of remarks by Congressman JAMES P. RICHARDS, and in that platform he has stated he has always voted for the bonus, I feel in fairness to myself and my colleagues I should frankly discuss his record and the facts.

In the CONGRESSIONAL RECORD of May 22, 1935, you will find roll call no. 81 on the bonus bill. On that roll call I am recorded voting for the bill and Congressman GREEN is recorded as voting against the bill. Clearly, it is unfair to state to one's constituents that he has never voted against the bill, but has always voted a certain way, when the RECORD shows he voted another way.

I also have in my possession a letter written by Congressman GREEN, dated May 21, 1935, addressed to Mr. R. B. Skipper, Branford, Fla., on the day before he voted against the bonus bill, from which I quote in part, as follows:

We have passed the bonus bill in the House and Senate and I voted for it. It comes up on veto tomorrow and *I* shall, in all

probability, vote for its passage over the veto. I think it should be paid in full in cash immediately.

It is not necessary for me to remind you that the day before he voted against the bill he wrote to an ex-service man as above stated—that he thought the bonus should be paid in full in cash immediately. I would certainly not be guilty of deliberately trying to mislead anyone. Desiring to deal frankly with Mr. GREEN, while he voted against the bonus bill in 1935, which was not an election year, he voted for it in 1936, which is an election year. I shall not say whether he was wrong or whether I was wrong in voting on the bonus bill, but I do emphatically state it was unfair to lead anyone to believe you voted for the bill, when, as a matter of fact, you voted in a different way.

Let me also call your attention to the fact that in March 1934, while the bill liberalizing the compensation of ex-service men and pensions of Spanish War veterans was on the calendar, you will find in the RECORD Congressman GREEN stated in part:

I want to go on record as favoring the liberalization of compensation and pensions of Spanish War veterans.

On March 27, 1934, on roll call no. 116, Mr. GREEN voted against the bill liberalizing compensation and pensions, and I voted for the bill.

I cannot understand the reasoning of a man who states he is for something so as to secure the support of certain people, and later votes against the measure.

For the first time in the history of this country the Federal Government has recognized its obligation to the old people, the infirm, and the disabled, and a pension law has been written on the Federal statute books. I supported this law, and, while it is not all I should have liked, it was the best we could secure under the circumstances. I am sincerely interested in that unfortunate group of people no longer able to do for themselves and will continue to do everything within my power to bring about the payment of a substantial pension without delay. I will not, however, make promises I know cannot be fulfilled for the sole purpose of securing votes. I could promise a pension of $200 and doubtless gain many votes by it, but I know, as every other Member of Congress knows, it is not possible to pass any such law. It is an admitted fact that the sales tax or the transaction tax which would necessarily have to be imposed to make such a pension possible would absolutely destroy the businessmen, the laboring men, and those who work for salaries. I want to deal frankly and fairly with my constituents and my colleagues. Let me further call your attention to the fact that my colleague, Congressman JAMES P. RICHARDS, secured the unanimous consent to place in the RECORD the record of Congressman GREEN, and on April 20, 1936, under the unanimous consent granted, Congressman GREEN placed in the RECORD his platform and a eulogy of himself and an appeal for political support based thereon. As proof of this let me simply call your attention to the first paragraph of Congressman GREEN'S record, as follows:

Mr. RICHARDS. Mr. Speaker, our colleague from Florida, the Honorable R. A. (LEX) GREEN, has a record of achievement which is worthy of our commendation. Under leave to extend my remarks in the RECORD, I include the following statement of Mr. GREEN'S record and services.

One-third of the extension consists of supposed statements of Congressman RICHARDS and then follows the platform of Congressman GREEN. I emphatically state that the eulogy of Congressman GREEN was not written by Congressman RICHARDS but was written by Congressman GREEN or someone secured by him to write it, and submit the following proof.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 2, 1936.

Hon. W. J. SEARS,
Member of Congress, House Office Building,
Washington, D. C.

MY DEAR COLLEAGUE: I beg to acknowledge your letter of April 30 inquiring about certain extension of remarks in the Appendix of the CONGRESSIONAL RECORD, Seventy-fourth Congress, second session, captioned as follows: "Congressman GREEN'S Record—Remarks of Hon. JAMES P. RICHARDS, of South Carolina, in the House of Representatives, Monday, April 20, 1936." In your letter you ask, "Did you write, read, or see this article before it was placed in the RECORD?"

I, of course, have no desire to get into any controversy where two of my colleagues are involved; but, as you have in good faith asked me these questions, I feel that in justice to all concerned I am duty-bound to answer.

On the afternoon of April 20, a few minutes before Congress adjourned, Congressman L. A. GREEN asked me to secure consent of the House to extend my remarks in order that he might thereunder insert something concerning his record. I secured this consent for him solely because such requests from a colleague are usually acceded to as a matter of courtesy. Later on this extension was called to my attention. I did not write, read, or see the article or any part of it before it was printed in the RECORD. I am now serving only my second term in Congress and therefore could not vouch for the record of any Congressman covering the period prior to my becoming a Member.

As an older Member you have been very helpful to me, and I want you to know that I appreciate the courtesies extended me by you.

With kind regards and my very best wishes, I am,
Sincerely yours,

J. P. RICHARDS, M. C.

The above letter is self-explanatory and unmistakable evidence that Congressman GREEN took advantage of my friend Congressman RICHARDS, and under the guise of perfunctory permission usually granted by one Congressman to another, upon request, sought personal political gain by abusing the privilege.

Mr. Speaker, I have never made a promise for the purpose of securing votes; and I have never stated I voted one way when I voted another. I have never eulogized myself and tried to make my friends believe another had written the eulogy. Before doing so, I would resign from Congress. I am proud of my record, and whatever the future may hold in store for me I will leave a clear record of service to my State and will leave to my wife and family a heritage which money cannot buy. This to me is worth more than all the money in the world or any office within the gift of the people. I thank you. [Applause.]

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, a few moments ago the distinguished gentleman from Montana [Mr. AYERS] announced his voluntary retirement from Congress. I want to take this opportunity to express the regret of the entire membership, especially on this side of the House, at the loss of the services of the distinguished gentleman from Montana in the House of Representatives.

I do not hesitate to say that no man who has come to Congress since I have been a Member of the House has more constantly kept the "common touch" or worked harder for the best interests of the farmers and all the other toiling masses of his State and of the country than has ROY AYERS, of Montana. He has also been an ardent friend of all veterans.

He was too modest to tell the House why he is leaving, but I shall take this opportunity to say that he is not retiring from public life, but the next time we meet him we may salute him as "Governor AYERS, of Montana." [Applause.]

OSCAR GUSTAF BERGSTROM (H. DOC. NO. 504)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and the objections of the President ordered to be spread upon the Journal:

To the House of Representatives:

I return herewith, without my approval, H. R. 3914, an act for the relief of Oscar Gustof Bergstrom.

This bill provides that the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Oscar Gustof Bergstrom the sum of $862.50, in full compensation and settlement

for all claims and demands of Oscar Gustof Bergstrom against the United States and growing out of, or arising from, the forging of his name to United States Treasury check no. 1372080, under date of February 2, 1920, said $862.50 being paid by the Treasury to persons other than Oscar Gustof Bergstrom through no fault of his own.

Mr. Bergstrom, a World War veteran, was given a total and permanent disability rating by the Veterans' Bureau on November 1, 1918. By reason of this rating he would have been entitled from that date, had the rating continued in effect, to payment of $57.50 per month by the Government under the terms of his war-risk insurance policy. No payment was made, however, until February 2, 1920, on which date check was drawn to Mr. Bergstrom's order in the sum of $862.50 for the 15 monthly payments accrued for the period November 1, 1918, to January 31, 1920. The check was mailed to Mr. Bergstrom at Fort Bayard, N. Mex., and is said not to have been received by him, but that it was received, fraudulently endorsed, and cashed by other persons.

Mr. Bergstrom is said to have become aware of the issue of this check in June 1926, and failed to make claim within the limit of time prescribed in the act of June 22, 1926 (44 Stat., p. 761), which provides that—

> All claims on account of any check, checks, warrant, or warrants appearing to have been paid shall be barred if not presented to the General Accounting Office within 6 years after the date of issuance of the check, checks, warrant, or warrants involved.

It would be most undesirable to establish a precedent of considering barred claims on checks where, in reliance on the bar and pursuant to law, the checks, the evidence of payment, have been destroyed.

It is furthermore of greater importance that though the veteran did not receive the benefits of the erroneous award, as is indicated by the bill, and had payment of the check not been made by the Treasury, there would be no authority for the Veterans' Administration to make payment over the period in question. This bill would, therefore, do more than authorize payment of the amount of the check. It would, for the period of payments contemplated by the check, in effect reestablish the erroneous permanent and total disability rating of November 1, 1918, and validate thereunder benefit payments which the Veterans' Administration may not make under existing law.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 8, 1936.*

Mr. RAMSPECK. Mr. Speaker, I move that the bill and message be referred to the Committee on Claims and ordered printed.

The motion was agreed to.

DROUGHT IN THE COTTON STATES

Mr. FULMER. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FULMER. Mr. Speaker and gentlemen of the House, I especially want to call the attention of my colleagues on this side of the House representing the Southeast to the disastrous drought that we have had for the past 60 days in a number of the cotton-growing States in that section.

I have had this matter up with a number of Members—for instance, those representing my State, North Carolina, Georgia, and Virginia—and we have had conferences with the Secretary of Agriculture about this serious situation.

For the information of those who did not take part in the conference with Secretary Wallace some days ago, I will state that the Secretary is very sympathetic toward our request for relief and apparently is very anxious to do something to help farmers who are and who will be suffering from this disastrous drought situation.

In the past we have been helpful to many other sections of the country where they have had droughts and floods, and I am hoping that Members representing the cotton States of the Southeast will join with me to the fullest extent with the hope that we may be able to have the Secretary liberalize the rules and regulations governing the administration of the National Soil Conservation Act so as to give added benefits to those who are suffering from this drought.

While speaking with the Secretary about this serious situation he instructed Mr. Cully Cobb, who is at the head of the Cotton Division, and Mr. Hutson, who is at the head of the Tobacco Division of the Agricultural Adjustment Administration, to get in touch with the local committees in the State, as well as the Extension Service, so as to ascertain the real situation, the number of farmers in distress and the actual percentage of destruction of cotton and tobacco crops, so as to enable him to finally decide upon the maximum amount of relief that he would be able to render with the amount of money available at this time.

I was told by Mr. Cobb this morning that it was their intention at this time to permit farmers, including farmers who had not up to this time made application, to make application for the taking out of production the original acreage as well as additional acreage, cotton and tobacco, where they had not been able to secure a regular stand of cotton and tobacco.

I realize that with rains and where farmers are able to get their cotton up, even at this late date, they may be able to make a splendid crop of cotton, especially if they have proper seasons, and do not have a serious infestation of the boll weevil.

A REAL SURVEY REQUESTED

I am urging the Secretary of Agriculture to make a real survey of the situation so as to have the complete information as to the condition and outcome of the cotton and tobacco crops so that we may be able to secure immediate relief and some additional type of relief when we return to Congress, over and above any relief which we may secure at this time, in that, apparently, we will not be able to secure a proper amount of relief at this time because of the lack of sufficient funds to take care of the situation.

SUBSIDY AND GINNERS' CHECKS

Another important matter that I want to call to the attention of the Members representing these States where we have this serious drought is the failure on the part of the Agricultural Adjustment Administration to promptly get out checks known as the cotton subsidy checks due farmers as well as checks due to gotton ginners. If we are able to have these checks mailed promptly to farmers and ginners this will be of untold benefit, especially to these farmers who are suffering from this serious drought. This money could be used for the purpose of buying peas and other farm seed which could be planted at this time for the purpose of producing feed crops, which will be very helpful next fall.

These matters, along with many other important matters, pending in Congress, as well as in the various departments of Government, will not permit me to go down to my district at this time for the purpose of engaging in a campaign for reelection to Congress. It is true that I have opposition, and I am sure that my opponent will be covering the territory in behalf of his election to Congress. However, I feel that it is more important on my part to remain here and look after the interests of my constituents, especially on account of the serious drought that we have in South Carolina at this time, than going down to my district for the purpose of looking after my reelection to Congress.

LETTERS OF CONGRATULATION

I am receiving many letters from my constituents congratulating me on taking the lead in trying to secure drought relief and the fight that I am making in their interest not only in this instance, but at all times.

My people have not forgotten that following the serious storm of 1928 which brought destruction to crops in the Southeast that I introduced a bill and succeeded in securing $6,000,000 for seed loans, the first seed loans secured for this section of the United States with the seed loan office located in Columbia, my district.

IMPORTANT BILLS PASSED IN CONGRESS BY ME

I want to call to the attention of my colleagues and my constituents a few more of the outstanding bills passed by me in Congress which have meant as much or more to the

cotton States than any bills passed by the Congress in the interest of agriculture.

UNITED STATES STANDARDS COTTON GRADING ACT

The United States Cotton Grading Act passed in the Sixty-seventh Congress, my first term, has saved millions annually to the cotton industry, especially cotton farmers. Prior to the passage of this bill, all cotton was sold practically round lots, and no benefits, or practically none, were paid to farmers for extra lengths of staple. All cotton exported prior to the passage of this bill, which amounted to six to eight million bales annually, was graded by a foreign board, every member of which was a foreigner, with the result that millions of dollars' worth of claims were coming back to American exporters on account of undergrading. These claims had to be paid and were paid, in the last analysis, by the cotton farmers. Since the passage of my bill every bale of exported cotton is graded in this country and certified to by the Federal Government, and accepted in every foreign country. In other words, this standard in grading and stapling of cotton has become a world standard, all of which, as stated, has saved millions of dollars for the cotton South.

THE TRIPLE A

The Agricultural Adjustment Act, known as the A. A. A., was passed by me during the Seventy-third Congress.

This bill, for the first time in the history of this great Republic, placed farmers on an equality with tariff-protected interests.

Let us take a look at the real cash benefits, tariff benefits, for my farmers, if you please, in the eight counties representing the Second Congressional District.

Rental and benefit payments and profits on cotton options made in connection with the commodity programs from the beginning of those programs through Feb. 29, 1936, for the Second Congressional District, South Carolina, by counties

County	Cotton[1]	Tobacco	Corn-hog	Peanuts	Total
Aiken	$690,931.15		$7,602.06	$5,156.00	$703,689.21
Bamberg	365,165.57	$708.16	18,956.82		384,830.55
Barnwell	478,180.49		13,385.99	981.67	492,548.15
Calhoun	479,859.63		28,936.01	462.79	509,258.43
Lexington	295,263.95		6,812.81	379.41	302,456.17
Orangeburg	1,260,044.17	1,752.66	75,895.05	1,863.16	1,339,555.04
Richland	209,850.12		14,883.06		224,733.18
Sumter	746,670.47	65,294.74	33,239.46	251.89	845,456.56
District total	4,525,965.55	67,755.56	199,711.26	9,094.92	4,802,527.29
State total	22,893,227.63	3,221,815.65	541,302.43	13,919.89	26,670,353.60

[1] Includes profits on cotton options.

Rental and benefit payments, profits on cotton options, and price-adjustment payments made in South Carolina, and farm value of the South Carolina cotton crops, 1932–35

Rental and benefit payments:

1933 program	$4,751,625
Profits on cotton options	4,875,072
1934 program	6,875,546
1935 program [1]	6,467,848
1935 price-adjustment payments [2]	3,145,000
Total payments	26,115,091

[1] Through Feb. 29, 1936.
[2] Estimated.

	1932	1933	1934	1935
Farm value of lint and seed	$29,760,000	$45,300,000	$53,030,000	$52,167,000
Rental and benefit payments and profits on options		9,626,697	6,875,546	9,612,848
Farm value plus payments	29,760,000	54,926,697	59,905,546	61,779,848

Increase in 1935 farm value plus payments over 1932 farm value, 108 percent.

Division of cotton, Apr. 10, 1936.

My friends, I am proud of the fact that this bill has given to the farmers of my State over twenty-six and one-half million dollars in the way of benefits. I am of the firm belief that the people of my State and my district, as well as farmers in every section of the country, will not forget what this legislation has meant to them.

This bill also authorized the Federal land banks to issue $2,000,000,000 worth of farm-loan bonds for the purpose of making new loans to farmers and for the purpose of purchasing outstanding mortgages or trading bonds for farm mortgages. Under this provision we have taken care of more farmers in the way of direct loans and refinancing their mortgages since the passage of this bill than were made during the whole operation of the Federal land banks since the organization of those banks.

That is something to be proud of, and we are just getting under way in this line of work.

Under section 23 of the bill we provided for extension of past-due loans, taking care of past-due taxes, and so forth, all of which has saved thousands of farmers who otherwise were facing foreclosure of their land mortgages.

Section 28 of this bill authorized the pledging of these bonds to the Federal Reserve bank and currency to be issued thereon. Think of that. We are about to get farmers on an equal basis with member banks of the Federal Reserve System who are able to have the Federal Reserve System issue currency on collateral pledged by member banks.

DRAINAGE AND IRRIGATION DISTRICTS

For a number of years I have been trying to pass legislation proposing to refinance the indebtedness of drainage districts.

Section 36 authorized the R. F. C. to make loans not to exceed $50,000,000 to drainage districts. Many of these loans have been made, buying in the outstanding bonds due by farmers located in these districts anywhere from 10 to 65 percent on the dollar, thereby saving millions for farmers and permitting these farmers to continue to own their farms.

I have one of these drainage districts in my home county, and I tell you that the refinancing of this district has kept these lands from going into the hands of a receiver and into the hands of the bondholders.

You state, "Oh, yes; but this bill—the A. A. A.—has been declared unconstitutional by the United States Supreme Court."

That is true; but there are those of us back on the farm who will never forget the real benefits secured under this bill while it was in operation, all of which will bring about a demand for something to take the place of the A. A. A.

NATIONAL RED CROSS COTTON AND WHEAT

What about my bill, passed in the Seventy-second Congress, which turned over to the National Red Cross 500,000 bales of cotton and 45,000,000 bushels of wheat to be manufactured into garments and milled into flour to be distributed to the destitute and needy people of the United States? I am sure that the textile employees living in what is known as the Horse Creek Valley section of Aiken County, S. C., my district, will not forget this Red Cross flour sent to them during the strike period at that time.

I am sure that many people received some of these benefits who were not entitled to them, but that had nothing to do with the importance of the bill. I appreciate the fact that my people have learned that the people who administer legislation passed by Congress are responsible for the manner in which Federal legislation is administered, and not the Congressman, who has nothing whatsoever to do with administering a bill after it is passed by the Congress.

I also passed a forestry bill in the first session of the Seventy-fourth Congress authorizing the furnishing of $5,000,000 by the Federal Government without interest to buy State forest lands.

This will mean much to States like my State, that have been unable to buy forest lands because of not being able to match dollar for dollar funds furnished by the Federal Government.

The veterans' hospital located near Columbia, at a cost of $1,300,000, under my bill will be an everlasting monument to me after I have passed over the river. This hospital has been and will continue to be an untold blessing to war veterans, and the pay rolls from this institution have been and will continue to be of untold benefit to the city of Columbia and the State of South Carolina.

There are many other important bills to my credit, including private bills, as well as pension bills too numerous to mention here.

My people realize that it takes time in Congress to gain the prestige and influence that will enable a Congressman to pass such bills as I have been referring to, and that is why they have continued my service in Congress. Naturally it takes time to know the departments of Government, make friends both in the House and in the departments of Government, so as to be able to do things.

BILLS NOW PENDING IN CONGRESS

I want to call your attention to some bills that I have pending in Congress on which I have not been able to secure consideration during the present session, as well as others which I expect to fight for in the next session of Congress.

RESEARCH LABORATORY STATION IN THE SOUTHEAST

H. R. 4748, which proposes to establish in the Southeast a large research laboratory station for the purpose of experimenting in the utilization of whole cotton. It is found by a test in a small way that whole cotton, stalks, cotton, burrows, leaves, and squares, when put through a proper process, will produce 52 percent cellulose, out of which we can manufacture millions of dollars' worth of manufactured articles. We imported last year $65,000,000 worth of spruce to be processed into cellulose that we can substitue whole cotton for.

We must find new uses for cotton and the byproducts on the farm. Every well-organized industry has taken advantage of research work, but farmers have not because they are unorganized and have not the money.

NET WEIGHT SELLING OF COTTON

H. R. 8631, known as my net-weight bill. We are baling the same old bale of cotton that our grandfathers packed with a horsepower press. We continue to sell on gross weight and put on 21 pounds of ties and jute bagging at the gin and permit exporters to patch on 9 more pounds of jute, making a total of 30 pounds, shipping this useless and disgraceful tare, bagging, all over the United States and to every foreign country in the world. No other cotton country in the world sells cotton on the old costly method of gross weight.

The passage of this bill will save millions annually in freight, insurance, and waste and enable us to use about 200,000 bales of cotton, mostly low-grade cotton, in manufacturing same into cotton bagging. Let us wrap cotton in cotton.

This bill is endorsed by cotton mills, cotton buyers, cotton farmers, and the committee appointed by the President of the United States to investigate the complaints of the New England textile mills. In fact, by the cotton industry as a whole, including agricultural commissioners, and the only group opposing the bill is the jute interests.

PECAN STATION—ORANGEBURG COUNTY

H. R. 21, proposing to establish a pecan station at or near Orangeburg. Growing pecans can and should be made a profitable crop.

H. R. 22. A reforestation station to be established in South Carolina. We have neglected reforestation too long already. What are we doing that will prove to be expensive to future generations? Cutting down the forests without any attempt to replace same.

TOBACCO EXPERIMENTAL STATION—SUMTER COUNTY

H. R. 76. A tobacco experimental station for Sumter County. We can grow as good tobacco in my district as any district in the State. We can, also, grow as good tobacco in South Carolina as any State. Then, why let North Carolina get away with the cash that our people are entitled to?

1937 SEED LOANS

H. R. 10213. A seed-loan bill for 1937. This type of loan has proven to be a godsend to our farmers, many of whom, had they not been able to get seed loans, would today be on relief rolls and unemployed.

BANKHEAD BILL COTTON TAX

H. J. Res. 535. Proposing to return to farmers all money expended for Bankhead cotton-tag tax. The Bankhead bill was clearly unconstitutional and the Government has no right to withhold this money which belongs to those farmers who spent their hard-earned money as a tax or in buying tags.

LOWER FREIGHT RATES FOR SOUTH

H. R. 7883. Which proposes to make it mandatory in appointing members of the Interstate Commerce Commission to appoint not more than one member from each of the 12 land-bank districts. At the present time there are three members on this Commission from the New England States. All of these years we have not had a member on this Commission from the Southeast until recently a man was appointed from Alabama. We of the Southeast are much farther from the great eastern markets than the New England States, yet we pay per mile considerably more freight than do the shippers of the New England States. I expect to continue my fight to remedy this antiquated, this unfair, discriminatory procedure in rate making on the part of the Interstate Commerce Commission.

WAR CLAIMS THAT SHOULD BE PAID

H. R. 244. Authorizes the Federal Treasury to pay to St. Stephen's Lutheran Church, Lexington, S. C., $1,800, for the burning of this church by Sherman's army.

H. R. 239. Authorizes the Federal Treasury to pay to the Ladies Ursuline Community, of Columbia, S. C., $100,000, for damage and destruction of its property by Sherman's army.

H. R. 242. Authorizes the Federal Treasury to pay to the Washington Street Methodist Church, Columbia, S. C., $25,000, damage and destruction to its property by Sherman's army.

R. F. C. LOANS REFINANCE BUSINESS PROPERTY

H. R. 11. Authorizes the R. F. C. to make loans to refinance business property. Why not? We have provided for others, and merchants at this time, more than ever before, need this assistance and at a lower rate of interest than they are now paying, in that they need what cash they may have to help carry on their business.

MAKE IT A FEDERAL CRIME

H. R. 3036. To make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence. I contend at this time when we have in some sections of the country those who are communistically inclined and with thousands of aliens who are living in the United States who should be deported and who are coming here for the sole purpose of Russianizing this country that by all means this bill should be passed.

FEDERAL COURT FOR SUMTER

H. R. 6516. Proposes to hold Federal court at Sumter by creating a district embracing Sumter, Clarendon, and Lee Counties.

COTTON TWINE

H. R. 77. Proposes to use cotton twine in tying the mails of the United States to take the place of jute twine that is now being used. I contend that it is un-American for Uncle Sam to advocate America for Americans and then proceed to tie the mails of the United States with jute twine, a product of India.

PROTECTING SOUTH CAROLINIANS

H. R. 12576. Forbidding the letting of a star-route contract where the route originates within the State to a citizen from any other State. This has happened in South Carolina this year in sending a man from Arkansas into my State. This is unfair, and I am against any such procedure.

A TARIFF ON JUTE AND JUTE PRODUCTS

H. R. 17. A bill proposing to place a tariff on jute and jute products imported into this country. I have been fighting for this for many years, and it appears from the interest shown during this session of the Congress that the day is not far distant before we shall be able to protect our cotton farmers, cotton mills, and our cotton-mill workers from this arch enemy of the cotton South.

Why the South has gone along all of these years paying millions of dollars to tariff barons in other sections and

sitting idly by and permitting India, the next largest cotton-growing country to the United States, to ship into this country pound for pound enough jute and jute products to take our own markets away from us to the tune of 3,000,000 bales of cotton annually is beyond me.

India is increasing her cotton production and thereby taking a large part of our foreign markets away from us. Last year Japan bought 1,500,000 bales of Indian cotton and is not only increasing her sales in foreign markets, especially for our coarse cotton goods, but is mixing this type cotton with American cotton and exporting large increasing quantities into the United States at the expense of our farmers, cotton mills, and textile employees in the United States. In the meantime, as stated, we are permitting India to flood our own markets with jute and jute products grown by pauper labor. How much longer will our farmers, the cotton mills, and the unemployed cotton-mill workers stand for this?

I am willing to stand on my record and continue my fight on this most important matter. I am hoping that the people back in the cotton States will become posted on this important matter to the extent that they will see to it that their representatives in Congress shall join with me in my fight which is necessary to lick the jute interests and put this fair and constructive proposition over.

ORGANIZING FOR THE PROTECTION OF MY PEOPLE

I am now organizing the South, cotton mills, farm organizations, agricultural commissioners, Association for New Uses for Cotton, cotton merchants' associations, cooperative associations, as well as every other interest, other than the jute interests, with the hope that we will be able to put enough "heat" from these interested organizations in the various cotton States behind those representatives in Congress from the South, so as to be able to place a tariff on this arch enemy of the South, jute.

God forbid that we shall ever again plow under four million bales of perfectly good American cotton at the expense of the Government, farmers, cotton pickers, ginners, and oil mills of this country; rather, let us preserve for cur people our markets, as indicated. It would have been better for everyone concerned to have manufactured this cotton and cottonseed, giving same to the destitute and needy.

Today the F. E. F. A. under Hopkins is buying millions and millions of yards of cotton cloth, furnishing same to the sewing rooms of the country with the taxpayers' hard-earned money. This is being done for two reasons, first, to help those in distress and, second, to help get rid of that much cotton. This is a strange procedure in both instances, in plowing under cotton and buying cotton with the taxpayers' money when we have home markets that could be utilized to the extent of from two to three million bales.

Think what this would mean to cotton mills and textile workers, if we would thus protect our own markets. It would put 150,000 additional cotton-textile employees to work.

FEDERAL AID FOR RURAL POST ROADS

Besides these bills which, as stated, I now have pending, I am going to fight for other special legislation, including a bill that will do what the Congress has been promising under Federal-road-aid bills in the past—that is, to earmark a certain portion of these funds to be actually used on rural post roads, whether in or out of the road system—and I don't mean maybe.

CROP INSURANCE

The time has come, because of frequent storms, floods, and droughts, to pass permanent legislation insuring crops from destruction, as, for instance, the serious, extended drought in the Southeast at this time. Every other line of business is covered with insurance. To preserve any benefits that the State and Federal Government may give to farmers and to maintain and insure the debt-paying and purchasing power of farmers, as stated, this important matter must not be further delayed. Just think what it would mean to cotton farmers in the Southeast at this time, as well as business and the Government that have made millions of loans, seed loans and other loans, to farmers, if crops were covered with insurance.

I expect to advocate this type of legislation in the next session of Congress.

ONE AND ONE-HALF PERCENT INTEREST RATES

I am for legislation like the Frazier-Lemke farm-mortgage refinancing bill, which was voted down during this session of Congress. There is no excuse for farmers having to pay from 3½ to 8 percent on land mortgages when others have the right to have currency issued free, except about 30 cents per thousand dollars, the cost of the paper and the expense of printing. This legislation proposes a rate of 1½-percent interest and the issuing of currency in an amount of $3,000,000,000 if these bonds do not sell. I made a speech some days ago that will take care of the charges of the Liberty League and others that this bill is an inflationary bill.

FARM-TENANT BILL

A bill that we expect to give careful consideration to in the next Congress is a bill that will enable the Federal Government to help make landowners out of that large class of farmers who are now tenant farmers, having lost their lands during the depression beginning in 1921 under a Republican administration. Many of these farmers are worthy and capable, having lost their lands by no fault of theirs. There are lots of young men and women that will make good if they can get a chance under this type of legislation.

MARKETING AND DISTRIBUTION OF FARM PRODUCTS

The most important pieces of legislation that should be passed, which has been neglected all of these years, is to establish a real up-to-date marketing and distributing system for farm products. Until this is done whatever we may do for farmers will not solve the marketing problem and price fixing and price protecting of farm products, both in the interest of farmers and consumers.

I have been made a real collecting agent since I have been elected to the Congress because of the unfair treatment received by shippers of farm products, who send their claims and complaints to me.

There are thousands of useless middlemen, brokers, commission men and pin hookers, who are controlling the market and distributing of the farmers' products today, and they are sapping the very lifeblood out of both the farmer and the consumer.

Every other well-organized group has an up-to-date marketing and distributing system. Look at General Motors. They control, along with Henry Ford, the automobile business, and they fix the distribution and the price right down from the factory to the States, counties, and to the actual buyer of an automobile.

Look at the International Harvester Co. and a number of other manufacturers of farm implements. They are organized, and they completely control the distribution of their products, when and where, and at a fixed price that is absolutely destroying the unorganized farmers who have to pay unreasonable fixed prices for their farm implements. If we do not propose to enforce the antitrust laws of this country, thereby bringing about fair competition and fair prices, then I am for regimentation of these monopolistic groups and the placing of unorganized, independent merchants, farmers, and wage earners on an equal basis by the assistance of the Federal and State Governments.

These independent and unorganized classes have no bargaining power either in buying or selling. No wonder 65 percent of the farmers of South Carolina are tenants, having lost their farms, many of which were handed down from their grandfathers. No wonder independent, unorganized merchants are being forced out of business. No wonder so many strikes by the great laboring class of people are occurring from time to time. These things will continue until proper legislation is passed and until the unorganized groups are protected from the unfair, monopolistic, price-fixing groups, both in buying and selling.

Just think about what is going on and that has been going on along this line. The plowing under of 4,000,000 bales of

cotton, while we have millions of ragged American citizens, with the hope that we may be able to force cotton prices up. Just think for a moment that God Almighty has to bring about a flood, drought, or boll weevil infestation to help farmers secure a better price for the little they have left.

In the next place, when farmers are blessed with a good crop the prices go down below the cost of production, and after his products have passed through the valley of death and destruction these well-organized groups that I have been talking about, including speculators on the cotton exchanges, are able to fix prices and they become the beneficiaries of what we might call blood money.

What the farmer wants to know is when he raises a crop that he can find a buyer for it. His principal interest is obtaining a fair price for his products, plus a stable market, in which demand is closely in line with supply.

The good bills that I have referred to which I have already passed do not satisfy me, and I therefore propose, as usual, to fight and continue to use my influence with my colleagues and with the various departments of Government, which I have gained because of my long service in Congress, in bringing about these much-needed, constructive pieces of legislation.

In closing may I state that I have every reason to believe that my constituents realize that they have an honest, hard-working Congressman in Washington—one whom they can hear from, one who has been bringing the "bacon" home—and they will not forget his untiring efforts in the way of prompt and efficient service and his services along constructive legislative lines on the 25th day of August next.

EXTENSION OF REMARKS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD as they may exceed two pages.

The SPEAKER. If the gentleman's remarks contain anything besides his own remarks that exceed two pages he must get permission.

Mr. BEITER. These are my own remarks, Mr. Speaker.

The SPEAKER. Then the gentleman does not need any further permission.

AIR RESERVE TRAINING CORPS

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I return herewith, without my approval, House bill No. 11969, entitled "An act to promote national defense by organizing the Air Reserve Training Corps."

The purpose of this measure is to create a new organization in the scheme of national defense. It contemplates the enrollment of the youth of the country between the ages of 17 and 24 years in a junior Air Reserve Training Corps, with a view to their being held available for service in the event of a national emergency.

The War Department has reported that there is no immediate military necessity for such an organization, and that its cost would be out of proportion to the results looked for. In view of the many demands to produce the most effective air defense at a minimum cost, any expenditures which are not present military necessities should be postponed. For the present the system of Air Reserves in its concept is satisfactory and needs only further amplification to make it effective. We are spending very large sums for mechanization, motorization, and modernization of equipment of all kinds, including air defense. We are meeting acute shortages in Army housing, in fortification, and officer strength. These vital matters should be provided for first.

While the estimated initial expenditure to make this measure effective is comparatively small, the demands now being made upon the Treasury to produce an effective air defense at a minimum cost are such that any expenditures which are not pressing military necessities must be postponed.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 8, 1936.*

The SPEAKER. The objections of the President will be spread upon the Journal.

Mr. McSWAIN. Mr. Speaker, I move that the message be ordered printed, and that the message, together with the bill to which it refers, be referred to the Committee on Military Affairs.

The motion was agreed to.

UNLAWFUL DETENTION OF FINNISH SAILING VESSELS

The SPEAKER also laid before the House the following message of the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on War Claims:

To the Congress of the United States:

I transmit herewith a report of the Secretary of State in regard to claims presented to the Department of State by the Government of Finland in behalf of the owners of certain Finnish sailing vessels which are alleged to have been unlawfully detained in ports of the United States in 1918.

I recommend that, as proposed by the Secretary of State, the necessary legislation be enacted to permit the owners of the vessels to present their claims to the Court of Claims. A draft of a bill suitable for that purpose accompanies the Secretary's report.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 8, 1936.*

JOSEPH W. BYRNS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter addressed to the Clerk by the Federal Home Loan Bank Board, and a resolution adopted by that Board in respect to the late Speaker BYRNS.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter addressed to the Clerk of the House by the Federal Home Loan Bank Board and a resolution adopted by that Board in respect to the late Speaker BYRNS:

FEDERAL HOME LOAN BANK BOARD,
Washington, June 6, 1936.

Hon. SOUTH TRIMBLE,
Clerk, House of Representatives,
Washington, D. C.

MY DEAR MR. TRIMBLE: I am enclosing herewith copy of a resolution adopted by the Federal Home Loan Bank Board on June 4, 1936.

Very truly yours,

R. L. NAGLE,
Secretary to the Board.

P. S.—A copy of this resolution has been sent to Mrs. Byrns.
R. L. N.

Be it Resolved, That the Federal Home Loan Bank Board hereby expresses its profound regret at the great national loss in the death of Hon. JOSEPH W. BYRNS, Speaker of the House of Representatives, and expresses its sympathy to the members of his family in this sudden and distressing affliction; and be it further *Resolved,* That a copy of this resolution be sent to his family and one delivered to the Clerk of the House of Representatives.

CONGRESSMAN MITCHELL HITS BACK

Mr. MITCHELL of Illinois. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial taken from the Washington Tribune of June 5 last.

The SPEAKER. Is there objection?

There was no objection.

Mr. MITCHELL of Illinois. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following editorial from the Washington Tribune of June 5 last:

With a characteristic story of two Irishmen who read on a tombstone, "Not dead, but sleeping", to which Mike commented, "If I was dead, I would not lie about it", Congressman MITCHELL closed a smashing reply to a speech that had been made by Congressman ROBSION, Republican, for Negro consumption.

As the Congress draws to a close, opportunity is seized to get into the RECORD campaign material, and the G. O. P. has amassed all its oratory to overcome the devastating attack made by Congressman MITCHELL in a former speech in which he held up the old party to scorn for its betrayal of the Negro.

Congressman ROBSION was chosen to cover Mr. MITCHELL'S advance, but he and the Republicans found the first colored

Democrat to occupy a place in the House of Representatives prepared and with reinforcements. This last speech by Mr. MITCHELL not only defended his former position but drove home in telling fashion new body blows to the badly wounded fealty between the Old Guard and its long-suffering colored followers. Mr. MITCHELL demonstrated, in fact, that a new type of Negro has been born since the Republican Party decided to take the colored voter for granted. Mr. MITCHELL showed that we have come at last to understand America and the relation of political adherence to party organization upon the basis of aims, needs, and expectations here and now, not upon a basis of some past event connected with the dead.

"It is not a question of which party wants us; it is a question of which party offers us a better opportunity to rise in this country and live as citizens should live," he said, in making clear why the Negro has shifted his allegiance to the Roosevelt and Garner banner.

Congressman MITCHELL has improved as he has spoken, and Monday, June 1, conducted himself in a manner that challenges comparison with anything that has been said upon the subject of the Negro in politics. From our long experience with legislative procedure and personalities, we unhesitatingly commend him to his constituents in Chicago; not only they but we, all of us, are well represented by Congressman A. W. MITCHELL, of Illinois.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4688. An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes;

H. R. 6772. An act to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes;

H. R. 7690. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y.;

H. R. 8234. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of the city of Elgin, Ill., and the erection of a heroic Pioneer Memorial;

H. R. 8271. An act to amend the act entitled "An act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics, and related subjects, and for other purposes", approved May 22, 1928;

H. R. 8455. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 9183. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 11533. An act to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg;

H. R. 11687. An act to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes;

H. R. 11920. An act to increase the efficiency of the Air Corps;

H. R. 12329. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 12848. An act to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky, and to amend section 83 of the Judicial Code, as amended; and

H. J. Res. 467. Joint resolution authorizing the erection of a memorial to the late Haym Salomon.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1073. An act for the relief of Louis Finger; and

S. 3818. An act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and Public Health Service.

EXTENSION OF REMARKS

IN MEMORIAM

Mr. FENERTY. Mr. Speaker, under general leave to extend my own remarks, I include the following tribute to our late Speaker, Hon. JOSEPH W. BYRNS:

IN MEMORIAM

HON. JOSEPH W. BYRNS, SPEAKER OF THE HOUSE

(By Hon. CLARE GERALD FENERTY, of Pennsylvania)

O Death, thou wert unkind; why didst thou dim
Those smiling eyes that saw but to console,
Like windows pouring light from out his soul
Into our sunless hearts? Why didst thou limn
With icy touch those lips that knew to brim
With love made vocal for our land? Now toll
Ye bells!—immortal now upon our roll
He lives; and eyes are wet with thought of him.

Ah, Death, not thine the laurels; he shall rob
Thee of thy verdict, nor canst thou decree
A stillness to that heart that knew not dross—
That sacrificial heart whose every throb
Was but a bead in Honor's rosary,
Whose mysteries have led him to the cross.

HON. JOSEPH W. BYRNS

Mr. O'CONNOR. Mr. Speaker, last Friday was the saddest day in the history of the House of Representatives. There is no precedent in the 147 years of its existence for such an occurrence as a Speaker dying while the House was in session. The shock of it all is still with us and will remain indelibly imprinted on our minds.

The Speakership of the House of Representatives of the United States of America is the highest office in all the world, next to President of our United States. Only great men have filled that office. No occupant was ever unworthy of the trust imposed upon him. They all realized the responsibility of presiding over the representative branch of the Federal Legislature, the body most nearly responsive to the will of the electorate.

In that long list of illustrious statesmen we now inscribe the name of JOSEPH WELLINGTON BYRNS, a Representative from the State of Tennessee and Speaker of the Seventy-fourth Congress from January 3, 1935, until 12:15 a. m. of June 4, 1936.

To know him was to love him.

In a legislative body the real esteem in which a member is held may be measured, not merely by the respect and affection of his colleagues, but more exactly by the affection in which he is held by the officials and employees from the highest clerks down to the little page boys.

When the astounding news reached this Chamber Thursday morning that our beloved Speaker was dead the grief of no Member exceeded that of the tiniest page. Such love few men bring forth.

To adequately eulogize JOE BYRNS would require the eloquence and the perception which few men possess. A mere narrative of his life and achievements is worthy, however, of record and is an inspiration to the youth of America.

Born on a farm near Cedar Hill in Robertson County, Tenn., he grew up to manhood and lived with all the problems of the farmer, whose champion he was during all his legislative career. After attending the public schools of his county he was graduated in law from Vanderbilt University in the city of Nashville, which thereafter became his home and the place in which he practiced his chosen profession—the law.

JOE BYRNS came to the House of Representatives well trained in legislative procedure. For three terms he was a member of the lower house of the Tennessee Legislature and 37 years ago was the speaker of that body. In 1900 he was elected to the senate of his State and was thereafter elected to the Sixty-first Congress. During 14 Congresses, nearly 28 years, he has represented his State and the country as a Member of the House of Representatives. Only one Member of the present House outranked him in service by one term, and only one other Member equaled his length of service.

No man ever came to the Speakership with greater training. He was successively chairman of the Appropriations Committee, majority leader, and Speaker. No Member had a greater knowledge of the procedure and practices of the House. He had lived it all. It was not theory to him. He took a leading part in the development of modern parliamentary procedure in the House.

Such was our late Speaker.

When strong men weep someone worth while has passed on, not soon to be forgotten.

So we gathered here in the Hall of the House of Representatives in the presence of his remains in joint session with the Senate of the United States, and among the invited guests were the President of the United States, his Cabinet, the Justices of the Supreme Court, the representatives of the Diplomatic Corps, the Army, the Navy, and all the branches of our Goverment, which he loved so much.

Few men have had this signal honor bestowed upon them. Few ever deserved it. If ever any man was entitled to the respect which was shown here, it is our beloved Speaker.

PROGRESS REGISTERED IN CAMPAIGN FOR EQUAL-RIGHTS AMENDMENT

Mr. LUDLOW. Mr. Speaker, occasionally, in the long sweep of years, we are privileged to witness an epochal event in the progress of the human race. Such an event when it occurs may be so overshadowed by other happenings that it will pass almost unnoticed, but gradually the cloak of temporary obscurity will disappear and it will loom up large in the perspective of history.

Such an event, in my opinion, was the action of the Judiciary Subcommittee of the House of Representatives the other day in ordering a favorable report on House Joint Resolution No. 1, the proposed equal-rights amendment to the Constitution of the United States. As the sponsor of the amendment in the lower branch of the Congress I hail the action of the subcommittee with the deepest sentiments of gratitude and with a keen appreciation of the significance of this victory in the first important battle of the campaign to raise women to a legal status comparable with that of men in all of the affairs of life.

There will be other battles—perhaps many of them—before the legal status to which women are entitled, coequal with men, is made permanent and secure in our fundamental law, but this initial victory will give heart and hope and cheer to the militant hosts who are enlisted in the cause of women, and will be a powerful incentive to spurring them on to further achievements. It is not too much to expect that the favorable action of the subcommittee in this Congress will be followed by similar favorable action by the full Committee on the Judiciary early in the next Congress, and that within a few years at the longest Congress will adopt the resolution and send the proposed equal-rights amendment out to the State legislatures for ratification.

In the evolution of the centuries women have progressed by slow and painful process, often with great travail, from the status of slaves and chattels to be the equals of men in the ballot booths, but they cannot acquire the absolute franchise of freedom to which they are entitled and the position they should occupy in society until the equal-rights amendment makes them equal with men in all things before the law.

OPPONENTS ARE CHALLENGED

I challenge anyone who thinks to the contrary to give one legitimate reason why women should not be raised to this position of equality with men. I defy anyone to cite a single objection that will stand the test of reason and conscience. I know that we still have among us Bourbons and Tories who would like to keep women altogether out of politics and public affairs and consign them to the perennial role of cradle rocker and kitchen mechanic, but, thank God, modern public sentiment regards women as something higher in the human equation than slaves and chattels and even the Bourbons and Tories who so long obstructed the nineteenth amendment must see the handwriting on the wall. The best evidence of this is found in the fact that no group of hard-boiled, reactionary politicians anywhere in America today is demanding the repeal of the nineteenth amendment.

History has a habit of repeating itself and I predict that the history of the nineteenth amendment will have its counterpart in the history of the equal-rights amendment. The Tories and the reactionaries will hold out for a long time against the equal-rights amendment but finally they will be obliged to accept it as the natural and inevitable corollary and complement of the equal-suffrage amendment and tranquillity will again reign and America will be better off.

When I say that America will be better off by raising women to their full stature to share coequally with men the obligations and opportunities of responsible members of society, I am not indulging in an idle and thoughtless remark, as history proves. There is no light like the light of experience. The best way to judge how women will discharge their responsibilities in the future is the way they have discharged them under the nineteenth amendment.

The more I see of women in politics and in public activities the more I am pleased to take up their battle. They are making good. They are a great leavening influence in industry and in our public life. As a rule, they stand for the better things, and by the use of the suffrage they have obtained, they improve the quality of the public service and strengthen the Nation's bulwarks. I have great faith that the righteous power of the women when once aroused will be a tremendous force in guiding the Nation to a higher and happier destiny.

The women voters of our country do not believe that our boys should be hurled into the shambles of foreign wars and their influence will be everlastingly for peace. They do not condone any traffic that destroys the souls of men and women. They believe in upholding the moral standards. Given equal rights and full opportunities to exercise those rights their influence will be a constant uplifting force for high ideals of citizenship at home and peaceful relations with all the world. Is not that influence worth encouraging and cultivating?

WITH WOMEN ALL THE WAY

During the historic campaign that led to the adoption of the nineteenth amendment to the Constitution of the United States it was my privilege to side with members of the Woman's Party, all along the way. It was a campaign of many discouragements and grueling hardships, and hope too often deferred; of bitter disappointments that tested the mettle of our fighting comrades of the opposite sex and often made us sick at heart. Yet there was no lagging, no faltering, no showing of the white feather, for we knew that our cause was righteous, and that it is written in the book of fate that righteousness shall ultimately prevail. As a newspaper correspondent in Washington, without a thought that I would ever enter public office or seek political preferment, I gave the best that was in me to the cause; not only because I believed in the justice of the cause, but through sheer admiration for the pluck and perseverance, the sportsmanship, and the eternal grit of those feminine proponents.

I recount my small part in the struggle for equal suffrage not in a vainglorious spirit nor to attract any credit to myself, for I deserve no credit for doing a citizen's duty in a worthy movement, but to explain why I appeared as sponsor of the Lucretia Mott amendment in the Seventy-second and Seventy-third Congresses and now in the present Congress.

The first great stronghold taken in the battle for the emancipation of women was the stronghold of equal suffrage. Now, with hopes buoyed by the victories of the past, and with righteousness still written high on their banners, they are moving on to capture the second stronghold, which will make their emancipation complete, the stronghold of equal rights. Equal rights is the corollary of equal suffrage. Without equal rights, equal suffrage is incomplete. To secure equal rights it is proposed through Federal constitutional amendment to establish at one time and at one stroke rights of women coequal with men in all of the States and possessions of our country. It is proposed to wipe out forever such ridiculous and silly discriminations as today deny to women equal guardianship of their children, a responsibility for which an all-wise Providence has especially endowed them. It is proposed to take down the nonsensical barrier which 27 States have erected against women serving on juries. It is

proposed to say to every State under the American flag: You shall not discriminate in your employment statutes against women who bravely seek to earn bread for themselves and their loved ones.

It is proposed to say to all of the States: You shall give women citizenship rights, property rights, equal to those of men.

It is proposed to sponge out of our State statutes the monstrous falsehood that there should be a dual standard of morals, with legal escape for the male delinquent and legal penalty for the woman who is caught in sin. In short, it is proposed by this amendment to give to women equal rights with men in every field of law. It is only through a Federal constitutional amendment that the widely varying discriminations against women that disgrace the statute books of many States can be wiped out and equality of rights for men and women can be obtained throughout the length and breadth of the Union.

When the proponents of equal rights, remembering me kindly from the associations of the past, asked me to introduce the amendment I was glad to do so. I believe as surely as God is in His heaven that this amendment will sometime be written into the Constitution of the United States, and I will be happy if that achievement comes in my time, and especially happy if I can be an instrument, and a very humble instrument, at that, in the fulfillment of women's magnificent destiny.

NONDISCRIMINATION AMENDMENT

If I were to give the equal-rights amendment a new name, I think I would call it the nondiscrimination amendment. Nondiscrimination, I believe, would be a little more accurate description of the purpose of the proposed constitutional amendment than the term "equal rights."

There is no doubt that the statutes of many States—perhaps all of them—discriminate against women to their great disadvantage. One woman who is interested in the equal-rights amendment has compiled a list of 1,000 instances of rank discrimination against women in State statutes, and she has not had time to give even cursory examination to the statutes of some of the States to see what additional discriminations lurk therein.

I have already referred to the statutes of some of the States forbidding women from serving as guardians of children. How grotesque, unnatural, and perfectly foolish is such a law. Who is better qualified to serve as the guardian of a little child than a good woman with the mother sympathy and the mother heart? These discriminations exist right at our national seat of government. In the District of Columbia when a son or daughter dies without a will the father inherits to the exclusion of the mother, an outrageous rule which caused one of the courts to say:

> We cannot conceive why the mother, who has spent her youth in a labor of love and devotion to her child, should, after burying it from her sight in its narrow house, be turned from her home a beggar, according to law, with neither the consolation nor compensation of sharing in the property of her dead child.

In Massachusetts, Michigan, and New York, the services and earnings of a minor child belong to the father.

DOUBLE STANDARD OF MORALS

The double standard of morals is recognized in some States. In Maryland a man may divorce his wife for misconduct before marriage but a divorce is not available to a woman on that ground. In Minnesota a husband whose wife is led astray may collect damages from the guilty third party. On the other hand, no wife whose husband is led astray may claim compensation from the guilty third party.

In 40 States the services of the wife in the home belong to the husband. As a result of the rule that the services of the wife belong to the husband, he usually has the right to sue for damages for injury to her. Suits of this kind are maintainable in Illinois, Colorado, Delaware, Nebraska, Michigan, Mississippi, Missouri, New York, and Tennessee.

Women are disqualified as jurors in 27 States. What reason is there in justice or common sense why women should not be allowed to serve as jurors?

But even if I chose to do so it would be manifestly impossible for me to enumerate even a tithe of the State statutes that now discriminate against women. They are innumerable. All of us who have a sincere interest in advancing the cause of women must realize the utter nonsense of trying to wipe out these cruel and unjust discriminations by pop-gun acts of State legislatures, when it can be done so much more easily and satisfactorily by a single amendment to the Federal Constitution declaring that women shall have equal rights with men throughout the Republic.

I am one of those who believe that when Thomas Jefferson wrote into the immortal Declaration the precious doctrine that "all men are created equal" he meant both men and women. The equal-rights amendment would put women in the Constitution of the United States, from which they seem to have been singularly omitted if we are to accept judicial interpretations by political courts. This amendment would raise woman to the dignity which the Creator intended for her when He made her not man's slave but his helpmate.

TRIBUTE TO COWORKERS

I cannot bring these remarks to a close without paying my humble tribute to some of the women of thought and purpose who by their devotion and indomitable energy have done so much to bring about this epochal action in the direction of woman's emancipation—the favorable report from the Judiciary Subcommittee on the equal-rights resolution.

Miss Alice Paul, former chairman of the National Woman's Party, has been the directing head in marshaling the forces of women to the support of the resolution, in which activity she has displayed both courage and genius. The wise leadership of such women as Miss Paul and Mrs. Harvey W. Wiley, chairman of the national council of the National Woman's Party, has been of incalculable assistance in furthering this great cause, and I think perhaps a little extra meed of praise is due to Mrs. Betty Gram Swing, who has been the active and visual representative of the Woman's Party around the halls of Congress during the equal-rights campaign. Combining a most attractive personality with keen intelligence and perseverance that knows no bounds, Mrs. Swing has given a fine demonstration of efficiency personified, and when we are passing out compliments we must not fail to place some laurels on her brow for the excellence of the service she has rendered.

THE FRAZIER-LEMKE BILL

Mr. THOM. Mr. Speaker, under leave to extend my remarks I desire to set forth my reasons for voting against passage of the Frazier-Lemke bill, providing for refinancing of farm mortgages. My attitude will be better understood if first we have before us a summary of the contents of this measure.

It calls for the issuance of bonds by the Farm Credit Administration, not in excess of $3,000,000,000, to liquidate and refinance existing farm mortgages, and which bonds shall bear interest at the rate of 1½ percent and shall be secured by mortgages on farms. It is generally conceded that long-term 1½-percent bonds could not be sold at par to the investing public. If the farm-loan bonds are not, therefore, purchased by the public, the bill provides that they are to be delivered to the Federal Reserve Board in exchange for Federal Reserve notes in an amount equal to the par value of the bonds. Loans are to be made with this new money at a rate of 1½ percent interest per annum and 1½ percent principal per annum.

In the original bill, mortgages were to be in an amount equal to the fair value of farms and 75 percent of the value of improvements. Manifestly, this would leave the Government unprotected in case of shrinkage of land values. Furthermore, it would mean an abnormally high percentage of abandonments, foreclosures, and distressed loans for the reason that borrowers would practically have no equity in their farms. This unbusinesslike and financially unwise provision was deleted from the bill at the behest of the Frazier-Lemke supporters themselves, who were forced to see its unwisdom, and the percentage of loan reduced to 80 percent of the fair value of land.

Chief of my objections to the bill is that it would offer its low-interest rate to less than 40 percent of the farmers whose farms are mortgaged at the present time, and therefore the measure is highly discriminatory. To be specific, 34 percent of all farms in the United States are mortgaged, and the total indebtedness on January 1, 1935, was estimated at $7,770,000,000. Inasmuch as only $3,000,000,000 in funds would be available for loans under the Frazier-Lemke bill, it is apparent that mortgagors to the extent of $4,770,000,000 in indebtedness could not be accommodated. We would then have a class of farmers favored by the Government with a 1½-percent interest rate and a still larger class struggling along with an interest rate of 4 to 8 percent.

Obviously the farmer with a high-interest rate would find himself handicapped in the matter of production costs. Farmer A, who borrowed money heretofore under contract with his bank at 5 or 6 percent, would operate at a disadvantage in selling his milk or any other product as against farmer B across the road from him, who had the benefit of a Frazier-Lemke loan at 1½ percent and, therefore, could produce his milk or other products just that much cheaper. But that is not all. The low-interest-rate farmer, in all probability, would stand a better chance to sell his farm, or certainly he could command a better price for it, by reason of the advantage of his low-interest rate. In the light of this kind of favoritism as between citizens who have a right to expect equal treatment from their Government, is it any wonder that the House of Representatives defeated the bill by a vote of 235 to 142?

But this is still not all the ruin that would be visited on at least some of the farmers. If a sufficient number of present mortgagors of the Federal land banks was favored with Frazier-Lemke loans, the land banks would receive cash for the mortgages so refinanced, and unless this money could be invested in other sound securities to yield enough to pay interest of 3 to 4½ percent on farm-loan bonds outstanding and not callable for from 8 to 10 years, the Federal land bank system would suffer collapse. With it would go the $113,000,000 capital-stock investment of some 600,000 farmer borrowers, to say nothing of $217,000,000 which the Government has invested. Every present borrower of the Federal land bank would, therefore, be adversely affected for the reason that he is not only a borrower but also a holder of stock.

Add to this unequal treatment of the farming class the discrimination that would result to the home owners of the cities—now 1,000,000 in number—who are paying the Home Owners' Loan Corporation, another Government institution, an interest rate of 5 percent. In the counties of Stark, Wayne, Tuscarawas, and Holmes, comprising my congressional district, there are 4,475 of these borrowers. By what manner of reasoning could we deny to them an interest rate of 1½ percent? Are they not equal citizens with the 15 percent of farmers of the country who would receive Frazier-Lemke loans? And if the Home Owners' Loan Corporation borrowers, to the extent of $3,000,000,000, should have the same low interest rate of the Frazier-Lemke bill, why not the balance of the borrowers on homes from other non-Government institutions, amounting to an additional $14,000,000,000 in loans?

The answer to these questions brings us squarely up against the dangers of currency inflation. If we are to legislate justly, an interest rate of 1½ percent, if it is feasible, should be extended to all farm mortgages, amounting to $7,000,000,000, and to all home mortgages, amounting to $17,000,000,000. This would mean additional currency in the sum of $24,000,000,000—nearly five times the amount of Federal Reserve notes in circulation. What would be the result of this outflow of currency on our national credit?

I recognize the currency question is a baffling one. However, I am sure we can all agree that unlimited issue of currency is disastrous. If it were not, all expenses could be borne by the simple and inexpensive process of printing money. All taxes could be abolished. Inflationists say Congress ought to be able to control the amount of currency so as to avoid catastrophe.

This is a hazardous undertaking. Always there is some demand for huge expenditures for worthy or unworthy purposes. The only brake on their authorization is lack of money in the Treasury or unwillingness of Congress to levy necessary taxes. Both of these obstacles, however, can be overcome by the issuance of currency. We have seen first within the recent past the demand that the soldiers' bonus be paid in new money. This would have saved taxes. Then we see the demand for new money to finance the Frazier-Lemke bill. This, too, would have saved taxes. The end of this kind of financing was described by President Roosevelt in his veto message of May 22, 1935, to the Congress on the Patman bonus bill, providing payment of soldiers' bonus in Treasury notes, in which he wrote:

> To meet a claim of one group by this deceptively easy method of payment will raise similar demands for the payment of claims of other groups. It is easy to see the ultimate result of meeting recurring demands by the issuance of Treasury notes. It invites an ultimate reckoning in uncontrollable prices and in the destruction of the value of savings, that will strike most cruelly those like the veterans who seem to be temporarily benefited. * * * A government, like an individual, must ultimately meet legitimate obligations out of the production of wealth by the labor of human beings applied to the resources of nature. Every country that has attempted the form of meeting its obligations which is here provided has suffered disastrous consequences.

In conclusion, it is strange that the authors of this bill have never been willing to admit the vast benefits to the farmers of the present Farm Credit Administration, which since May 1, 1933, has made nearly 750,000 farm-mortgage loans for approximately $2,000,000,000. Estimated scale-downs on the face of mortgages totaled $200,000,000—a clear saving to many farmers. Annual interest reductions, as a result of such financing by the Government, amount to $38,000,000 on the basis of the contract rate. Through this aid offered by President Roosevelt and the Congress farm foreclosures have been reduced from 38.8 foreclosures per 1,000 farms in 1932 to 19 foreclosures per 1,000 farms in 1935.

THE ST. LAWRENCE SEAWAY IS NOT A LOCAL BUT RATHER A NATIONAL QUESTION OF THE UTMOST IMPORTANCE TO THE PROSPERITY OF EVERY SECTION OF THE UNITED STATES

Mr. GEHRMANN. Mr. Speaker, the St. Lawrence seaway treaty failed of ratification not because of any lack of merit, but because in the campaign for the improvement too much stress has heretofore been laid on the purely local benefits of the seaway and not enough attention has been given to acquainting the people of those sections not immediately tributary to the Great Lakes with the benefits which will accrue to such sections. Advocates of the seaway have been fond of saying that the seaway will benefit 26 States and 44,000,000 people, when we should have been saying, as the fact is, that it will benefit 48 States and 125,000,000 of people.

If we are to succeed in this campaign, the subject must be approached from a national point of view—a view which includes the other 22 States and the other 70,000,000 of people. It is not only a question of our right to this improvement but a question of getting the support of enough Senators to ratify the treaty. The logic of the situation demands that before we can expect a Senator to vote for ratification he must be shown that the seaway will benefit the people of his particular State, and that possibly, he cannot safely oppose a project which would benefit his constituents who are producers and shippers and who are constantly looking for better markets and more prosperity.

To California we can truthfully say that the principal market for the product of its people—their oranges, grapes, and figs, is now, always has been and always will be in the mid-continent of America; to our friends from Georgia we can say that the market for peaches, peanuts, and pecans would soon be more than doubled if the treaty is ratified; to the people of Connecticut we can say that their market for dollar watches and wooden nutmegs would increase by leaps and bounds; to the people of Louisiana, that they would sell more rice, and that the port of New Orleans would do more business than ever before if the empire to the north of it were fully developed.

These Senators are reasonable, conscientious men, willing and anxious to do anything that would further the material interests of the people of their several States. They would be glad to vote for the treaty if they can be convinced that it would be for the best interests of the great mass of their people as against special interests or localities who care nothing for the general welfare.

President Roosevelt, in submitting the treaty to the Senate for ratification, had the situation clearly in mind when he said:

> It is, I believe, a historic fact that every great improvement directed to better commercial communications, whether in the case of building railroads into new territory or the deepening of great rivers, or the building of canals, have all been subject to opposition on the part of local interests which conjure up imaginary fears and fail to realize that improved transportation results in increased commerce benefiting directly or indirectly all sections.
>
> I am convinced that the building of the St. Lawrence seaway will not injure the railroads or throw their employees out of work; that it will not in any way interfere with the proper use of the Mississippi River or the Missouri River for navigation.
>
> On the affirmative side, I subscribe to the definite belief that the completion of the seaway will greatly serve the economic and transportation needs of a vast area of the United States and should, therefore, be considered solely from the national point of view.

I have not stressed the fact that the starting of this great work will put thousands of unemployed to work. I have preferred to stress the great future advantage to our country and especially the fact that all of us should view this treaty in the light of the benefits which it confers on the people of the United States as a whole.

George Washington, 140 years ago, in recounting a journey to the Midwest, wrote:

> Prompted by these actual observations, I could not help taking a more contemplative and extensive view of the vast inland navigation of these United States; and could not but be struck with the immense diffusion and importance of it, and with the goodness of that Providence, which has dealt her favors to us with so profuse a hand. Would to God we may have wisdom enough to improve them.

No section of this continent is sufficient unto itself. The wealth produced in the great Mississippi Valley continually enriches the manufacturing cities of the East and affords an outlet for the products of the West and South. This area tributary to the Great Lakes and the Mississippi River is capable of supporting a population and industry and production of wealth of four or five times the present totals.

Wisconsin does not want the waterway merely because it will give her a few seaports, but so it will give the country round about us cheaper transportation, so we can save more money to buy more cotton so the cotton farmers can get more money to buy more Wisconsin cheese, so we can get more money to buy more grapefruit so that the people of the South can buy more canned peas, so we can get more money to buy more Florida oranges, North Carolina cigarettes, Virginia apples, more subscriptions to the Saturday Evening Post—so everybody can get money to spend their summers in the North so we can get enough money to spend our winters in the South.

As has been true in the past, so it will always be true that the benefits of the production of wealth in the Mississippi Valley will spread in every direction and enrich every nook and corner of the Nation. As a pebble thrown in a pool will drive its circling waves to the edge of the water, so the prosperity of the midcontinent will be wafted to the Atlantic on the east, to the Pacific on the west, to the Arctic on the north, and the Rio Grande on the south.

The general benefits of this project are too great to admit of any meritorious sectional opposition. In the distribution of the enormous increase of wealth which this waterway will bring, all parts of the country will share. In the territory served by the inland ports of this waterway will be built an empire with the greatest purchasing power the world has ever known. The coastal cities of the Atlantic seaboard will find markets heretofore undreamed of within the borders of their own land. The cotton, fruits, oils, and minerals of the South and West, the manufactured products of the East, will find enlarged and constantly increasing markets.

It may be said that this waterway will benefit this particular city or be a detriment to a certain other city. It is a matter of little moment that a few inland ports may be increased in population. Any growth such cities may have will be only incidental to the development of the country served by them. The benefit to any given city or State will be but a trifling thing compared with the increase in wealth of the country as a whole.

Owen D. Young, in an address on the economic situation, said:

> No permanency of any trend can be guaranteed unless we have sound and fair balance between all the units of our economic body.

There is no better way to give sound and fair balance in the matter of transportation than to give to the interior what the South, West, and East already have. We have the markets of the world at our door. With the blasting away of a little barrier in the St. Lawrence River, the United States of America would have the markets of the world opening the door and coming all the way in. All existing harbors and transportation agencies will have not less but more business than ever before, because there will be vastly more business to be done.

Now let Detroit, Milwaukee, Duluth, Superior, and all the other cities and States and Senators who want this waterway for what it will do for their people or their constituents get their heads out of the sand and look for and find the benefit to the people of the States whose Senators have not before been in favor of ratification. Let us stop talking about a marooned area and our local selfish interests that only tend to stir up opposition and jealousy. Let there seemingly be no limit to the beneficent influence of this seaway, and, in the language of President Roosevelt, consider the question "solely from the national point of view."

With this attitude, with this spirit, with this purpose constantly in mind, our efforts to secure this great improvement will be crowned with success, and with the coming of the waterway will come the beginning of the impregnable commercial supremacy of the North American Continent.

HON. JOSEPH W. BYRNS

Mr. DIMOND. Mr. Speaker, among those who were fortunate enough in their lives to come in contact with the late Speaker BYRNS, I am one. I have read and heard with deep interest and with profound emotion the eloquent tributes that have been paid to Mr. BYRNS, and while I understand that in speaking of a loved companion who has gone, how easy it is to resort to fulsome and exaggerated praise, I know in my own heart that all which has been said about our departed friend is true. He did not pretend to any outstanding virtue above and beyond that possessed by most of his fellow men, but we all know that he had that virtue. We all realized it in his life and we realize it more keenly and more deeply than ever now that he is gone.

Mr. BYRNS was a great gentleman. His passing is a loss indeed to the political party to which all his life he gave allegiance; and every party, every cause, needs men of his outstanding capacity and loyalty and courage. His death is a greater loss to the Nation which he served so faithfully and so well. And in a minor, a humble way, may I now speak for my constituents in far-off Alaska and for myself and say that the death of JOE BYRNS is just as much of a grief and just as much of a loss to us as it is to the remainder of the people of the country. He visited us in Alaska years ago and we were all then charmed by the same high qualities of courtesy, of benignant bearing, of unselfishness, and of evident fineness of character which endeared him to the thousands and thousands of other people with whom he came in contact. Such men are indeed rare. They are all too rare for the welfare of society and for the safety of mankind.

The other day, at the impressive funeral services held in the Hall of the House of Representatives, our present distinguished Speaker, in a strikingly eloquent tribute to the departed, said one thing that came to me with the force of a blaze of light. He said, "There was no vanity in him." While I suppose I had never realized it before, that statement at that moment made all things clear wherein Mr. BYRNS differed from the ordinary and common run of mankind. How many are there in all the world who are not vain in one form or fashion or another? Some people are so vain that they are ludicrous; but many estimable people, many wise people, many high-minded people are tarnished to some extent by vanity. If Mr. BYRNS possessed vanity nobody has ever discovered it. And so our present distinguished Speaker, whose insight into character is so keen, looked just as deeply into the character of his beloved friend and was thus able truthfully and justly to say, "This man knew no vanity."

After all, is it not true that if we could put vanity out of our minds and hearts we would be thereby measurably enriched and ennobled? For without vanity we would not be under the cloud of that darkening selfishness which spoils so many otherwise fine characters. Without vanity we would be slow to anger, as Mr. BYRNS was; without vanity we would always be considerate of the rights and even of the weaknesses of others, as Mr. BYRNS was; without vanity we would have courage, as he had to go the even tenor of his way, following his conscience to the ultimate goal of justice and right, never doubtful, never wavering.

Mr. Speaker, I came to Washington in 1933, and all here was strange to me. But from the very day of my arrival almost I found in our late great friend a man who was solicitous for my welfare as a Member of Congress, and as a private citizen. Mr. BYRNS, from the very beginning and until the day of his death, extended to me the same careful, considerate, thoughtful courtesy that he extended to those in this body who are really important and who are really great. On many occasions he went out of his way in order to help me, in order to help the people whom I have the honor to represent. He was never too busy with problems involving the millions of other people in our land to stop for a moment and consider the welfare and to give careful thought to the people of Alaska, few as they are in number and remote as they are from the seat of the National Government.

Such men as Mr. BYRNS are indeed rare. In all of my life I have met very, very few of them. How many can we recall who possessed in equal degree the outstanding characteristics of unselfishness, courtesy, kindliness, devotion to the public welfare, and entire lack of vanity, and at the same time had such a keen mind, such a retentive memory, such sound judgment, such a cultured and comprehensive and civilized outlook upon all of the affairs of the Nation, and all of the things of life?

It was said of a great American statesman in times gone by, in words or substance, that nothing base, low, or meanly selfish came near his head or his heart; and those of us who were privileged to know Mr. BYRNS know that of him also could be justly said that nothing base, or low, or meanly selfish came near his head or heart.

Mr. BYRNS was kind. As we grow old most of us more and more realize that kindness and considerate attention to the welfare of others is the best and firmest foundation for a calm mind and for a happy and well-ordered life. Those of us who have passed the midpoint of physical existence and endeavor and are descending toward the shadows, as I am and as a majority of the Members of this body are, understand more and more keenly the horror of cruelty, or even of harshness, and the essential value, and indeed the supreme achievement which virtue attains in kind action. No decent man has ever reached the meridian of life who does not regret the harsh things he has said or done, even though at the time apparently justified, or who does not remember with satisfaction his words and acts that were gracious and kindly.

In the more than 3 years that I knew Mr. BYRNS, and, during sessions of Congress, was in almost daily contact with him, I never knew him to do a thing that by any stretch of the imagination could be called cruel or harsh or thoughtless. Possessed of a lightning-quick mind and keen wit, he was always careful never to use his great talent in a manner that would hurt or bring discomfort to another human being, no matter what the provocation. So when I say, as I must say, and as all of his friends will say, that Mr. BYRNS was a model of kindliness, was an exemplar of thoughtful and generous life and conduct, I am paying him the ultimate tribute and the tribute which is justly due his memory.

May we not trust, Mr. Speaker, that the grief of his beloved wife and splendid son will be to some extent assuaged and softened by the modest pride which they may justly take in the remembrance of a husband and a father who was at once famous and in all things upright, at once powerful and yet beloved by his fellow men.

HONORING THE NEGRO RACE—TRIBUTE TO MATTHEW A. HENSEN, ASSISTANT TO ADMIRAL PEARY

Mr. LARRABEE. Mr. Speaker, I wish to take this opportunity to speak of the large contribution that a certain group of American citizens have made toward the growth and progress of this country, and shall say a word about certain attitudes that have been assumed by the dominant race of these United States.

These remarks are actuated somewhat because of the interest and thrilling interview which I, as a member of the Committee on Coinage, Weights, and Measures, experienced a few days ago, when Matthew Hensen, a Negro polar explorer, who accompanied Admiral Peary on his memorable voyage, resulting in the discovery of the North Pole, appeared before our committee. The occasion for his appearance before our committee was in the interest of a bill introduced by Congressman ARTHUR W. MITCHELL, of the First District of Illinois, H. R. 12388, which bill purports to honor this hero for his expedition and accomplishments and valor in connection with the discovery of the North Pole.

In speaking of this Negro hero, Admiral Peary had this to say:

> Matthew A. Hensen, my Negro assistant, has been with me in one capacity or another since my second trip to Nicaragua in 1887. I have taken him on each and all of my expeditions, except the first, and also without exception on each of my farthest sledge trips. This position I have given him primarily because of his adaptability and fitness for the work, and, secondly, on account of his loyalty. He is a better dog driver and can handle a sledge better than any man living, except some of the best Eskimo hunters themselves.

This Nation, which was most grateful to Admiral Peary for this discovery, waited 25 years to show recognition and honor to Matthew Hensen. It has occurred to me that we have waited simply because Hensen was a colored man. I am wondering if our lethargy in honoring Hensen is not characteristic of our general attitude toward that race which Hensen represents. Is it not a fact that the Negro race, whose loyalty to this country has never been questioned, often suffers the same neglect that Hensen has suffered, and is it not a fact that our neglect to recognize and honor members of this race is more or less the result of racial prejudice?

I have risen in the House today to make an appeal to the Members of this House and to urge us to be more considerate of the rights and privileges and lives of this wonderful group of people, who gave us a Fred Douglass, a Booker Washington, a Paul Laurence Dunbar, an Arthur W. Mitchell, and scores of other historical characters, whose loyalty to this country can in nowise be questioned, and whose contribution to the growth of this country must be recognized.

I should like to remind you, gentlemen, that for about a quarter of a century these people have been asking this Congress to pass an antilynching bill, which can serve but one purpose—to make them more secure in their lives against the exploitation and bloody attacks of mobs. Why do we

not act to protect them? There rests on the Speaker's desk at this time petition no. 32, which seeks to lift one of the 30 antilynching bills now in the hands of the Judiciary Committee of this House from the consideration of that committee. I call upon those of this House, on both sides of the aisle, who believe in a square deal for all the citizens of this country, to come forward and join the nearly 200 of us who have already signed this petition. Congressman MITCHELL has worked day and night among us to make favorable sentiment for the passage of this legislation. You have observed his conduct before this House; you know what valuable assistance he has given us and what statesmanship he has displayed, not alone in the interest of his own group but in the interest of American citizenship. Do we not owe it to him and do we not owe it to the more than 12,000,000 Negroes in this country, and to ourselves as believers in the enforcement of law, to not only lift this bill from the consideration of the Judiciary Committee, which up to this point has refused to act upon this legislation, to bring this bill before this House and to pass the same? Good citizens would hail the passage of this bill as one of the achievements of the age.

Again I ask you to let us not be narrow or prejudiced in our views, but let us come forward and do our duty by this group of citizens and thus acquit ourselves of the charge that we are prejudiced and can see human rights only if they appear in white skins.

COMMUNISTS AND THE NEW DEAL

Mr. REED of New York. Mr. Speaker, who is Prof. Bristow Adams, and what has he done to incur the displeasure of the New Deal?

I wish to say that in the first place Professor Adams is a patriotic American citizen who has rendered conspicuous and commendable public service both in times of peace and in times of war. Called upon by the New Deal administration to act as State director of the W. P. A. writers' project in the State of New York, he entered upon the discharge of his duties with his usual energy, ability, and enthusiasm. Professor Adams did not seek or solicit this position, but yielded to the call to perform a public service.

Now this distinguished citizen has been removed as State director of the W. P. A. writers' project. What is the reason for his removal? I want every true American who believes in fair play to know the facts, and from these facts to draw his own conclusion as to the objective of those who sought to have and succeeded in having Prof. Bristow Adams removed from office.

While Professor Adams is well known to journalists, educators, and agriculturists, there may be many groups who are not familiar with his record both as a private citizen and as a public servant; therefore I shall mention only briefly something of his background for the benefit of those who have not followed closely his fine career.

Professor Adams has been connected with the New York State College of Agriculture at Cornell University since 1914. He is professor of journalism and director of publications for the State College of Agriculture and Home Economics. He was connected with the United States Department of Agriculture from 1917 to 1918. He was connected with the Military Intelligence Division of the General Staff of the United States Army in 1918.

The excellent work performed by Professor Adams in promoting the interests of the dairymen of the country is well known to the leaders of this important farm activity.

Again, why have the New Deal officials insisted upon the summary removal of Professor Adams as State director of the W. P. A. writers' project? The records reveal the facts. Soon after his appointment Professor Adams discovered that the W. P. A. organization was being utilized for the promotion of communistic activities. Without haste and with his usual thoroughness, Professor Adams made a painstaking record of the acts and statements of those W. P. A. officials who were furthering communism by means of this governmental agency. Once he had assembled irrefutable evidence to fully establish a case against the Communist officials of the W. P. A., Professor Adams submitted this evidence to Harry Hopkins, national W. P. A. Administrator. Instead of receiving commendation for his patriotic service to his country by the disclosure of the activities of the communistic plotters, Professor Adams was promptly dismissed.

The punitive action taken by the New Deal against Professor Adams was as prompt, indefensible, and tyrannical as that taken against General Hagood.

Were it not too late in this session of Congress to get action, I would demand an investigation of this arbitrary and unjust removal of Professor Adams, who honestly and fearlessly discharged his patriotic duty. The press of the country may, if it will, follow up this case, to the end that this injustice shall not stand as a further encouragement to communistic agitators.

OVERLAPPING AGENCIES

Mr. BACON. Mr. Speaker, I wish to direct attention to a matter of such importance that I think the RECORD ought to show the facts.

Mr. Speaker, the fact remains indisputable that we in this country have too much government. We are so much governed that never before in history, and I hope never again, have the people been subjected to so many prohibitions, inhibitions, "shall not's", and "shall do's." We not only have too much government but we have too many governmental agencies occupied with matters directly affecting the lives of the people of this country.

Mr. Roosevelt himself has admitted as much. In his speech accepting the Democratic nomination for the Presidency (Chicago, Ill., July 2, 1932), Mr. Roosevelt said:

> We must abolish useless offices * * *. We must merge, we must consolidate subdivisions of Government and, * * * give up luxuries we can no longer afford.

At Pittsburgh, Pa., on October 19, 1932, he made the following statement:

> I shall approach the problem of carrying out the plain precept of our party, which is to reduce the cost of the current Federal Government operation by 25 percent. Of course, that means a complete realinement of the unprecedented bureaucracy that has assembled in Washington in the past 4 years.

On September 29, 1932, at Sioux City, Iowa, he said:

> We are not getting an adequate return for the money we are spending in Washington, or to put it another way round, we are spending altogether too much money for Government services which are neither practical nor necessary. In addition to this we are attempting too many functions, and we need a simplification of what the Federal Government is giving to the people.

Despite these statements about the need for simplification of Government agencies, more than 50 additional Government departments, establishments, boards, commissions, bureaus, services, divisions, or committees have been created since March 4, 1933. By the act of March 3, 1933 (47 Stat. 1517, as amended by act of Mar. 20, 1933, ch. 3, title III, sec. 1; 48 Stat. 16), the President was given extensive powers to reorganize the Federal Government through the abolition, consolidation, and rearrangement of administrative units. Relatively little use of this power was made by the President and not until a year after the power had elapsed (Mar. 20, 1935) did he really become interested in the ending of duplicating agencies. Despite the fact that for 2 years President Roosevelt had wide powers to effectuate an extensive administrative reorganization, there is now more duplication of activity in the Government than there was in 1932.

Before March 4, 1933, there were 10 different Federal agencies to deal with the problems of power production (electricity, coal, and oil), but at present there are 23 agencies dealing with these problems.

Housing problems were being considered by 4 agencies before the New Deal, but now 15 different agencies are dealing with it.

Before Mr. Roosevelt took office there were only 2 agencies of the Government dealing with the settlement of labor disputes, but now there are 12 agencies.

Four years ago 3 Government agencies were making loans to farmers, and now there are 13 agencies making such loans.

The following table lists some of the more obvious instances where a number of different agencies are dealing with the same activity. The number of agencies concerned in 1932 and in 1935–36 is indicated in each instance.

Activity	Number of agencies concerned	
	1932	1935-36
Power	10	23
Housing	4	15
Labor disputes	2	12
Agricultural loans	4	13
Emergency construction of public works	6	15
Public lands	7	15
Soil conservation	8	15
Foreign trade	6	12
Protection of consumers' interests	6	9
Highways (a major concern)	7	13
Financial statistics of State and local government	6	13
Education	5	11
Railroads	2	5
Parks	5	10
Relief	2	10

Even when it comes to studying overlapping and duplicating Government agencies the present administration has indulged in the establishment of three different duplicating instrumentalities. At the current session of Congress Senator BYRD introduced a resolution in the Senate providing for a special Senate committee to report on the elimination of duplicating agencies and the economies that would result therefrom. This resolution was passed on February 24, 1936, and the committee has been appointed. On March 22, 1936, President Roosevelt set up another investigating committee to report to him on the same problem. Also on the same day the President sent a letter to the Speaker of the House of Representatives requesting the House to appoint a committee to cooperate with the Senate committee and with the President's Committee on Overlapping Agencies, and that committee has been appointed. Now there are three official independent overlapping committees studying the problem of overlapping Government agencies.

JOSEPH W. BYRNS

Mr. BEITER. Mr. Speaker, with the passing of Speaker JOSEPH W. BYRNS the House has suffered a great loss and those of us who came to know him well through daily contacts in the conduct of legislation find it difficult to reconcile his death.

It is a source of pride and gratification to have known "Joe" and to have been associated with him in service.

Regardless of the many duties vested in him by virtue of the important office he held, Speaker BYRNS never neglected an opportunity to offer a helping hand to those who sought his counsel. He was honest and sincere in his beliefs and steadfast in his determination to rule with justice and equality.

Loyalty and true friendship were attributes which exemplified his character, and his accomplishments as a leader are true manifestations of the confidence and trust placed in him by his colleagues.

His rise from humble beginnings, though accompanied by heavy burdens, was steady and enduring. His unaffected simplicity and friendliness of nature endeared him to all his acquaintances.

The memory of "JOE" BYRNS will long be revered, for he was a great human and no one ever more thoroughly deserved the unanimous affection and trust of his associates.

THE MINNEAPOLIS & ST. LOUIS DISMEMBERMENT

Mr. HILDEBRANDT. Mr. Speaker, seldom in my public career have I known of a governmental proposal that has occasioned more criticism in a definite section than that to dismember the Minneapolis & St. Louis Railroad and parcel it out to eight other railroads, causing the abandonment of over 500 miles of road.

Efficiency and economy are the usual excuses for execution of such a policy. They are being advanced in this case, although they have already been fully refuted. Adequate aid to the Minneapolis & St. Louis Railroad, rather than a subsidy to help the eight other roads, would be cheaper in the long run, as well as fairer to the communities involved.

I am considering, however, the human aspect of the subject more than the financial side. The railroad workers who will lose their jobs; the owners of small shops in the little towns that will be wiped off the map if they are deprived of rail service; the farmers who will have to haul their products to other stations at a greater distance, costing them time and money they can ill afford; and the many others who will be hard hit through the suggested dismemberment, have a right to be considered even more than dollars and cents—and the dollars and cents argument is not a sound one in this case, either.

Grave injustice and real injury will be done thousands of people if this mistaken proposal is carried out. I have been emphatically against it from the time it was planned, and I shall continue to be. I hope that our united protests will be effective.

AGRICULTURAL IMPROVEMENT IN IOWA, 1932–35

Mr. WEARIN. Mr. Speaker, cash receipts from the sale of principal farm products and from rental and benefit payments increased from $275,388,000 in 1932 to $466,849,000 in 1935, an increase of 69.5 percent, in Iowa. Cash receipts constitute 98 percent of the State's total farm cash income.

The price changes on certain commodities, which brought about a considerable share of the increased income indicated above, are strikingly illustrated in the table below:

TABLE 1.—*Average prices received by Iowa farmers on dates specified for commodities enumerated*

Commodity	Aug. 15, 1932	Mar. 15, 1933	Dec. 15, 1935
Wheat (per bushel)	$0.37	$0.36	$0.93
Corn (per bushel)	.25	.13	.46
Oats (per bushel)	.12	.10	.22
Barley (per bushel)	.22	.16	.35
Rye (per bushel)	.25	.23	.39
Buckwheat (per bushel)	.45	.43	.55
Flaxseed (per bushel)	.79	.86	1.55
Potatoes (per bushel)	.48	.48	.70
Hay (all loose, per ton)	7.00	4.60	6.20
Apples (per bushel)	.65	1.05	.90
Hogs (per hundredweight)	3.90	3.20	8.80
Beef cattle (per hundredweight)	5.90	4.10	7.70
Veal calves (per hundredweight)	5.00	4.40	7.80
Milk cows (per head)	35.00	30.00	54.00
Chickens (per pound)	.108	.074	.157
Butter (per pound)	.20	.17	.33
Eggs (per dozen)	.13	.085	.263
Wool (per pound unwashed)	.08	.09	.26

For the country as a whole, the yearly average price of all groups of farm products increased from 65 to 108 percent of the pre-war level during the period, 1932-35, an increase of 66 percent. The low point occurred in March 1933, when it was only 55 percent of the pre-war level. These figures do not include rental and benefit payments. The gain in unit exchange value of farm products was somewhat less than the gain in farm prices, since prices farmers pay for commodities used in living and production also advanced about 17 percent during the period. The exchange value per unit of farm products increased from 61 percent of the pre-war level in 1932 to 86 percent in 1935, a gain of about 41 percent.

A new appreciation of farm real estate in Iowa has been one result of increased farm income. Voluntary sales and trades of farms here increased from 11.8 per thousand for the year ending March 15, 1933, to 16 per thousand for the year ending March 15, 1935. During the same period the number of forced farm sales per thousand declined from 85.7 to 40.1. For the first time since 1920, the decline in farm real-estate values halted in the year ending March 1, 1933, when the estimated value of farm real estate per acre stood at 58, the State average from 1912–14 being 100. From this low point of 58 in 1933, it rose to 67 for the year ending March 1, 1935. Further improvement in these respects is indicated for the current year.

SOIL CONSERVATION PRACTICES UNDER THE A. A. A.

Adjustment measures enabled farmers in Iowa in 1935 to take more than 2,000,000 acres of land out of the production of corn and wheat, which deplete the soil or expose it to erosion, and to put some of it into the production of erosion-preventing and soil-improving crops, such as alfalfa, bluegrass, soybeans, clover, and lespedeza. Contracts under the Agricultural Adjustment Act specifically mentioned "erosion-preventing and soil-improving crops" as among those which might be planted on the contracted acreage.

A marked trend toward increased pasturage of all kinds is apparent in Iowa. According to the Bureau of the Census, the acreage devoted to pasturage increased from 9,508,644 acres in 1929 to 11,067,553 in 1934, more than one and one-half million acres increase.

EXTENT OF FARMER PARTICIPATION IN PROGRAMS

From the inauguration of the adjustment programs in 1933 through January 6, 1936, a total of 331,990 crop-adjustment contracts signed by Iowa farmers were accepted by the Agricultural Adjustment Administration. Of this number, 319,910 were corn-hog contracts, 10,271 wheat contracts, and 1,809 sugar-beet contracts.

Three referenda on the continuation of crop-adjustment measures were held in Iowa under the agricultural-adjustment program. During the first 2 weeks of October 1934, corn-hog producers were asked whether they favored an adjustment program for 1935. In this referendum producers voted 2 to 1 for a program, the vote being 67,186 for a program and 30,055 against. A Nation-wide wheat referendum was conducted on May 25, 1935, in which producers were asked, "Are you in favor of a wheat-production-adjustment program to follow the present one which expires with the 1935 crop year?" In Iowa 3,416 votes were cast, all but 399 of which favored such a program. The last referendum in Iowa was that conducted on October 26, 1935, in which corn-hog producers were asked if they favored a corn-hog program for 1936. Official returns indicated that 160,768 producers favored such a program, while 26,728 opposed.

RENTAL AND BENEFIT PAYMENTS IN IOWA

As of December 31, 1935, rental and benefit payments in Iowa aggregated $93,292,030.60. Of this amount $91,929,517.75 went to corn-hog farmers, $1,123,157.83 to wheat producers, and $239,355.02 to sugar-beet growers.

Funds to provide these rental and benefit payments were raised through processing taxes. As of December 31, 1935, processing-tax collections made at points in Iowa totaled $30,622,085.76. Processing taxes were made through the medium of first processors, or converters of the raw products—millers, packers, cotton and tobacco manufacturers—wherever these processing establishments were located, but were paid by consumers throughout the country.

Iowa was one of the Midwestern States affected by the drought of 1934. In this emergency, A. A. A. rental and benefit payments, calculated on the farmers' production during a previous base period rather than upon the current year's production, served as a form of crop insurance. For their 1934 crop or corn, reduced to 201,480,000 bushels by the drought, Iowa farmers received only $19,550,000 at the market; but their rental and benefit payments brought their cash income from the 1934 corn crop to $48,184,000. This was 51 percent more than they received for their 1932 crop, amounting to 509,507,000 bushels, which was 153 percent larger.

In 1934 drought threatened Iowa farmers with the loss of thousands of cattle and sheep by thirst and starvation. With funds appropriated by Congress for the purpose, the Agricultural Adjustment Administration, in cooperation with the Agricultural Extension Service and the Federal, State, and local Emergency Relief Administrations, took measures to conserve the food supplies of the country as represented by the livestock of Iowa and other States, and at the same time to preserve foundation herds and save livestock owners from total ruin through the loss of their animals.

Under the emergency livestock purchase program the A. A. A. purchased in Iowa about 25,000 head of cattle and sheep at a total cost of approximately $330,000. The relief administrations provided for the slaughter and transportation of the animals and the preserving and distribution of the meat from them.

Under the seed-conservation program, also carried on with money directly appropriated by Congress, seed was selected, purchased, and distributed during the 1935 season. In Iowa about 1,358,000 bushels of seed of selected stocks were purchased and conserved, with an expenditure of about $796,000.

FARMERS' MONEY GOES TO TOWN

The extent to which increased farm income during the past 3 years enabled Iowa farmers to increase their purchases of city-made goods is reflected in several ways.

New automobile registrations in Iowa during the 4-year period 1932–35 have been as follows:

1932	23,679
1933	32,735
1934	48,479
1935	81,709

The increase from 1932 to 1935 was 245 percent.

According to Automobile Facts and Figures, a publication of the Automobile Manufacturers' Association, the 1934 retail automobile sales gain in Iowa was greatest in small towns and on farms. From 1933 to 1934 new passenger-car registrations on farms and in towns under 10,000 increased 57 percent, whereas in towns over 10,000 population the increase was 25 percent.

New automobile purchases, among other things, meant an increased gasoline consumption. Consumption rose from 355,568,000 gallons in 1933 to 421,152,000 in 1935, an increase of about 18.5 percent.

Sales of new ordinary-life insurance in Iowa increased from $82,868,000 in 1933 to $102,807,000 in 1935, an increase of 24 percent.

Another index of increased business activity, resulting in part from renewed farm purchasing power, is debits to individual accounts. Monthly statements issued by the Federal Reserve System indicate that debits to individual accounts increased greatly from 1933 to 1935. For 1933 debits in the Chicago district amounted to $32,129,366,000. For 1935 preliminary figures indicate that they increased to $49,643,653,000, or 30-percent increase over the 1933 figure.

Nearly every general class of Iowa business has enjoyed a constantly growing rate of increase since 1934.

Even the laggards, such as furniture and manufacturers' retail sales, are ahead of the April, May, and June quarter of 1934, the first period in which the sales tax was collected in Iowa.

A sensational spurt in the general-merchandise division in the Christmas quarter of 1935, from a total business of less than $35,000,000 in the previous quarter up to $43,000,000 in that period, pushed that classification into first place.

Food previously had been the leading classification except for one quarter in 1934. Officials estimate that food purchases yield between 20 and 25 percent of the sales-tax revenue, or approximately $3,000,000 annually.

The unclassified division, the group to show the most sustained rise, includes farm machinery, fuel and ice, theaters, dance halls, and amusement parks.

WHAT HAVE WE DONE?

Mr. HILDEBRANDT. Mr. Speaker, it is a logical question for voters to ask of any administration, What have you done? Why do you expect to be retained in power?

Every citizen has a right to place this query before his Representative and his Senators, as well as before all other public officials.

Answering such an interrogation with regard to the Roosevelt administration, we may honestly and truthfully say that it has given the American people the most progressive legislation in the history of the Nation—not as progressive as should and will be eventually enacted, but the best we could get at the time, and legislation that stands in striking contrast to the reactionary, plutocratic laws and policies of the Harding, Coolidge, and Hoover administrations. Compare the human and humane attitude of President Roose-

velt and his advisers with the callous, hardened, indifferent attitude of the three preceding Executives and their associates. What a contrast. The New Deal has been imperfect and faulty, to be sure, but it constitutes a sincere effort to put human rights above property rights, and it deserves genuine appreciation and support. Much of its work has been experimental because the Nation found it necessary to go into untried fields of official endeavor, but it has blazed a new trail of social conscience and social responsibility for the exploited and the oppressed.

The clock of time will not turn backward—certainly not in social welfare. If you are not satisfied with what President Roosevelt and the Democratic Congress have done, you certainly have nothing to gain and all to lose by reverting to the policies of Hoover, Mellon, Mills, and the kings and kaisers of Wall Street whom they served. If any criticism is to be offered, it is not because we have gone too far, but because we have not gone far enough. I have been very outspoken in advising more progressiveness and liberality, and it is my confident expectation and earnest hope that the party to which I belong will swing steadily forward with increased energy after our expected victory on election day, 1936.

COST OF GOVERNMENT

Mr. BACON. Mr. Speaker, during the past 3 years the business undertaken by the United States Government has grown so rapidly and the figures involved have become so enormous and complicated that they are baffling even to the expert and nearly incomprehensible to the average citizen who foots the bills. As this session of Congress draws to a close, I should like to insert for the sake of the record a very brief summary of how the cost of government has grown under the administration of Franklin D. Roosevelt. I should like to compare the expansion in the cost of government with a few of the promises which were solemnly made to the electorate in 1932, not only in the Democratic platform but by Candidate Roosevelt.

The Democratic platform of 1932 had the following plank:

> We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 percent in the cost of Federal Government.

In his speech of acceptance on July 2, 1932, Mr. Roosevelt said about the platform: "I accept it 100 percent."

Throughout the campaign he reiterated the absolute necessity of reducing expenditures and he pledged himself, if elected, to a program of economy.

> For 3 long years—

Said Mr. Roosevelt in his acceptance speech—

> I have been going up and down this country preaching that government * * * cost too much. I shall not stop the preaching.

He condemned the spending of the Hoover administration in the following words:

> That, my friends * * * is the most reckless and extravagant pace I have been able to discover in the statistical record of any peacetime government anywhere or any time.

But when Franklin D. Roosevelt became President, what did he do? Did he reduce the Hoover rate of spending by 25 percent? Did he cut the annual cost of running the United States Government to $3,865,000,000, in accordance with his platform pledge? He did not. In his first year of office he increased the cost of government 38 percent over the cost during the last full year of the Hoover administration. In the next fiscal year the increase over the Hoover rate was 43 percent. According to estimates for the present fiscal year, the increase will be 92 percent, or nearly double the rate spent by Mr. Hoover in the year ending June 30, 1932.

Here are the figures taken from official testimony before the Congress:

Year ending June 30:	*Cost of government*
1932	$5,153,645,000
1933	5,142,954,000
1934	7,105,050,000
1935	7,375,825,000
1936	9,882,000,000

In other words, the cost of government this year is approximately two and one-half times what it would have been if Franklin D. Roosevelt had performed in accordance with his promises.

It is said by the President's supporters, including the chairman of the Democratic National Committee, Mr. Postmaster General Farley, that the reason the President could not carry out his party's platform was because when he came into office he was faced with an unforeseen emergency. It is not my intention here to argue whether he should have been able to foresee such an emergency when he was promising so glibly in 1932. There is no necessity for me to argue because the President himself has effectively demolished the supporting arguments of his own friends. I should like to recall to you that 4 months after the so-called emergency the President was still paying lip service to his party's platform. In a telegram to Leon McCord, member of the Democratic National Committee from Alabama, dated July 8, 1933, Mr. Roosevelt said:

> Finally I have made it clear ever since my nomination a year ago that I subscribe to the Democratic platform 100 percent.

The party platform pledged abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance.

How about the performance? From March 4, 1933, to March 31, 1936, the Roosevelt administration created more than 50 additional bureaus, commissions, committees, boards, agencies, or Government corporations. Here is a partial list:

Agricultural Adjustment Administration.
Commodity Credit Corporation.
Federal Farm Mortgage Corporation.
National Recovery Administration.
National Recovery Relations Board.
Social Security Board.
National Bituminous Coal Commission.
United States Employment Service.
Federal Deposit Insurance Corporation.
Federal Savings and Loan Insurance Corporation.
Home Owners' Loan Corporation.
Federal Housing Administration.
Resettlement Administration.
Public Works Administration.
Tennessee Valley Authority.
Rural Electrification Administration.
Electric Home and Farm Authority.
Federal Emergency Relief Administration.
Civil Works Administration.
Works Progress Administration.
Federal Surplus Commodities Corporation.
Central Statistical Board.
Securities and Exchange Commission.
National Archives.
Federal Communications Commission.
Federal Coordinator of Transportation.
National Resources Committee.
Railroad Retirement Board.
National Emergency Council.

In the light of the above is it any wonder that this massive New Deal business being transacted in the name of the United States Government is costing close on to $10,000,000,000 during this present fiscal year? Ten billion dollars that will have to be wrung from the taxpayers of today and tomorrow and tomorrow's morrow. Ten billion dollars which with other billions spent by the New Deal will act as a chain upon American progress and American youth for generations to come. Ten billion dollars that stand as a mockery to that insolent statement which Postmaster General Farley made in Salt Lake City 2 years ago:

> You are having the most economical Federal administration you have had for years.

VIEWS RELATIVE TO SUPREME COURT DECISIONS

Mr. ROMJUE. Mr. Speaker and Members of the House of Representatives, there has been a great deal said and many editorials set forth and perhaps quite a good deal more thinking than has been written or said relative to the decisions of the Supreme Court during the Presidential administration of Franklin D. Roosevelt.

I recognize the importance of the three distinct branches of our Government, which are, as you know, legislative, executive, and judicial. Each has a very distinct function

to perform, and while that is true there is also a very interesting relationship existing between each with the others.

It seems to me that every thoughtful person should be interested in maintaining the proper checks and balances of the Government as was intended by those wise statesmen who, out of a great wealth of experience, were responsible for the establishment of the fundamental principles upon which our Government stands and operates.

It is my belief that there is no greater education one may have or secure than that of a clear understanding and comprehension of human nature itself. We may speak of our colleges and universities and our educational systems and all that, but unless a person, when they come into this world, comes in endowed by the Creator himself with the essential elements of an intellect, it surely shows that no school system can give one that which they do not possess in some measure to start with, so our training and education, while often very useful, can only expand that which nature has given, but cannot create.

It is of importance that men and women who are placed in responsible positions do not allow their opinion to get too much warped, biased, and prejudiced, and it is the duty of such to take as broad and constructive a view as possible in keeping with the affairs of justice within the limitation prescribed by the Constitution and statutes.

I recall that only a few short months ago there was quite a hue and cry went up through a great many columns of the newspapers of the country, and some critics of President Roosevelt raised their voices expressing grave fear that the Constitution of the United States might be changed under his administration, and theses antagonists and opposing forces allied against President Roosevelt and the present Democratic Congress were then warning the people to have great fear that the Constitution ought not to be in any respect amended. The people were advised in regard to this and warned by those who opposed President Roosevelt and the present Democratic Congress to stand against any idea or thought of amending the Constitution, particularly was this referred to by them when the Supreme Court, by a vote of 6 to 3, ruled against what is known as the Agricultural Adjustment Act, which embodied what was generally referred to in the Middle West as the corn-hog contract legislation. It was referred to in that manner in my section of the country because of its particular application.

Well, of course, a decision by the Supreme Court of the United States in which six judges concurred in ruling against this act which Congress passed, as they believed and calculated it to be of great aid to the farmers of the country, was for the time being decisive. On the other hand, three very able and learned judges of the law, in my opinion, took just the opposite view and they held that the law was constitutional and valid, but as the decision of the majority of the Supreme Court was otherwise, of course, the ruling of the majority of the Court was recognized as binding, and in pursuance of that, this present Congress passed and President Roosevelt signed the measure known as the Soil Conservation Act, which is calculated, so far as possible, to supplant and take the place of the A. A. A. legislation.

It is my opinion that the decision rendered by the three judges was more nearly sound than that rendered by the six judges, but like everyone else, of course, I acquiesced in the decision as rendered and accepted it as the established law, at least, for the time being. If two or three of the judges rendering the majority opinion had reached the conclusion that the three judges did who rendered the minority, the A. A. A. would have been held valid and would have been recognized as valid and the law for the time being.

Recently, I read with considerable interest a speech made by a prominent Republican leader who stated that President Roosevelt should be defeated because, if he was reelected, he might have, and probably would have, the opportunity to name or appoint some more judges to the Supreme Court, and, of course, if he was elected and had that opportunity that he would likely appoint a man or men holding the same views as the minority of the three judges had held in regard to the legislation that Congress had passed.

Now, in the event Mr. Roosevelt is reelected, as I firmly believe he will be, and in the event he should name other judges to the Supreme Court to fill the place of any vacancy that may arise during his tenure of office, I hope he will name men to the bench who will take the view of the law more in line and keeping with the views of Judges Stone, Cardoza, and Brandeis.

While I have respect for constituted agencies of Government, the opinion of no one man or any group of men is so sacred as it may not be changed or reversed in a lawful manner.

The Supreme Court of the United States, and I am now speaking of the agency itself and not to the particular Judges, has not existed throughout its time without reversal of itself on some cases and that may follow again according to the judgment of the men at the time who occupy the position. The truth is that there is not a State in the Union but what has had its own supreme court, and as such at some time reversed some prior decision. I merely cite this to call attention to the fact that all decisions are not invulnerable and may be reversable.

Those opposing President Roosevelt and the present Democratic Congress, and particularly the Liberty League, some of the leading Republican politicians, and other interests were praising the Supreme Court decision in regard to the Agricultural Administration Act, claiming the decision to be fundamentally sound and the Constitution ought not be tampered with, but those thus declaring themselves were not so vitally interested in the restoration of the purchasing power of the farmers of the country as they were in other matters; they were not so interested in increased prices for products from the farm, and they did not look with such great favor upon the fact that everything produced on the farm is of much greater value now than it was when Mr. Hoover laid down the reins of Government and they were taken up by Franklin D. Roosevelt and the present Democratic Congress.

The latest decision of the Supreme Court, which has been rendered on the child-labor law, held that the State, thereby meaning any State in the Union, has no control over fixing the minimum wage. The same Supreme Court also has held that Congress has no right to enact such legislation, holding that it interfered with the free right to contract, so the net result of the decisions of the Supreme Court on the minimum wage matter, it seems, is that there is no authorization either in the State or in Congress to regulate or establish a minimum wage.

Now I find that a few prominent Republican leaders are suggesting and urging that the Constitution be changed. It will be interested to watch the Republican Convention which assembles at Cleveland tomorrow, and see whether they are now themselves going to advocate the changing of the Constitution about which they have raised so much hue and cry and hurled blast after blast at President Roosevelt and the present Democratic Congress, merely on the basis of their imagination.

I think it will be plain to be seen that the argument these same opponents of Mr. Roosevelt urged to the effect that the Supreme Court did a great service when it overruled the Agricultural Adjustment Act, claiming at the same time it was class legislation in behalf of the farmers, now are found to be, at least some of them, ready to throw into the scrap heap the principles they have just previously advocated. On the other hand, there are others involved in some of the larger industries of the country who still hail the latest decision, in regard to the minimum wage, with delight.

As the Republican Convention assembles tomorrow it will be interesting to watch them reconcile their views on this very important subject. There is an old saying that "You cannot eat your cake and have it too", and there is also an old saying, "It makes a difference whose ox is being gored." What kind of promises may be made in the platform nobody at this time knows, but a careful study of human nature has led me to the conclusion that those who promise most usually perform the least.

It must be recognized by well-considered thought that, in the enactment of any law and in the interpretation or con-

struction of any law, the humanitarian element is entitled to recognition as well as property right; that the rights of human beings are entitled to considered and attention as well as the recognition of property, and even more so.

THE FARM PROBLEM—ENACTMENT OF THE FRAZIER-LEMKE BILL IS NECESSARY TO THE SOCIAL AND ECONOMIC RESTORATION OF THE FARMER

Mr. ROGERS of Oklahoma. Mr. Speaker, at the invitation of the Honorable John B. Simpson, of the Oklahoma Farmers Union, I am stating my views on the Frazier-Lemke bill. Recently Mr. Simpson wrote me suggesting that members of the farmers union and farmers generally would be interested in a short explanation and requesting me to state my position.

I view the enactment of the Frazier-Lemke bill or its principles as being necessary for the social and economic restoration of the farmer. Although many of us in the House of Representatives worked hard for the bill, it was defeated owing to the opposition of the administration. The principles of the Frazier-Lemke bill would restore prosperity to this country because it would centralize all farm indebtedness, provide low rates of interest on chattel and farm mortgages and provide a long period of time for the payment of the farm debt.

About six and one-half million people of this country are actively engaged in agriculture. Something like 30,000,000 people depend directly upon farms and farmers for a living. Credit to the farmer, such as is provided by this bill, is on an annual basis of 1½-percent interest and 1½-percent principal. It would mean that for every $1,000 of indebtedness the farmer would make a yearly payment of $30. It would take 47 years for the farmer to pay out of debt if he made regular payments at the regular rates provided. By being able to concentrate his chattel indebtedness—notes secured by livestock, property, and so forth—and farm mortgage to one source, and that to the Government, and by being allowed to make low payments over a long period of time, the farmer could beat back to financial security. In this respect the Frazier-Lemke bill gives the farmer much the same treatment that is accorded railroads, banks, and insurance companies. The Federal Government loans its credit to certain banks of the country as low as 27 cents for $1,000, this being the amount paid for preparing or printing the bills or notes. Certain banks present bonds to the Treasury Department and receive bills in exchange. The Treasury Department pays interest on the bonds. The bank takes the money issued for the bonds and loans it to the people. Thereby the bank receive interest at both ends.

The Frazier-Lemke bill provides for the issuance of $3,000,000,000 worth of farm-loan bonds. These bonds are to be sold at par. If the regular demand for the bonds does not supply the desired amount of credit, the Federal Reserve Board shall then take the bonds and issue Federal Reserve notes against them up to par value. Opponents of the bill have labeled this "inflation." It can never be called unsound money for the reason that on May 29, 1936, the Treasury Department reported it had nearly ten and one-half billion dollars of gold in reserve. On April 30, 1936, the Treasury reported that the United States owned nearly $17,000,000,000—$16,740,043,355. On the same date it reported that only approximately $6,000,000,000 was actually in circulation—$5,885,516,595. In other words, the Federal Government has nearly three times as much money as there is in actual circulation. The Federal Reserve law requires only a 40-percent gold backing for sound money. This means that for every dollar in gold in reserve there could be $2.50 in currency issued against it and it would be sound money. In addition to the gold reserve there is approximately one and one-half billions of silver reserve. There is less than $45 per capita actually outstanding from the Treasury Department. A great portion that is recorded as having been put in circulation by the Treasury is doing the people of this country no good. Some of it is in foreign countries. Much of it has been lost or destroyed in fires, floods, and by theft.

We can take our $12,000,000,000 gold and silver reserve and redeem every dollar of our outstanding currency. After doing so we would have about $6,000,000,000 left. After the Frazier-Lemke legislation is enacted we would still have gold and silver dollars for every dollar issued and $3,000,000,000 in reserve in addition.

The Frazier-Lemke bill proposes to use the facilities of the Farm Credit Administration and the national farm-loan associations for the purpose of carrying out its provisions.

Although the Frazier-Lemke bill was recently defeated in the House of Representatives, I shall continue to direct my efforts in cooperation with the great farm organizations and farm leaders of this country until it becomes law. The people want the Frazier-Lemke bill to become law. Twenty-nine State legislatures, including Oklahoma, have passed resolutions memorializing Congress to pass it. In addition to this, the house of representatives in five other States have endorsed the bill. If Congress wants to bring a "new deal"—an American deal—to the farmers and to the country generally, it will pass the Frazier-Lemke bill.

SPEAKER BYRNS

Mr. McCORMACK. Mr. Speaker, the Grim Reaper, with his far-reaching and ruthless scythe, has deprived us of a great man in the sudden and untimely death of our leader and Speaker, JOSEPH WELLINGTON BYRNS, of Tennessee.

His death is a great loss to his dear ones, to his many friends, and to the entire Nation. His loss to the membership of the Congress is such that words cannot adequately express.

The life work of "JOE" BYRNS, as we all called him, and as he wanted his friends in Congress to call him, stands as a monument to the youth of the country. His life is a lesson to all, particularly to the young person starting out in life, seeking as a guide lessons from the lives of those who have preceded them.

Speaker BYRNS was born in 1869, near the northern border of the State of Tennessee. After completing high school, he worked his way through college, in 1890 receiving his LL. B. from Vanderbilt University. Immediately thereafter he started the practice of law and shortly after the opening of his law office entered the field of politics. From that time to the time of his death he served his people as a legislator in State and in Nation. In 1909 he was elected as a Representative in Congress from the Sixth District of Tennessee, representing his people from that time until he received the great call.

During his many terms as a Member of the Congress no man worked harder or more conscientiously in behalf of his people in the affairs of the country than did our late Speaker. He never forgot that he was a Representative, and, as more frequently stated, a servant of the people.

The esteem with which he was held by all was best evidenced by the confidence repoced in him by the people of his district and in his continuous election by them as their Representative in the National House of Representatives.

His long and brilliant career as a member of the Congress was marked by his tireless efforts in behalf of the Nation, bringing to him every honor, and deservedly so, within the power of his party, and of his colleagues. In 1931, after faithful service as chairman of the Committee on Appropriations, one of the most responsible positions in the House, he was chosen by the members of his party as their floor leader. However, that was only a stepping stone to having bestowed on him the greatest honor that a Member of the House can receive, election as Speaker of the House of Representatives. This honor which he earned, came to him in 1935, the duties of which he performed with honor and dignity. It was an honor which came to him as a result of years of hard work, of faithful service to party and to country, and in recognition of his brilliant record, and his natural qualifications, so frequently evidenced on the floor.

The manner in which the late Speaker presided over the House, with complete fairness and impartiality, and yet, performing the duties as leader of his party in the House,

justified the confidence and trust that the Members placed in him. He brought credit to the House and to the Democratic Party. His able and constructive conduct during the trying days of the last 2 years, during which he presided over the House as its Speaker, has been of invaluable assistance to the people of the United States.

In addition to the qualities which I have mentioned, our late friend, Speaker BYRNS, was kind, gentle, modest, and retiring. JOE BYRNS possessed the respect and the confidence of his colleagues of both parties. His firm, but kind and cooperative spirit was not only evidenced while presiding over the House, but in his contacts with Members who sought his advice and assistance, which he gave freely without regard to party affiliation. He gave to others the benefits of his wisdom and experience, and was particularly anxious to assist the younger Members of the House.

We can never forget that soft spoken and kindly mannered friend, who was a tower of strength to all of us, particularly during the last 2 years during which he presided over the House. His calmness quieted the turbulence that sometimes arises in the House. He was kind, but firm in the discharge of his duties.

The kindness and gentleness of our late friend and Speaker which endeared him to us, leaves a memory that will always remain with his friends. Able, eloquent, constructive, and courageous, he possessed a personality that inspired others to follow him with confidence. Speaker BYRNS will go down in the history of the Democratic Party as one of its foremost leaders. He will go down in the history of our country under constitutional form of Government as one of the outstanding Speakers of the National House of Representatives.

Our loss could never be more keenly felt than at the present time, when, after a quarter of a century of constructive service to the Nation our late friend was taken from us just as he was successfully bringing to an end the present difficult and trying Congress, which the late Speaker has eloquently termed "The Recovery Congress." As Members of Congress we will never forget his relationship to us as Speaker. As colleagues we will always remember his friendship.

His sudden and untimely death leaves us numbed. It has taken from our presence on this earth not only an outstanding public official, to whom "a public office was a public trust", but a friend of broadness, tolerance, and kindness. Nothing can dim our memory of Speaker BYRNS, a great leader, and of "JOE" BYRNS, a true friend.

MY ACTIVITIES IN WASHINGTON

Mr. FERGUSON. Mr. Speaker, this résumé is by no means an attempt on my part to cover all my activities in Congress. I am only calling your attention to my major activities. I feel that you are entitled to know exactly what I did in Washington. If you care for more detailed information, just drop me a line and I will be glad to answer your questions.

FARM PROGRAM—SOIL CONSERVATION—PARITY PRICE—FLOOD CONTROL—FARM CREDIT AND REFINANCING

Soil conservation: Author of several bills to bring about a constructive soil-conservation program. Recognized by other Congressmen and department officials as a leader in the movement. Conferred with such men as Harry L. Hopkins, W. P. A. Administrator; Harold C. Ickes, Secretary of the Interior; Henry A. Wallace, Secretary of Agriculture; Rexford Tugwell, Resettlement Administrator; Director H. H. Bennett and Dr. N. E. Winters, of the Soil Conservation Service; Marvin Jones, chairman of the Agricultural Committee of the House; and the President of the United States on the problems of soil conservation and how it affects the Eighth Congressional District.

National results (soil-conservation program): The substitute A. A. A. program now in force is based on this soil-conservation program. Last year the soil-conservation program was considered a minor service of the Department of the Interior. Today the soil-conservation program is recognized as the proper way to combat floods and to insure future productivity of the soil.

District results (soil-conservation program): Soil-conservation C. C. C. camps at Garber and Blackwell. Demonstration areas at Guymon and a project in Dewey County serving Woodward and Major Counties. Was successful in getting $2,000,000 for listing ground that is blowing in the dust bowl. This was the result of a year's fight. New survey being made for the Kenton Dam. Survey by two geologists from Resettlement Administration at my request are studying feasibility of drilling wells in Texas and adjoining counties for irrigation purposes. My amendment asking $170,000 to save shelterbelt trees for farmers' use passed the House and Senate. The trees are to be used by farmers for windbreaks and field protection.

BILLS INTRODUCED AND ACTIVITY IN HOUSE AND BEFORE COMMITTEES

Field stations (dry-land agriculture): Appeared before Senate and House committees asking that the program be expanded. Results: A probable reduction avoided.

Shelterbelt: My amendment asking for $170,000 to save the trees passed, after appearing before the Senate committee and convincing the committee it was necessary to restore money for the tree program.

House Joint Resolution No. 275: Asking for $50,000,000 for the drought area.

House Joint Resolution No. 6455: To establish a permanent soil-conservation service.

House Resolution No. 6592: To preserve our national resources.

FLOOD CONTROL

Recognized by my fellow Members of Congress as the man who was responsible for the passage of H. R. 8455, the omnibus flood-control bill which passed the House and Senate. The bill included the Ferguson policy of flood control.

Coauthor with Senator NORRIS, of Nebraska, of H. R. 10302, a bill to control floods, develop power, and preserve the natural resources of the entire Mississippi Valley. This will receive serious consideration at the next session of Congress.

National results (flood control): House Resolution 8455 being amended to include projects on the eastern rivers that recently caused a quarter of a billion dollars in damage, and some 200 lives. Passed Congress.

As in the soil-conservation bill I sponsored and put through the House, H. R. 8455, which includes the Ferguson flood-control policy, is assisting the Government in solving the great national problem of flood control.

I was one of the speakers at the Mississippi Valley Association's annual meeting in St. Louis last November. Spoke on the problems of flood control. Also a speaker before the national rivers and harbors conference meeting.

Local results (flood control): Twenty reservoirs will eventually be built in Oklahoma.

The Optima, Fort Supply, Kenton Dam, and Great Salt Plains reservoirs will be built. With State cooperation Salt Plains should be under construction this summer.

The Braman Dam in Kay County is now under construction.

My efforts will be rewarded because of the many hours I spent studying the problems of flood control. As a member of the Flood Control Committee, and my innumerable contacts with Gen. E. M. Markham, Chief of the Army Engineers; Captain Clay, Major Somervell, General Pillsbury, and Colonel Graves, also of the Army Engineer Corps, here in Washington, all my good friends, who respect my interest and activity in flood-control legislation, are always willing to help me in solving the problem of flood control. The Members of the House recognize me as the most active member of the flood-control committee.

Bills introduced (flood control): H. R. 5712—For flood control and soil conservation in several States. Includes Fort Supply and Optima Reservoirs. Part of H. R. 8455. H. R. 6592—For flood control throughout the United States. H. R. 7628—To build a reservoir at Braman (now under con-

struction). H. R. 6728—To build a reservoir in Alfalfa County, Great Salt Plains Dam. Part of H. R. 8455. H. R. 6727—To build a reservoir in Cimarron County, Kenton Dam. H. R. 10302—To provide for a Mississippi Valley Authority.

PASTURE-PURCHASE BILL

Secretary Wallace assures me his support of my bill to have the Government buy poor land and put it back to grass for pasture. Pasture to be rented to farmers. This will let the farmers who actually live on the farm have grass for their stock. I know the farmers are going to stay in Oklahoma; only "desk" farmers talk about moving.

COST OF PRODUCTION

Joined Congressman SAM MASSINGALE in his effort to get a cost-of-production bill for farmers.

FARM CREDIT

Know Gov. W. I. Myers, Farm Credit Administrator, personally. Have made every effort to speed up the feed and seed loans. Got extra money for cattle-buying program in Oklahoma. Got feed for drought area in spring of 1935. Helped get the fallow loans to farmers. Urging Resettlement Administration to make feed and seed loans to clients not now eligible. Also had the feed and seed loan office accept all applications that were rejected by resettlement due to a lack of funds for further consideration.

LAND BANK

Aided in legislation to reduce farm-loan-credit rate to 3½ percent. Have asked Wichita Land Bank to review many appraisals. Have backed movement to help refinance their loans.

FRAZIER-LEMKE BILL

Opposed "gag" rule. The adoption of the "gag" rule held up a vote on the Frazier-Lemke bill. Personal friend of both Senator LYNN J. FRAZIER and Congressman WILLIAM LEMKE. Signed petition and voted to get this bill passed, which provides for refinancing farm loans on long-term credit and payment of 1½ percent on the capital and 1½ percent on the interest annually. Result: We will soon have lower interest rates on farm mortgages.

BILLS INTRODUCED—FARM LEGISLATION

H. R. 12200—Pasture-land bill—Government to buy marginal land and turn back to pasture.

H. R. 10502—To collect the processing tax from manufacturers.

H. R. 8544—Appropriation for the Panhandle A. and M. College.

H. J. Res. 446—To slightly change the punctuation of the Constitution which would allow the Federal Government to provide for the general welfare.

H. J. Res. 68—To help the cattle industry.

H. Con. Res. 43—To force the return of processing tax collected by packers and millers to the United States Treasury.

WHEAT-CORN-HOG CONTRACTS

Have investigated over 500 A. A. A. contracts for the farmers in the eighth district. Assisted them in getting their payments.

FARMERS' BULLETINS

Invited all farmers in the eighth district to select five bulletins and sent them copies. Have also distributed over 3,000 agriculture Year Books.

LABOR

Spoke and voted for the Wagner disputes bill. Voted for the Guffey coal bill, the Railroad Retirement Act, the Social Security Act. Fought for a higher W. P. A. wage scale for Oklahoma labor.

Recent decisions of the Supreme Court—Moorehead against The People—proves neither the Federal nor State government can pass laws regulating hours or wages until the Constitution is changed.

My constitutional change, if accepted, would permit Federal legislation that would provide for real collective bargaining, regulation of hours and wages, and abolish child labor.

Attended hearings before the committees in the interest of labor legislation.

REFINERS

Wrote a letter to the Ways and Means Committee on the Disney oil bill.

Supported legislation affecting refinery workers.

RURAL MAIL CARRIERS

Introduced a widows' (H. R. 12605) annuity bill. Appeared before committee in favor of widow annuity legislation. Attended hearings for the star-route carriers before the Post Office and Post Roads Committee. Conferred with directors of the N. R. M. C. Association, as well as with members of the executive committee of the N. S. R. C. Association here in Washington.

MERCHANTS

Supported the Robinson-Patman bill. Carefully watched all bills that affect the merchants of Oklahoma. Have checked Government contracts and cases of businessmen in the district. Contacted Federal Communications Commission for radio stations.

OIL INDUSTRY

Supported the Disney oil bill. Following is part of an editorial appearing in the Tulsa Tribune of March 19, 1935:

The Tribune would suggest that Representative PHIL FERGUSON, Democratic Congressman from Oklahoma, send Senator BORAH a copy of his recent letter to the House Ways and Means Committee, in which FERGUSON explained what the oil industry really is.

MUNICIPALITIES

Have aided almost every town in my district in getting information about various W. P. A. and P. W. A. projects. Worked with county, city, and State officials on projects that were pending before Government bureaus. Got such projects as the Newkirk Dam, the Braman Dam, a 45-percent grant for the Northwestern State Teachers College at Alva. This grant would never have been made if it were not for my efforts in bringing this case for review to Harry L. Hopkins, as it was definitely turned down before I started action.

At my instigation, Blackwell post office is to be completely reconstructed and will be in first-class condition. Alva post office was also completed due to my getting an additional $10,000 for its completion. The Guymon, Tonkawa, and Perry post offices are now being surveyed in the light of getting new buildings.

Many worth-while projects have been constructed through the Works Progress Administration. I have always assisted the State and district officials in getting recognition here in Washington for their projects. The Eighth District of Oklahoma received $4,011,535.58 through the W. P. A. and P. W. A. the last 2 years.

VETERANS

Fought for the soldiers' adjusted-service-certificate legislation. Have over 450 veterans' cases which I have checked with the Bureau personally. Appeared before the board of appeals for veterans in my district on several occasions. Assisted many veterans in getting duplicate discharge papers and hospital records. Have offered my services to all veterans and their dependents.

OLD-AGE PENSIONS

Backed and voted for the social-security bill, which included an old-age pension. Tried to get amendment passed so that States not having laws to receive Federal aid immediately could participate until the States passed such laws. The old people of Oklahoma will receive pensions partially paid by Federal funds when Oklahoma has an approved old-age-pension law. The amount of pension will depend on State law.

WEST POINT AND ANNAPOLIS

Gave every boy interested in West Point or Annapolis an equal chance for the place. Held competitive examinations, and the boys winning high received my recommendation. Sent two boys to West Point and one to Annapolis. This policy will be continued.

INDIANS

Actively interested in all Indian legislation. Attended hearing on all major bills. Assisted Chairman ROGERS, of the Indian Committee.

SCHOOLS

Called Harry L. Hopkins in behalf of the distressed schools in Oklahoma. Oklahoma delegation was successful in getting $200,000 to keep them open. Helped many communities get P. W. A. and W. P. A. loans and grants for new school buildings.

PRIVATE BILLS

Introduced eight private bills to assist worthy cases in the Eighth District.

COMMITTEES

I am a member of the following committees in the House: Flood Control; Census; Public Buildings and Grounds; Election of President, Vice President, and Representatives in Congress.

SPEECHES

Made 35 speeches on the floor of the House. Appeared before over 50 committee hearings in behalf of legislation; this does not include my own committee hearings.

C. C. C. CAMPS AND PROJECT AREAS

Without the efforts of Jack Nichols, Jed Johnson, and myself, Oklahoma would have lost one-third of her C. C. C. camps. We not only saved camps for Oklahoma but saved this constructive program for the Nation.

Have three C. C. C. camps in the Eighth District, one State park camp, and two soil-conservation camps. Another camp, Ponca Lake camp, will be reoccupied September 1. I have two project areas under the supervision of the Soil Conservation Service, one in Guymon and a split one for Woodward and Major Counties.

GOVERNMENT ACTIVITIES RESULT IN 50 PERCENT IMPROVEMENT IN BUSINESS IN WESTERN NEW YORK

Mr. BEITER. Mr. Speaker, another Congress is about to come to a close, and while I shall not endeavor to give a commentary on its accomplishments, I do believe the record of governmental activities in my district is well worth a review at this time.

Sometimes I think government is the poorest of all salesmen. It is a fact that the average citizen pays his taxes grudgingly. If government employed high-pressure salesmen like any other industry, the salesmen would constantly be reminding their customers, the taxpayers: "Is the money we spend on delivering your mail a total loss? Do you find a program of soil and forest conservation advisable? Would you want to give up the advantages afforded you by weather reporting? Do you recall the fateful years of 1929 to 1933? Can you conscientiously disapprove the Federal Government's actions to assist farmers in bringing about an adjustment to meet an acute national emergency? Does not the park or playground—built with relief funds—pay profitable dividends? And the schools, made possible through public-works loans and grants? Does not the money that goes to such an endeavor as the C. C. C. represent capital investment? Is a forest ranger in our national parks less valuable than a night watchman in a mill? Will not the general public be benefited when the 512 hospitals are completed and operating as a part of the Public Works Administration's construction program? Where would the motor industry be today if your cars had to run through the mud and ruts of yesteryear? And who built the roads? How would our modern vessels dock and discharge their large cargoes of iron ore, grain, coal, and so forth, had not the Federal Government spent billions of dollars on our water-transportation system and in improving our harbors, both on the inland waterways and on the coastwise systems? What would be the freight rate on a barrel of flour from Buffalo to New York if we did not have the canal system? Was not the P. W. A. waterworks program a form of public improvement? Does it not promote public health? Has it not reduced fire-insurance rates and hazards? This program cost the Federal Government $607,386,000 in grants, but does it not provide for community growth and expansion and thus strengthen real property values and broaden the base for future taxation?

And so on down the long, long list of services performed and goods conserved by what we call government.

Mr. Speaker, I could point out in any one of the 435 congressional districts a number of agencies in which the Federal Government plays a dominant role. However, I shall confine my remarks to the activities of the various Federal agencies in my own congressional district.

UNITED STATES SPENDS MILLIONS IN HARBOR AT BUFFALO

Being an advocate of improvements of our inland waterways, I was appointed a member of the Rivers and Harbors Committee, and I am proud to state that during the fiscal years 1934 and 1935, Buffalo received one of the largest appropriations in years. Army Engineers spent more than $1,750,000 in maintaining and improving the rivers and harbors of the Buffalo area.

The work performed during the past fiscal year in the vicinity of Buffalo, N. Y., was as follows:

Buffalo Harbor, N. Y.: An allotment of $655,500 was received from the Public Works Administration and has been applied to breakwater construction. Work on this project was completed during August 1935. The total expenditures were $655,500, of which $151,009.10 was spent during 1934; $347,771.29 during 1935; and the balance during the current fiscal year. Maintenance work during the fiscal year 1937.

Black Rock Channel and Tonawanda Harbor, N. Y.: An allotment of $1,760,000 from the Emergency Relief Appropriation Act of 1935 was received during the summer of 1935 and is being applied to removal of shoals from the Lake Erie entrance, enlargement of the North Tonawanda turning basin, and the extension of the Bird Island pier. Work is actively in progress, the sum of $121,582 having been expended to March 31, 1936. It is expected that this work will be completed about June 1937. In addition, the sum of $60,132 was expended for maintenance work during the fiscal year 1935, and the sum of $74,418 was available on June 30, 1935, for maintenance work during the current fiscal year. It is proposed to allot the sum of $74,400 for necessary maintenance work during the fiscal year 1937.

Niagara River, N. Y.: An allotment of $94,514.24 received from the Public Works Administration during the fall of 1933 was applied during the fiscal years 1934 and 1935 to the completion of the 12-foot Schlossers Channel from the Niagara Falls waterworks intake to the foot of Hyde Park Boulevard in Niagara Falls. The sum of $12,786 from regular funds was also applied during the fiscal year 1935 to the completion of the east channel of Niagara River from North Tonawanda to the channel at Niagara Falls. The sum of $14,364 was available for maintenance work during the current fiscal year, and the sum of $9,700 is intended to be allocated for maintenance work during the fiscal year 1937.

UNITED STATES ORDERS AID AIRCRAFT PLANTS IN BUFFALO

Buffalo's preeminence in the manufacture of aeronautical equipment of every design is recognized fully by the Army and Navy Departments, which during the fiscal year 1935 let contracts for planes and parts totaling $3,140,000 to firms in the Buffalo area. During the fiscal year of 1934–35 the total contracts amounted to approximately $5,000,000.

A $759,680 contract for 40 scout observation planes and their parts was awarded to the Curtiss Aeroplane & Motor Co., Inc., as recently as May 23, 1936.

The planes will be of the same model, SOC–1, as the 135 machines built by Curtiss for the fleet under a contract last year which exceeded $1,500,000.

There are outstanding at the present time in the Buffalo-New York area Bureau of Aeronautics contracts for: 400 parachutes valued at about $40,000; 1 experimental airplane valued at about $100,000; 135 observation airplanes and spare parts for those airplanes, valued at about $3,000,000. In addition, there are a number of contracts for propellers, gun mounts, and airplane spare parts.

The contract for the parachutes is about 75 percent completed; for the experimental airplane and the 135 observation airplanes about 90 percent completed; the parts contracts are in various stages of completion.

In addition to the above, there is in the Buffalo-New York area a subcontract for 72 sets of flying-boat wings.

UNITED STATES DEPARTMENT OF AGRICULTURE AIDS 4–H CLUB WORK IN ERIE COUNTY

Extension work of the United States Department of Agriculture is carried on in every State through a distinct division of the College of Agriculture, known as the Extension Service, with a State extension director in charge. In turn, the several county boards of commissioners and local groups of interested farmers employ resident county agricultural agents, home demonstration or county 4–H club agents. In New York State, the Extension Service cooperates with local organized groups known as county farm bureaus and county home bureaus. Committees of such groups assist the State extension service and local county agents in developing local support and in carrying on a program of agricultural and home improvement which these leaders, together with the State extension service, consider most appropriate to meet the agricultural and home needs in each county.

The work of the county extension agents is reinforced by extension specialists in agriculture and home economics employed by the college. These make trips to the various counties to help the agents organize their programs of work, carry on demonstrations, hold meetings, discuss various farm problems, and provide the agents with literature and news information material.

Cooperative extension work in Erie County is particularly well organized. During 1935, there were 811 members of the Erie County Farm Bureau, 1,332 members of the Erie County Home Bureau, and 914 boys and girls 4-H club members.

The statistical reports of the county extension agents in Erie County for 1935 show the following volunteer local leaders or committeemen actively engaged in forwarding extension programs: Men, 150; women, 350; men and women in 4-H club work, 58.

The programs in agricultural extension work include the following results as shown by the statistical reports of the county extension agents:

In agriculture

Cereals:	
Number of farmers following fertilizer recommendations	940
Number of farmers following disease-control recommendations	200
Number of farmers following improved seeds recommendations	575
Legume and forage crops:	
Number of farmers following fertilizer recommendations	680
Number of farmers following marketing recommendations	1,200
Potatoes:	
Number of farmers following fertilizer recommendations	600
Number of farmers following insect-control recommendations	400
Number of farmers following disease recommendations	400
Number of farmers following marketing recommendations	600
Fruits and vegetables:	
Number of farmers following fertilizer recommendations	430
Number of farmers following insect-control recommendations	456
Number of farmers following disease recommendations	470
Number of farmers following marketing recommendations	550

Two hundred and fifty-six farmers were aided with agricultural engineering information, involving an estimated service of $118,600.

Erie County is probably the most important poultry county in the State. The extension agents report a minimum of 500 farms reached with the various recommended practices in improving poultry keeping and marketing.

In livestock husbandry 4,000 farmers are listed as following the disease-control recommendations, 200 in following the marketing recommendations, 160 were helped in obtaining purebred dairy cattle.

It is estimated that 800 farmers are using the marketing information developed by the extension service.

In home demonstration work, the agents report that 1,875 families canned or preserved fruits and vegetables following the recommendations of the extension service. Eight hundred and fifty families report storing home food supplies in accordance with instruction. One hundred and ninety-five thousand two hundred and seventy-four quarts were reported as canned or preserved valued at $48,779.59.

Two hundred and ninety-eight individuals followed the recommendations in clothing, 196 in budgeting clothing expenditures, 275 in clothing buying, 211 in caring for clothing, 450 in selection of household furniture, 350 in repairing or refinishing furniture, 275 in improving appearance of rooms, 320 in improving walls and woodwork.

These reports do not include the work of the urban home demonstration agents employed in the city of Buffalo in cooperation with the State extension service.

BUFFALO RECEIVES $86,057.25 FEDERAL AID FOR VOCATIONAL EDUCATION

All the types of work for which provision is made in the Smith Hughes and the George-Ellzey Acts are carried on in Erie County. The training of trade and industrial, and home economics teachers is also provided, according to Dr. J. C. Wright, assistant commissioner for vocational education.

The vocational education in Erie County for the fiscal year ended is listed as follows:

Name of school	Enrollment	Reimbursement
AGRICULTURE		
Akron High School, district 3, Newstead	50	$431.21
Alden High School, district 10, Alden	45	870.66
East Aurora High School, district 1, Aurora	39	829.36
Holland High School, district 1, Holland	33	512.82
Orchard Park High School, district 1, East Hamburg	29	626.50
Springville High School, district 1, Concord	23	409.68
Total, agriculture	219	3,680.23
TRADE AND INDUSTRY		
Buffalo:		
Evening classes:		
Burgard	1,042	3,525.75
Peckham	329	1,347.25
Seneca	668	1,597.75
Technical	585	2,587.50
	2,624	9,058.25
Part-time, general:		
Continuation classes:		
Boys continuation	972	3,295.23
Girls continuation	2,214	3,926.59
	3,186	7,221.81
All-day classes:		
Boys, vocational	520	1,758.98
Burgard Industrial High	1,070	15,534.21
Girls, vocational	654	2,998.24
McKinley Industrial High	463	6,657.52
Peckham Industrial High	575	7,989.02
Seneca Industrial High	1,015	15,362.58
	4,297	50,300.55
Lackawanna: Part-time, general, continuation classes	233	1,200.70
Total, trade and industry	10,340	67,781.31
HOME ECONOMICS		
Buffalo: Evening classes	1,497	3,925.75
MAINTENANCE OF TEACHER-TRAINING		
Buffalo:		
State Teachers College:		
Trade and industry teacher-training	298	3,351.96
Home economics teacher-training	148	7,318.00
	446	10,669.96
SUMMARY		
Vocational classes	12,056	75,387.29
Teacher-training	446	10,669.96
Total		86,057.25

$33,650,000 LOANED BY R. F. C. IN WESTERN NEW YORK AREA LAST YEAR

Last year Uncle Sam acquired a $33,650,000 interest in the banks, trust and loan mortgage companies, and various self-liquidating projects in western New York.

During 1935–36 the Reconstruction Finance Corporation has made authorizations in the Forty-first Congressional District of New York, and in the entire city of Buffalo, including the part in the Forty-first District, as follows:

	Amount authorized	Amount withdrawn or canceled	Amount disbursed
1935			
41st district (except Buffalo)	$27,000	$4,500	
Buffalo	856,500	254,000	$67,657.80
1936 (as of May 18)			
41st district (except Buffalo)			22,500.00
Buffalo	80,000		24,842.11

C. C. C. SUPPLIES JOBS FOR 3,835 IN FORTY-FIRST CONGRESSIONAL DISTRICT

Outstanding among the many relief projects of the Roosevelt administration is the Civilian Conservation Corps which has sought to give employment to younger men by utilizing them in a conservation program for the Nation's timber resources.

It is estimated that from the beginning of Emergency Conservation Work, through March 31, 1936, approximately 3,835 from the Forty-first Congressional District received employment in Emergency Conservation work. Of these, it is estimated that approximately 3,446 were enrolled men and 389 nonenrolled men.

From the beginning of Emergency Conservation work, through March 31, 1935, it is estimated that the total obligations for the State of New York approximated $23,445,000. From April 1, 1935, through May 10, 1936, the estimated obligations for the State of New York totaled $28,500,000, thus making a grand total of $51,945,000—April 5, 1933, through May 10, 1936.

From April 1933, through February 29, 1936, it is estimated that New York C. C. C. boys allotted home to needy dependents approximately $14,327,000.

NATIONAL BUREAU OF STANDARDS FURNISHES INFORMATION TO MANY FIRMS IN THE FORTY-FIRST CONGRESSIONAL DISTRICT

The National Bureau of Standards has furnished information to many firms and individuals and has carried out tests for numerous manufacturers in or near Buffalo, as illustrated by the following examples.

Mr. George F. Fisk, consulting engineer of Buffalo, has served as the representative of the American Society of Municipal Engineers on the standing committee for the simplification of paving brick and has cooperated with the Bureau in keeping the simplified-practice recommendation for paving brick up to date.

As the result of correspondence, the Bureau has furnished the director of purchases, executive department, Buffalo, with lists of sources of supply of commodities covered by Federal specifications and commercial standards. This has doubtless been of considerable value to the city in its purchasing.

In the field of building construction and related subjects, information has been furnished to three firms, eight individuals, and the district engineer, department of public works, covering repairs to dwellings, construction of fireplaces and septic tanks, building paper, heating plants, and problems of home building and home ownership.

The Bureau has tested 15 samples of fuel oil for the United States district engineer at Buffalo; however, the material represented by these samples was purchased and used at various points along the Great Lakes.

Buffalo is an active center for lake shipping. The Bureau has cooperated for a number of years in achieving greater safety in marine transportation. Buffalo is also a center for the manufacture and distribution of metal office equipment and insulated safes. In this connection the Bureau has developed specifications and made inquiry into the advantages from the fire-hazard standpoint obtainable with the use of metal equipment.

VALUABLE SERVICE RENDERED BY BUREAU OF FOREIGN AND DOMESTIC COMMERCE

In the absence of specific figures it is difficult to evaluate definitely the gains made by business as a result of utilizing the services of the Bureau's district offices.

The staff of the Buffalo office consists of the district manager and two assistants, who devote all of their time to disseminating the commercial information received from the Bureau, as well as ascertaining the needs of business and in encouraging the commercial interests of the Buffalo district to utilize the services and facilities of the district office freely.

The district manager and his staff occupy a peculiarly favorable position to inform themselves of the needs of business and to serve it more quickly than the Bureau can from Washington. The office is located in the chamber of commerce and works very closely with that organization in aiding business.

The services of the district office are twofold. From its foreign offices and the Consular Service the Bureau is constantly supplied with current information on economic and trade conditions on foreign markets, and this information is promptly sent to the Buffalo office for the use of its manufacturers and exporters. Its sources of information in the domestic field are likewise extensive. A great volume of data pertaining to all lines of business is received, not only from governmental sources, but also from trade associations, research bureaus, business firms, the universities, and other outside sources, which is of great value to those engaged in developing the market at home. All of this information is analyzed and assembled into proper form at the Bureau for distribution to the business public through the Buffalo and other district offices.

The Buffalo office maintains a mailing list of 364 firms known as its exporters' index, who regularly receive, without solicitation on their part, all of the information described above. This list is being constantly added to as new firms are encouraged to use the services of the office. In the domestic field, 281 firms regularly receive a domestic commerce news letter, issued monthly from Washington, which informs those engaged in domestic marketing the latest developments in this field.

A comparison of exports from the Buffalo district with exports from the United States as a whole is shown on the table following. There was a substantial increase in exports in 1934 over the 1933 exports and the foreign trade of the country as a whole has increased in 1935 over 1934. Further gains are anticipated in 1936.

The Buffalo customs district ranks seventh in exports among the customs districts of the United States, and the port of Buffalo ranks second as a northern border port of the United States. Its rank among the ports of the United States would be higher but for the fact that certain other ports export large quantities of some particular commodity such as cotton, which makes their total higher than that of Buffalo. On the other hand, Buffalo's foreign trade is diverse, showing a wide range of products, a large part of which are exported to Canada. Its trade with that country, the second largest customer of the United States, is expected to greatly increase as a result of the consummation of the recent reciprocal-trade agreement with Canada.

President Roosevelt and Secretary Hull deserve the thanks of their countrymen for negotiating successfully a trade agreement with Canada on the basis of the principle of reciprocity. Other agreements like it have been made in the last 2 years but none comparable in importance to the Canadian pact. It is not necessary to pass judgment on every item and every schedule in the agreement to recognize that America has embarked at last on the safest and sanest program of tariff making that we heve ever known. In some respects the Canadian treaty will mark a milestone in the drive this generation has been making to work its way out of the economic depression. Historians may some day say it was the turning point in an era of post-war nationalism which in the last decade reached absurd proportions, and that finally the world entered in 1935 upon a different era in which the res-

toration of world trade by the removal of artificial barriers became the paramount objective.

United States exports, from all districts and from the Buffalo district, 1933–34, inclusive

[1,000 dollars]

Year	All districts	Buffalo district	Percent
1933	1,674,994	50,825	3.0
1934	2,132,800	64,839	3.0

Concessions of direct benefit to American apple growers have been obtained in every one of the 14 reciprocal-trade agreements which have been concluded under authority of the Trade Agreements Act of June 13, 1934.

ONLY TWO BANKS CLOSED IN NEW YORK IN 1934–35—NONE IN FORTY-FIRST CONGRESSIONAL DISTRICT

As of March 31, 1936, there were 926 operating banks in the State of New York. Of this number 791 were commercial banks and 135 were mutual savings banks. Of the total number of commercial banks in the State, 766, or over 96 percent, were insured. Of the total number of insured banks, 459 were national banks, 119 were State banks members of the Federal Reserve System, 188 were commercial banks not members of the Federal Reserve System, and 2 were mutual savings banks. Noninsured banks numbered 158, of which 25 were commercial banks and 133 mutual savings banks.

Deposits of insured commercial banks in New York amounted to $13,177,830,000 on December 31, 1935, an increase of $1,483,208,000 over the amount reported on December 31, 1934. Insured mutual savings banks reported deposits of $499,051,000 on December 31, 1935. On the same date deposits of noninsured banks in New York totaled $5,360,217,000, of which amount $677,867,000 was held by commercial banks and $4,682,350,000 by mutual savings banks.

During the 13-year period from January 1, 1921, through 1933, 230 banks in the State suspended. Deposits of these institutions totaled $537,955,000. Included in these figures are 108 banks, having deposits of $187,879,000, which closed during the banking holiday and which were not licensed to reopen by April 12, 1933, and nine nonlicensed banks, with deposits of $10,069,000, placed in liquidation between March 15 and April 12, 1933. During the years 1934 and 1935 only two banks, having deposits of $7,059,000, suspended. These were not insured institutions.

As of December 31, 1935, the total outstanding investment of the Reconstruction Finance Corporation in insured commercial banks in the State amounted to $220,710,000 and extended to 431 banks. This amount was distributed as follows: $128,125,000 in 236 national banks; $65,800,000 in 56 State member banks; $26,785,000 in 139 nonmember banks.

The following table indicates the number and deposits of insured and noninsured banks in Buffalo and other cities of the Forty-first Congressional District:

Number and deposits of insured and noninsured banks, Dec. 31, 1935

Location	All banks		Insured banks		Noninsured banks [1]	
	Number	Deposits	Number	Deposits	Number	Deposits
Buffalo	10	$514,299,000	7	$305,123,000	3	$209,176,000
Williamsville	1	1,085,000	1	1,085,000		
Alden	1	955,000	1	955,000		
Akron	1	1,853,000	1	1,853,000		
Clarence	1	618,000	1	618,000		
Lancaster	1	1,443,000	1	1,443,000		
Total	15	520,253,000	12	311,077,000	3	209,176,000

[1] Represents mutual savings banks only. All commercial banks in the Forty-first Congressional District are insured.

Records of the Corporation indicate that, since January 1, 1934, when deposit insurance became operative, there have been no bank suspensions in my district.

POSTAL SAVINGS DECLINE DUE TO RESTORATION OF CONFIDENCE

A general restoration of public confidence and financial conditions in the Forty-first Congressional District are responsible for the decline in Postal Savings deposits in this area.

It will be noted that the following figures show a gradual decrease from June 30, 1933 to April 30, 1936, which indicates depositors are withdrawing their savings for investment purposes.

Comparative statement of postal-savings deposits in Buffalo, N. Y., area

	June 30, 1933	June 30, 1934	June 30, 1935	Dec. 31, 1935	Feb. 29, 1936	Apr. 30, 1936, unaudited
Akron	12,997	10,455	10,413	10,413	10,413	10,413
Alden	2,597	2,597	2,597	2,597	2,597	2,597
Angola	24,920	21,781	18,150	16,658	16,676	15,345
Buffalo	2,468,459	2,056,847	1,752,175	1,686,411	1,673,633	1,663,919
Depew	25,721	31,486	32,495	37,212	37,904	39,284
East Aurora	17,322	16,269	13,159	12,238	10,137	9,912
Hamburg	24,953	25,389	17,801	16,494	16,832	17,201
Lancaster	36,845	35,848	28,913	27,114	27,169	26,418
Niagara Falls	287,256	274,100	264,158	253,396	250,127	251,367
North Tonawanda	104,594	96,451	87,017	88,174	87,397	88,453
Orchard Park	1,151	701	442	511	261	291
Tonawanda	49,651	47,274	49,004	40,908	41,819	41,638
Total	3,056,446	2,619,898	2,276,324	2,192,126	2,174,965	2,166,838

FEDERAL WEATHER BUREAU AIDS LAKE SHIPPING, FARMERS, AND AIRCRAFT

A storm-warning service is maintained for lake shippers in the Great Lakes district, and Buffalo is part of this service. Storm warnings are issued for all five lakes from Chicago, but the small-craft warnings for the Buffalo district are often issued direct from the Buffalo office. Among the storm-warning stations are Dunkirk, Buffalo, Fort Niagara, Charlotte, Sodus Point, Oswego, and Ogdensburg; and these, comprising the Buffalo district, are maintained by and all warnings are issued through the Buffalo office. Besides warning flags by day and electric lights by night, warnings are phoned if it is necessary in the judgment of the official in charge.

The service is maintained 7 days a week, and warnings may be issued at any time between sunrise and 11 p. m. There are three storm-warning towers at Buffalo—on the telephone building, at the Coast Guard, and in Lackawanna.

Service to the farmers was never so good as now, since the latest forecasts and other information are sent out several times a day by the radio stations. This includes forecasts of probable high and low temperatures, frost warnings when issued, the character of weather to be expected, a shippers' forecast, and so forth.

The aviation office at the airport is one of the most complete in the country. It is maintained by cordial cooperation between the Weather Bureau and the Bureau of Air Commerce. It is never closed. Complete aviation maps from the latest teletype data are made every 6 hours for the information of pilots and other local aviation interests. Hourly weather observations are taken at Buffalo and similar reports are received by teletype from many other important points. Observations are taken if conditions change within the hour. Aviation forecasts are also made available at the office both for regular and special flights. Much of the broadcasting is done by Weather Bureau personnel. Pilot balloon runs are made at 6-hour periods, this being for the purpose of obtaining wind direction and velocity data aloft. This office also has the direct supervision of the Buffalo-Albany and Buffalo-Newark airways.

AT BATAVIA FACILITY 4,312 VETERANS RECEIVE HOSPITAL TREATMENT

The Federal Government does not forget its veterans.

More than $45,000,000 was disbursed by the Veterans Administration during the fiscal year 1935 to veterans and the dependents of deceased veterans of all wars who reside in the State of New York.

In addition, as of March 31, 1936, 377,508 adjusted-service certificates, having a face value of $381,301,305, had been

issued to veterans who gave the State of New York as their home address.

As of March 31, 1936, there were 9,001 World War veterans having service-connected disabilities, 988 with non-service-connected disabilities, and 226 peacetime veterans who were formerly classified as World War veterans receiving compensation or pension benefits through the Batavia, N. Y., regional office, serving Erie County.

As of May 2, 1936, there were 4,312 veterans receiving hospital treatment and 813 domiciliary care in the State of New York. Of these 272 were hospitalized at the Batavia facility.

The following table indicates an approximate distribution of expenditures in the State of New York during the fiscal year 1935 and the number of beneficiaries on the roll June 30, 1935.

	Number June 30, 1935	Disbursed during fiscal year 1935
Compensation and pension benefits:		
World War:		
Living veterans	28,593	$13,795,862
Deceased veterans	8,472	2,775,739
War of 1812 (deceased veterans)	1	789
Mexican War (deceased veterans)	8	5,082
Indian wars:		
Living veterans	177	99,060
Deceased veterans	244	88,728
Civil War:		
Living veterans	806	968,348
Deceased veterans	6,958	3,315,029
Spanish-American War:		
Living veterans	13,230	4,580,975
Deceased veterans	4,205	1,223,176
Peacetime:		
Living veterans	2,240	482,385
Deceased veterans	563	158,397
Total compensation and pension benefits:		
Living veterans	45,046	19,926,630
Deceased veterans	20,451	7,566,940
Military and naval insurance	13,175	9,010,462
Adjusted service and dependent pay	----------	106,251
Adjusted-service certificates (matured by death)	----------	2,737,513
Administration [1]	----------	5,603,501
Construction	----------	120,355
Total disbursements	----------	45,071,652

[1] Administration includes expenditures incident to the maintenance and operation of all offices, hospitals, and all forms of medical hospital and domiciliary care.

FEDERAL REVENUE BUREAU INCREASES REVENUE COLLECTIONS 89 PERCENT

Total collections of internal-revenue taxes during the fiscal year 1935 amounted to $3,299,435,572, compared with $2,672,239,195 for the fiscal year 1934, an increase of $627,196,377, or 23 percent. The detail of the administration of these taxes appears in the following text and the detail of receipts in the statistical tables appended to this report.

Income-tax collections for the fiscal year 1935 were $1,099,230,383, compared with $817,025,340 in the preceding fiscal year, an increase of $282,205,043, or 35 percent. The greater part of this increase was due to larger current income-tax collections during the second half of the fiscal year 1935, which reflected not only the relatively higher individual incomes and corporate earnings for the calendar year 1934 but also the effects of the Revenue Act of 1934 and the Treasury's change in its administration of depreciation allowances. The latter factor, together with the special efforts of the Bureau of Internal Revenue to collect back taxes on incomes, resulted in increased collections from this source during the fiscal year 1935.

This increase was due not only to the new legislation and the special efforts of the Bureau to collect back taxes on incomes but it also reflects better economic conditions and vigorous activity on the part of the internal-revenue officers and employees.

Total taxes in Buffalo are given in the detailed tabulation of collections as follows:

	1935	1934
Corporation tax income	$12,159,064.51	$6,419,014.40
Individual income	7,597,999.31	6,006,302.25
Estate gift	2,714,730.78	2,267,571.12
Liquor	7,590,723.05	6,176,468.91
Tobacco	$30,922.98	$31,429.33
Oleomargarine specified taxes	22,275.27	18,454.16
Mixed flour	334.00	385.00
Narcotics	7,848.77	6,763.01
Stamps	65,797.89	117,438.64
Capital-stock transfers	30,469.63	75,058.78
Playing cards	78,120.40	82,400.00
Pleasure boats	----------	2,530.27
Manufacturers' excise tax	2,399,614.19	2,433,364.30
Admissions, etc	155,773.16	296,276.43
Bank checks	354,612.36	607,154.38
Safe-deposit boxes	39,556.66	36,641.53
Dividends	6,333.09	576,028.39
Capital stock	1,382,273.91	1,392,574.69
Excess profits	133,907.96	23,849.31
A. A. A	44,923,487.65	7,808,345.71
Gift tax	672,933.37	----------
Crude petroleum	7,504.14	----------
Coconut oil, etc	1,105,598.41	----------
Club dues and instruction fees	134,980.10	----------
National Firearms Act	250.00	----------

BUREAU OF CENSUS CONDUCTS MAJOR INQUIRIES

During the past year the Bureau of the Census has conducted three major inquiries, the results of which will yield valuable information concerning agriculture, business, and industry in the Forty-first Congressional District. I refer to the Census of Agriculture, 1935 (taken as of Jan. 1), the Census of Manufactures, 1935, and the Census of Business, 1935. The latter two inquiries are still in process. When completed they will give one of the most complete pictures of business and industry ever obtained by this Bureau.

Two other types of information are secured by the Bureau of the Census from the Forty-first Congressional District:

First. The report of the Buffalo city government which is secured annually and included in the Federal compilation of financial statistics of cities;

Second. A number of establishments in this area report to the Bureau of the Census concerning the current operation of their plants. These statistics are included in the monthly and quarterly Special Industrial Reports of the Bureau of the Census. Because of the nature of these latter inquiries the data is not published in detail by areas lest it reveal the operations of individual concerns.

AGRICULTURAL IMPROVEMENT IN NEW YORK SINCE 1932 HAS BEEN REMARKABLE UNDER THE A. A. A.

Cash receipts from the sale of principal farm products in New York State for 1935 rose to 68 percent of their 1929 level. This compares favorably with cash receipts for the United States as a whole, which in 1935 had risen to 66 percent of their 1929 level. Cash receipts in New York account for about 91 percent of the total cash income from farm production.

In 1929 these cash receipts of New York producers aggregated $351,621,000. Dropping to a low point of $175,720,000 in 1932, they rose to $221,180,000 in 1934, and to $240,395,000 in 1935, including $334,000 in rental and benefit payments.

By 1932 cash farm receipts in New York had fallen to about 50 percent of their 1929 level and in the North Atlantic States generally to about 54 percent of that level. But in the country as a whole, they had tobogganed to approximately 41 percent. By 1935, while for the county as a whole they had climbed to about 66 percent of their 1929 level, for the North Atlantic States they had risen to 72 percent and for New York to about 68.4 percent of that level.

It might be pointed out that the vegetable growers, the dry edible bean industry, the canners of cherries, and the grape growers in New York have also benefited greatly.

Increased industrial activities in New York State and in the northeastern industrial area have coincided with the operation of the agricultural adjustment programs. The effect has been to increase the purchasing power of factory and industrial workers in New York State and to make them better customers for the agricultural products of the New York State farmers. This indirect influence offsets the fact that none of the adjustment programs, which related under the terms of the act to basic commodities, were applied to fruits or vegetables.

One method followed under the Agricultural Adjustment Act which has contributed to the advantage of New York producers of fruits and vegetables has been the purchase with Federal funds of price-depressing surpluses of agricultural commodities for distribution through relief channels. The effect of these purchases has been to relieve the pressure on the market for the commodities concerned. Under the provisions of section 32 of Public, 320, the act amending the Agricultural Adjustment Act of 1933, there were purchased in New York State between January 1 and April 30 of this year 304,950 bushels of apples, 144,000 pounds of cabbage, 2,376,000 pounds of carrots, 1,900,000 pounds of onions, 385,830 dozen eggs, 783,168 pounds of butter, and 189,000 pounds of dry skim milk. Except for the eggs, butter, and dry skim milk, these products were produced in New York State by New York farmers, whose markets were suffering from surpluses.

FARM CREDIT ADMINISTRATION LOANS $958,300 TO 415 ERIE COUNTY FARMERS

The following analysis of benefits resulting from Federal land bank and land bank commissioner loans in New York is of interest to all farmers. It is estimated that the proceeds of such loans were used to refinance New York farmers' debts, as follows:

Mortgage debts to—	
Life-insurance companies	$40,000
Commercial banks	3,749,700
Joint-stock land banks	2,102,000
Others	10,336,700
Other debts to—	
Commercial banks	2,511,200
State, county, etc., for taxes	490,400
Others	3,659,100
Total	22,889,100

This sum refinanced debts totaling $25,830,100. Thus the amount of scale-down of principal occurring in connection with Federal land bank and land bank commissioner loans in New York from May 1, 1933, to December 31, 1935, was $2,941,000. Since the average rate of interest on these debts was cut from 5.9 percent before refinancing to slightly less than 5 percent after refinancing with the Federal land bank and land bank commissioner, there is a resultant annual interest saving of $441,000 to New York borrowers.

In Erie County the number and amount of loans made from May 1, 1933, to March 31, 1936, is as follows:

Institution	Number	Amount
Farm mortgage loans:		
Federal land banks (May 1, 1933–Dec. 31, 1935)	181	$479,200
Land bank commissioner (May 12, 1933–Dec. 31, 1935)	234	379,100
Total	415	958,300
Short-term credit:		
Production credit associations (organization, Apr. 30, 1936) [1]	867	656,254
Emergency crop loans (Jan. 1, 1933–Sept. 30, 1935)	102	24,390
Drought relief loans (July 3, 1934–June 30, 1935)	34	4,833

[1] Represents total loans of the Batavia Production Credit Association which also serves the counties of Genesee, Livingston, and Wyoming.

Farm Credit Administration, division of finance and research, May 20, 1936.

UNITED STATES GUARDS BUFFALO'S FOOD STANDARDS

The effect of the enforcement of the Food and Drug Act and the other acts with the enforcement of which the Food and Drug Administration has been charged by the Congress, cannot be gaged wholly upon the work that is being done by the Buffalo station.

Of necessity the control of local problems must be left to the State and city organizations, whereas the efforts of the Food and Drug Administration are confined to the regulation of products which enter into any consuming section through the medium of interstate commerce. However, the activities of the Buffalo station in connection with the manufacturing operations of concerns in western New York do have a definite bearing on the intrastate and local shipments of such concerns.

TWO MILLION DOLLARS TO BE SPENT IN ERIE COUNTY FOR ROAD IMPROVEMENTS

The Bureau of Public Roads, Department of Agriculture, is the coordinating agency which has made possible the system of great highways which today link every section of the country.

The Bureau does not build roads, except in the national parks. It merely supervises road building to see that proper materials and methods are used, and allocates Federal funds to help the States build roads which fit into the national scheme of highways. In addition, it is now administering the expenditure of $200,000,000 for the elimination of about 2,000 grade crossings.

The largest Federal and State allocation is in Erie County and Buffalo where $2,000,000 is being spent on improvements. This work is under the supervision of the State highway department. In addition, the Erie County Board of Supervisors has approved a $500,000 road and bridge building program, entirely financed by the county. Major State projects under construction include widening of Main Street to 60 feet from the Buffalo city line to Williamsville, the Broadway cut-off and bridge in Lancaster, the widening and resurfacing of Abbott Road through Lackawanna, and the reconstruction and widening of Seneca Street from the Buffalo city line to Center Street.

BUFFALO PROJECTS

Buffalo projects, not yet started but on the summer program, include elimination of grade crossings in Tifft and Ontario Streets and reconstruction of Broadway from Ellicott to Herman Streets and Niagara from Porter Street to Hertel Avenue.

A scenic highway improvement in Chautauqua County is the reconstruction of the east road, skirting Lake Chautauqua. Work now is in progress between Jamestown and Bemus Point and will be extended to Dewittville in the fall.

Niagara County State projects include resurfacing and widening of the road between Olcott and Lockport and reconstruction of Whirlpool Street from Cleveland Avenue to Spruce Avenue in Niagara Falls.

ARMORIES IN ERIE COUNTY OBTAIN $218,267.51 FEDERAL FUNDS

In times of peace both the Army and Navy spend considerable sums of money in Erie County for maintenance and repair for the six State armories.

From July 1, 1935, to May 31, 1936, the total amount spent, which includes the pay of armory employees, was $237,858.60. Federal funds have or will be allocated for additions and repairs to the Cavalry Armory, the One Hundred and Seventy-fourth Infantry Armory, and the armory at Tonawanda, totaling $218,267.51. The State of New York has or will contribute sponsors' contribution on Federal projects totaling $23,087.94. Combined expenditures total $479,214.05.

BUFFALO HAS 57,099 MEMBERS ENROLLED IN THE AMERICAN RED CROSS

The 23 chapters organized in the 11 counties of western New York State enrolled 97,227 Red Cross members for the calendar year 1936. Fifty cents is the national apportionment of each membership payment, the balance remaining in the local chapter treasury for the support of community services. On this basis the chapters in western New York State contributed a total of $48,613.50 for the support of the national and international responsibilities of the Red Cross.

Western New York State has also contributed $144,621.84 for the sufferers of the flood during the spring of 1936. The Buffalo chapter, which includes all of Erie County in its jurisdiction, is outstanding among the larger cities in its enrollment of 57,099 members. Buffalo has been equally generous in its contribution for flood and disaster relief.

The traditional Red Cross services with which everyone is familiar do not vary greatly from year to year. The outstanding developments of the past year are the educational activities in which Red Cross chapters have engaged in the field of accident prevention and in the establishment of emergency first-aid stations along the highways. In western New York State, chapters cooperated with the national

organization through a program of disaster relief following the floods of last summer and fall.

WORK OF UNITED STATES DEPARTMENT OF JUSTICE IN BUFFALO GREATLY INCREASED

During recent years the work of the Federal Bureau of Investigation has been greatly increased due to the enactment by Congress and the approval by the President of a series of Federal statutes affording jurisdiction to the Federal Bureau of Investigation in the type of cases which had not, prior thereto, been covered by Federal legislation. The more prominent of these Federal laws include those relating to kidnaping, extortion, the interstate transportation of stolen property, the robbery of banks organized and operating under the laws of the United States, interstate flight to avoid prosecution or giving testimony in certain cases, and the Federal anti-racketeering act.

Statistics are not available which particularly set out the accomplishments of the Bureau in the Forty-first District of New York or the specific aid and assistance given to local law-enforcement agencies in that district. However, one of the Bureau's 37 field offices is located in Buffalo, investigating those violations over which the Bureau has investigative jurisdiction in the district covered by the Buffalo office.

In the Buffalo office during the period from July 1, 1935, to May 1, 1936, there were 761 new cases opened on complaints received. On July 1, 1935, that office had 246 pending cases, 97 of which were unassigned; and although 800 cases were closed from July 1, 1935, to May 1, 1936, there still remained 207 pending cases, 67 of which were unassigned on May 1, 1936.

There has been an average of seven special agents assigned to this district, whose investigations since July 1, 1935, have resulted in 30 convictions, the actual suspended and probationary sentences totaling 110 years 8 months 3 days; $5,001 in claims recovered; property amounting to $22,808, including the recovery of 34 automobiles and the location of 8 fugitives.

Probably one of the more important types of civil investigations now being conducted by the Bureau are those investigations involving fraudulent claims made in connection with war-risk insurance cases. Since this work was taken over by the Bureau on September 10, 1933, a total of 6,949 cases have been investigated, resulting in savings to the Government of $78,879,532.04.

The activities of the Bureau are of the nature which afford law-enforcement agencies throughout the country facilities which might not otherwise be available to them. It is practically impossible to estimate the benefits received by the people of the Forty-first District through the widespread efforts being exerted by the Bureau to eradicate crime generally.

UNITED STATES CUSTOMS REPORTS IMPORTS AND EXPORTS AT BUFFALO

For customs purposes, Buffalo is included in a customs district which comprises all the counties of Niagara, Erie, Cattaraugus, and Chautauqua, with headquarters in Buffalo.

For the calendar year 1935 the total value of imports for consumption for this customs district was $75,042,639. The total value of exports, including reexports, was $69,805,307, according to the records of the Department of Commerce. The total customs duties collected in this customs district for this same period was $10,357,565. Of this amount $9,120,938 was collected at the port of Buffalo, $1,229,802 at the port of Niagara Falls, and $6,825 at the station of Dunkirk.

FINES AND FORFEITURES IN BUFFALO AREA TOTAL $336,528.22

More than $300,000 came into the Treasury Department as a result of collections made by the United States Attorney through fines and forfeitures.

These collections amounted to $48,074.61 during the fiscal year 1935, and from July 1, 1935, to March 31, 1936, of the present fiscal year they amounted to $288,453.61, making a grand total of $336,528.22 for the period of 1 year and 9 months.

These collections were made solely by the United States Attorney's office in the Western District of New York, which office has an average of 17 persons employed therein and operated under a total expenditure for 1935 of $50,445.75, and for the first 9 months of the present fiscal year (1936) a total expenditure of $38,126.88.

UNITED STATES BUREAUS AID LAKE SHIPPING

The Bureau of Navigation and Steamboat Inspection inspects steam vessels navigating American waters, foreign steam vessels which embark passengers at American ports, motor vessels of 15 gross tons or over carrying freight or passengers, sailing vessels of 700 tons carrying passengers or freight, and certain types of barges.

The enforcement of laws having to do with safety of vessels and their cargoes and passengers is a function of the Bureau.

A strict observance of all existing laws looking to the safety of life at sea is demanded by the department. Legislation having for its purpose additional safety requirements and the providing of the machinery necessary to secure compliance therewith has also been recommended by the Bureau.

BUSINESS CONDITIONS IN BUFFALO IMPROVED

Business conditions in Buffalo, N. Y., appear to have improved by 10 percent during the past year. Since the beginning of 1933 the improvement has been about 50 percent. The improvement in Buffalo appears to have been greater than in New York State as a whole.

This information is received from the Bureau of Labor Statistics of the United States Department of Labor and is based on the following facts:

Employment in the manufacturing industry of Buffalo during the first quarter of 1936 was 9 percent greater than during the first quarter of 1935 and 62 percent greater than during the first quarter of 1933. This employment remained 27 percent less than during the years 1925–27, however. (New York Department of Labor, Industrial Bulletin.)

Pay rolls of manufacturing industries of Buffalo during the first quarter of 1936 were 13 percent greater than during the first quarter of 1935 and twice as great as during the first quarter of 1933. Such pay rolls remained 38 percent less than the average during 1925–27, however. (New York Department of Labor, Industrial Bulletin.)

Bank clearings in Buffalo increased by 10 percent between April 1935 and April 1936. Bank clearings in the latter month were 50 percent greater than in April 1933. (Commercial and Financial Chronicle.) The increase since 1933 has been due to restoration of banking units and to the rise in the price level, as well as to the increase in the volume of trade.

Department-store sales increased by 5.7 percent between March 1935 and March 1936. In the latter month the sales of reporting stores were 43.4 percent greater than in March 1932. (Federal Reserve Bank of New York, Monthly Review.) The physical volume of sales increased from 1933 to 1936 by less than the indicated percentage since retail price rose during the period.

The improvement in building construction since 1933 has been less in Buffalo than in the United States as a whole. The estimated cost of all such construction begun during the first quarter of 1936 was 48.5 percent greater than the cost during the first quarter of 1933. The expenditures on additions, alterations, and repairs more than doubled during this period. A considerable decline occurred in the construction of new residences, however:

Type of construction	First quarter		Percentage change
	1936	1933	
New residential	$7,800	$42,500	−81.6
New nonresidential	123,749	91,015	+36.0
Additions, alterations, and repairs	216,454	100,760	+114.8
Total	348,003	234,275	+48.5

The manufacturing industries of Buffalo which have shown the greatest improvement in employment and pay rolls during the past year are: First, pig iron and steel; second, machinery and electrical apparatus; third, metals, machinery, and conveyances. The greatest improvement since the first

quarter of 1933 has been shown by: First, pig iron and steel; second, machinery and electrical apparatus; third, metals, machinery, and conveyances; fourth, brass, copper, and aluminum; and, fifth, automobiles and parts. The iron and steel industry in Buffalo has nearly reversed its predepression (1925–27) level of employment, in spite of the drastic decline during the depression. Employment in the food-products plants of Buffalo is only 9 percent less than the average during the years 1925–27. Unlike iron and steel, the food-products industries retained a relatively high level of employment during the depression.

Movement of employment and pay rolls of selected manufacturing industries of Buffalo, N. Y.

[Source: New York Department of Labor, Industrial Bulletin]

Industry	Percentage change first quarter 1936 compared with previous periods		
	First quarter 1935	First quarter 1933	Average 3 years 1925–27
	Percent	*Percent*	*Percent*
Pig iron and steel:			
Employment	+32	+227	−2
Pay rolls	+43	+358	−13
Machinery and electrical apparatus:			
Employment	+32	+150	−25
Pay rolls	+40	+269	−41
Metal, machinery, and conveyances:			
Employment	+12	+113	−36
Pay rolls	+15	+184	−46
Brass, copper, and aluminum:			
Employment	+8	+83	−47
Pay rolls	+8	+153	−57
Automobiles and parts:			
Employment	−26	+100	−40
Pay rolls	−35	+163	−58
Railroad equipment and repair shops:			
Employment	+4	+49	−45
Pay rolls	+16	+73	−48
Food products:			
Employment	−7	+18	−9
Pay rolls	No change	+40	−16
Chemicals and oil products:			
Employment	+10	+13	−22
Pay rolls	+12	+28	−27
All manufacturing industries:			
Employment	+9	+62	−27
Pay rolls	+13	+100	−38

BUREAU OF ANIMAL INDUSTRY SPENT $146,354 IN BUFFALO IN 1935

The Bureau conducts work on the following projects at Buffalo, N. Y.: Control over interstate shipment of livestock to prevent spread of diseases; enforcement of 28-hour law; inspection of animals for import and export; supervision over the importation of hides and other animal byproducts, forage, and so forth; meat inspection; inspection of imported meats and meat food products; tuberculin testing at public stockyards; enforcement of the Packers and Stockyards Act.

All of these activities, with the exception of the enforcement of the Packers and Stockyards Act, are conducted under the supervision of an inspector in charge, who has a force of 15 veterinarians, 30 lay assistants, and 3 clerks.

Up to April 30 of the current fiscal year, import livestock totaling 45,768 cattle, 8,900 swine, and 524 sheep have been inspected. Supervision is maintained at 20 establishments where restricted import animal byproducts are handled.

In the control of interstate transportation of livestock and the enforcement of quarantine and transportation laws, there were inspected, during the calendar year 1935, 259,543 cattle, 416,073 sheep, and 154,671 swine. Much time was also devoted to expediting the movement through the yards to slaughtering establishments of reactors to the tests for tuberculosis and Bang's disease. Cars totaling 2,381 were cleaned and disinfected during the fiscal year 1935 in fulfillment of Bureau regulations or on request of State and railroad officials.

During the calendar year 1935 there were inspected at establishments operating under Federal meat inspection 532,444 cattle, calves, sheep, and swine, and 59,384,381 pounds of meat during such processes as curing, smoking, chopping, cooking, and rendering. The total of the amount of meat inspected includes some duplication, as, for example, the poundage of meat placed in cure is reported separately from the same meat when it passes to the smokehouses or cooking vats.

The enforcement of the Packers and Stockyards Act, the activities of which involve supervision over the operations and practices of packers, the stockyard company, market agencies, and dealers, and rates and charges for stockyard services, is handled separately by a district supervisor.

Expenditures at Buffalo during the fiscal year 1935 were $146,354.

UNITED STATES BUREAU OF IMMIGRATION WATCHES ADMISSION OF ALIENS, BARRING UNDESIRABLES, AND AIDS IN NATURALIZATION—BUFFALO AREA AMONG MOST IMPORTANT

Under the supervision of the district director of immigration and naturalization at Buffalo, the Buffalo district embraces 14 counties in northeastern Ohio, 5 in northwestern Pennsylvania, and 27 in western New York, in all of which since August 1933 the work which had previously been carried on by the Immigration Service and the Naturalization Service as separate organizations is now done by a unified agency. In addition, naturalization work only in five counties in northeastern New York is handled by the Buffalo district.

In the Niagara frontier—that is, the territory between Lakes Erie and Ontario—inspection officers are regularly stationed in Buffalo at the Peace Bridge, the Fort Erie Ferry, the Grand Trunk passenger station at Black Rock, and in the summertime, at Crystal Beach, Ontario. At Niagara Falls, inspection officers are regularly stationed at the Falls View Bridge, Lower Arch Bridge, and Queenston-Lewiston Bridge, and, as a summer activity only, inspection work is carried on at the Lewiston dock to take care of steamers from Toronto, Ontario, at Youngstown, N. Y., and at the *Maid of the Mist* landing at Niagara Falls, N. Y. Further, the territory between Lakes Erie and Ontario and the shore line extending for some miles along each lake are covered by the immigration border patrol, the chief function of which is to prevent the illegal entry of aliens into the United States. There is concentrated in the Niagara frontier area at the district office and at the places already mentioned, a total of 175 employees. The Niagara frontier area is among the most important in the country in the volume of travel across the international boundary. To illustrate this, it might be pointed out that in a year, in which it was estimated that 55,000,000 people crossed both the Canadian and Mexican boundaries into the United States, approximately 9,000,000, or roughly one-sixth of the entire total, entered the United States between Lake Erie and Lake Ontario. While the greater number of these are citizens of the United States returning from temporary absences in Canada, it is required, nevertheless, that each one be inspected, and a large portion of the total were aliens whose detailed examination under the immigation laws is necessary.

In addition to the inspection work there is carried on at both Buffalo and Niagara Falls the very important work of naturalizing alien applicants for citizenship; the investigation of the cases of aliens who are alleged to be or believed to be subject to deportation from the United States; the inspection of airplane arrivals from Canada; the issuance of reentry permits to aliens desiring to proceed abroad temporarily; registration of aliens who entered the United States without a record, prior to June 3, 1921, and who are entitled to legalization of their residence here; the investigation, preliminary to the issuance of certificates of citizenship, of children and women who claim to have derived citizenship in the United States through fathers and husbands; the prosecution of offenders against the Immigration and Naturalization laws; and other activities necessarily allied with the foregoing.

Buffalo is the distributing point for the deportation to Canada of aliens coming from all parts of the United States whose destination is the eastern section of the Dominion, or who are to be deported to European countries via Canadian seaports. These aliens are brought to Buffalo on trans-continental trains, and officers of the Buffalo District proceed with deportation to Canada of their conveyance to Canadian seaports.

During the 10 months from July 1, 1935 to April 30, 1936, there were conducted in the Niagara area over 1,600 investigations; 157 aliens were deported; 196 were allowed to leave voluntarily in lieu of deportation; 187 applications for registry in cases involving entry without record, prior to June 3, 1921, were received; 1,720 were admitted to citizenship, and 87 petitions for citizenship were denied; a total of 367 alien applicants for admission to the United States were denied entry at Buffalo and Niagara Falls during the period mentioned.

The immigration border patrol, during the period from July 1, 1935, to April 30, 1936, patrolled in the Niagara frontier area a total of 170,702 miles by automobile, 11,751 miles on foot, and 1,988 miles by boat; 21,236 freight trains, 6,051 passenger trains, 2,172 automobiles, 2,500 boats, and 1 airplane were examined by the patrol, and a total of 65,030 persons were questioned; 39 aliens seeking to enter the United States illegally were apprehended and a number of these had previous criminal records or had at some prior date been deported from the United States. There was seized, in addition, alcohol valued at $728; $50,000 worth of lottery tickets, and $62.70 in United States stamps, all of which were being smuggled into the United States. Upon information furnished by the immigration border patrol, that organization participated in the seizure of raw wool valued at $3,000 which had been smuggled into the country. Thirteen persons were delivered to State and municipal police by the patrol, this number including two automobile thieves, two petty thieves, and one mentally defective person. Immigration border-patrol officers effected, as well, during the period mentioned, the rescue from drowning in the Niagara River of two persons.

Contact is maintained by all branches of the Service in the area with the local police, the State police, and other Federal, State, and local law-enforcement authorities with a view to giving them every assistance in their work and to investigate the cases of aliens who may be subject to deportation or other action which may come to the attention of those agencies. Periodical surveys are made to the various institutions in the area, including the New York State Prison at Attica, the Erie County Penitentiary at Wende, N. Y., the Buffalo State Hospital, the Niagara County Sanitarium, and the House of Refuge at Albion, and various county jails, with a view to learning whether any inmates are subject to action by this Service.

BUREAU OF BIOLOGICAL SURVEY PROTECTS ALL SPECIES OF GAME BIRDS IN BUFFALO AREA

This Bureau is deeply concerned with the conservation and protection of all species of birds, its authority is centered in the Migratory Bird Treaty Act, and therefore extends only to those species enumerated in article 1 of the treaty. The protection of upland game birds is reposed in the various States, all of which have excellent laws on the subject, and all of which maintain even larger warden forces than does the United States for the protection of migratory species. This Department prescribes regulations under the treaty and act for the hunting of certain of the migratory game birds, and these regulations, when approved and proclaimed by the President, have the force and effect of law. Violations of these regulations are punishable as prescribed in section 6 of the act. For the enforcement of these regulations the Bureau maintains a force of 26 United States game management agents located at strategic points throughout the country—one of whom is located at Owego, N. Y.

These game management agents not only enforce the treaty act and regulations, but also the Lacey Act regulating the interstate shipment of wild animals and parts thereof. Police powers with respect to shipments in interstate commerce were extended to these agents by an amendment to the Lacey Act, approved June 15, 1935. Under the authority of the Lacey Act, the Bureau conducts intensive investigations of all shipments involving furs shipped in violation of State laws. The general practice is to refer such violations to the State authorities for prosecution, but in some cases Federal prosecution is had.

The activities of the Bureau and of the Department in the protection of game birds are not confined entirely to law enforcement. One of the major activities has been the restoration of our depleted waterfowl resources by the acquisition and establishment of breeding and nesting areas under a broad program. Activities also include a comprehensive educational program through the publication and distribution of literature, radio broadcasts, motion pictures, and lectures and addresses before conservation and sporting organizations. In addition to this, the Bureau maintains very cordial cooperative relations with the various State game departments, not only in the enforcement of game laws but in the gathering and dissemination of information concerning feeding and nesting conditions.

Game-management courses sponsored by the Bureau are now being conducted in nine land-grant colleges, whereby the youth of the country may be taught the principles of wildlife conservation and restoration.

Concerning plant pests, probably the most effective curb is the protection afforded song and insectivorous birds under the Migratory Bird Treaty Act. The value of these birds in the destruction of plant pests is incalculable, and their protection under the treaty is one of the major activities of the Bureau. The control of plant pests is also a function of the Bureau of Entomology and Plant Quarantine.

JOSEPH W. BYRNS

Mr. LUNDEEN. Mr. Speaker, ladies and gentlemen of the House, in the summer of 1935 a young man, Ernest Ward Lundeen, conceived the idea that he wanted the signature and fingerprints of the Speaker of the House of Representatives. Mrs. Lundeen and I put him aside by saying, "Well, you had better see the Speaker and get them yourself", hardly thinking that the young lad would venture into the Speaker's private sanctum. Then one morning when breakfasting at the Mayflower Hotel we saw Speaker BYRNS and his good wife. We told him about the desire of the young man. The Speaker immediately reached for a pencil and paper and took our son's name and address. We learned later that his autographed photograph went forward to Junior, together with a letter.

One day I entered the Speaker's elevator in the Capitol, and the Speaker turned from a group of Democratic leaders and said to me, "Say, LUNDEEN, I have just had a letter from your young son, and it was a corker." We wanted, of course, to know the contents of the letter, but the Speaker insisted that it was private correspondence. There resulted from this little exchange a friendship between the young man and the Speaker, and whenever Ernest, Jr., came to the Capital from the Valley Forge Military Academy, where he is now studying, he would immediately hurry to the Speaker's office, greet him, and relate to him his progress in the academy.

On another occasion, January 3, 1936, when the President addressed a joint session of the Congress, I took Junior to the Capitol, where we found guards and police and a barred way. Only Members of Congress were allowed to pass. I said, "Junior, I don't know if I can get you through; mother has my only pass."

"Oh, daddy," he said, "I'll get through all right—the Speaker's my friend." And so it was. The Speaker was our friend, the friend of every Member, the friend of our boys, the friend of all citizens, remembered and beloved by all.

That so busy a man, with all the cares of state, should take of his precious time to talk to a young lad, to inspire him, and to say to him, as he once did, "Select your ladder, and climb to the top", is typical of great leaders in American public life, but especially so of JOE BYRNS. He was a lovable and admirable gentleman, beloved by all, fair in his decisions from the chair. For 25 years JOSEPH W. BYRNS was a Member of Congress from his great Tennessee constituency, which draws its inspiration from the hermitage of Andrew Jackson.

America was shocked at his sudden passing. When he left he fell, as does the great pine looming against the western

skies, and falling, leaves a vacant space on the horizon. His passing leaves a pall of gloom over the last days of this Congress. He rests in his beloved soil of Tennessee. He is home with his friends, gathered to his fathers. But he is not forgotten in Minnesota, not so long as the young lad whom he befriended and inspired remains to remember him. He is not forgotten and will be remembered by millions everywhere who recall his genial smile and his courteous, gentlemanly manner.

HON. JOSEPH W. BYRNS

Mr. KENNEDY of New York. Mr. Speaker, we assembled in this legislative Hall of the Nation on June 5 to pay respect to the memory of our late Speaker, JOSEPH W. BYRNS, of Tennessee. Today the duty which the hour imposes upon me is a labor of love, and I gladly welcome the opportunity to pay tribute to his noble attributes of mind and heart.

I had the pleasure of serving with Speaker BYRNS since the Seventy-first Congress. For the past 2 years, as neighbors, we occupied adjoining apartments at the Hotel Mayflower, and, meeting frequently, I had the opportunity to observe and grew to admire the sterling qualities of his character. I shall leave to others the pleasure of reciting the accomplishments of his long public career while I content myself with calling attention to what seemed to me the dominant element of his life—a genial, social kindness of his nature.

It is a noble tribute to a man when it can be said that his life was marked by uniform kindness, and the more you know of him the better you grow to like him. This can be said of our worthy friend, whose memory we cherish and whose life of service and whose brotherly kindness we admire.

I have sometimes thought that the element of kindness is the noblest element of our nature; that the best and sweetest thing in this world is simple, common, everyday kindness. Kindness is the most beautiful flower that grows and blooms in the soil of the soul. It is the one celestial flower that blooms over the walls of paradise and fell from the garden of the skies; its petals caught and carried the fragrance of heaven, and it fills the earth with incense of gladness when it sweeps the existence of time and reaches through boundless space even from the pit of hell to the gates of heaven and sits enthroned the best influence that sweetens life or molds the soul—kindness.

And so I can pay my friend no finer tribute than to say that in daily life he exemplified the spirit of kindness in his contact with his fellow men.

He believed with Washington Irving that—

A kind heart is a fountain of gladness suffusing everything.
Around it with pleasure and freshens everything into smiles.

I know he thought with Hans Christian Andersen that—

The best love man can offer
To a God of love, be sure.
Is mercy to God's little ones
And kindness to God's poor.

Congressman BYRNS' kindness to little ones was constantly brought to my attention. I have a little son, now 7 years old, who was a great admirer of the Speaker. Every time Mr. BYRNS met John in the elevator, in the lobby, or even on the street, he took the time to stop, have a little chat, admire John's baseball suit, and ask him if he, too, was going to be a Congressman.

And so his life can teach us all that which we all should know: That kindness is beautiful—beautiful like the memory of your dear old mother's face; that kindness is the open door to happiness; that kindness is the golden key that unlocks and gives you the passport to all hearts, to friendship with the world's noblest and best, to happiness on earth, success in life, and entrance through the gates of heaven.

And so, thus living a life of service and kindness, his buoyant, courteous manner never deserted him when the end came—

Like a shadow thrown softly and sweetly
From a passing cloud, death fell upon him—

And when for JOSEPH W. BYRNS the gold bowl was broken and the silver cord loosed, he, too, could approach his grave—

Like one who wraps the drapery of his couch
About him, and lies down to pleasant dreams.

And when his path of life led to the door of the night of death, it opened for him into the gateway of glorious immortality. And we who knew and loved him trust in that hope born of Christian faith that he found that—

Death is but an angel, who to man at last his freedom brings
The grave is but a nest in which the soul shall find its wings.

JOSEPH W. BYRNS

Mr. COOPER of Tennessee. Mr. Speaker, I desire to take advantage of this opportunity to raise my voice in brief tribute to the life, character, and public service of my warm personal friend and distinguished colleague from Tennessee, the Honorable JOSEPH W. BYRNS, Speaker of the House of Representatives, who recently passed away.

When I became a Member of Congress 8 years ago Mr. BYRNS then had a distinguished record of 20 years of continuous service as a Member of this body. Although I had known him very pleasantly for many years before my period of service began, I became much closer associated with him, and my acquaintance with him ripened into one of the closest and warmest friendships it has ever been my privilege to enjoy.

Mr. BYRNS came from as fine a stock of Tennessee people and as splendid a type of true patriotic citizenship as could be found anywhere. As a boy in his native Robertson County, Tenn., he worked on a farm and met the problems of life with that high degree of courage and devotion to duty that formed the character of the man which sustained him through the years of his great and useful life. He was a man of splendid educational and mental attainment and possessed the highest attributes of Christian character.

The public service of Mr. BYRNS extended over a long period of years. He served as a member of the House of Representatives of the Tennessee Legislature and as speaker of that body. He also served as a member of the State Senate of Tennessee. His distinguished service to the State as a member of the legislature merited for him his election as a Member of Congress, where he established a record which has been equaled by few men in the history of our country. Early in his congressional career he became a member of the important Committee on Appropriations and later served as chairman of this committee. He was recognized as one of the outstanding authorities of the country on all matters coming under the jurisdiction of this committee. He served with great distinction as majority leader and was the honored and beloved Speaker of the House of Representatives at the time of his death. He was a truly great statesman and most valuable public servant. I have often said that I regarded JOE BYRNS, as he was affectionately called by all of us, as the most popular Member with whom I had ever been privileged to serve. He represented the great Hermitage district of Tennessee, which was the home of Andrew Jackson, for a period of 28 years of continuous service. This is the longest period of time that any man has ever served in Congress from the State of Tennessee. It was my privilege to be a member of the congressional committee that made the last long journey from Washington to Nashville with his remains for the funeral service. The immense throng of people present on this occasion in Nashville, numbering many thousands of his neighbors and friends, gave unmistakable evidence of his popularity and the very high esteem in which he was held by all who knew him.

He fell at his post of duty just as he would have preferred to go. His congressional district, the State of Tennessee, and the Nation have suffered a great loss in his untimely death.

His great life will ever be an inspiration to his devoted wife and his noble son, and may well be emulated by those who come after him.

JOE BYRNS AS I REMEMBER HIM

Mr. RANDOLPH. Mr. Speaker, I recall the precious friendship with JOE BYRNS, our late Speaker of the House of Representatives. It is always unfortunate that only after such an association has been severed there comes the full realization of how much we treasured it.

I am remembering now my visit to Washington shortly after having been elected in November of 1932. I was youthful and inexperienced in the new duties which I was to perform. When I went to see JOE BYRNS he did not hurry me out of his office with a quickly worded parting, but with kindly attitude he went over carefully the procedure and rules in this body and impressed upon me the importance of the task, and then it was that I realized he had a keen interest in younger men. I thought back to the congressional campaign of 1930 and my unsuccessful effort in that year, and I recalled the help he had extended at that time.

My friendship and affection for him increased with our association, and I shall never forget his personal visit to my congressional district in 1934, when he delivered three splendid addresses in my behalf within 24 hours at my home town of Elkins and at Martinsburg and Keyser.

Many, many times during the coming months was I to seek his kindly counsel and sound advice.

It always means much to a younger man to have the aid of someone who is older, and this is particularly true in public life. I know that to we younger Members of Congress JOE BYRNS was a real friend, and by his life he lived to the fullest the words of an old poem, which follows:

An old man, going a lone highway,
Came, at the evening, cold and gray,
To a chasm, vast and deep and wide,
Through which was flowing a sullen tide.
The old man crossed in the twilight dim;
The sullen stream had no fears for him;
But he turned, when safe on the other side,
And built a bridge to span the tide.
"Old man", said a fellow pilgrim, near,
"You are wasting strength with building here;
Your journey will end with the ending day;
You never again must pass this way;
You have crossed the chasm, deep and wide,
Why build you the bridge at eventide?"

The builder lifted his old gray head:
"Good friend, in the path I have come", he said,
"There followeth after me today
A youth, whose feet must pass this way.
This chasm, that has been naught to me,
To that fair-haired youth may a pitfall be.
He, too, must cross in the twilight dim;
Good friend, I am building the bridge for him."

Certainly JOE BYRNS was a builder of bridges.

JOSEPH W. BYRNS

Mr. DARROW. Mr. Speaker, this Government has suffered an irreparable loss in the death of our dearly beloved colleague and distinguished Speaker, the Honorable JOSEPH W. BYRNS. No more faithful, trustworthy, or capable Representative ever served his constituency, his State, or his country. His fine qualities of earnestness, perseverance, and fairness were always readily apparent, and he richly deserved the honors accorded him by his election, first, as majority leader in the House, as well as his subsequent elevation to the Speakership.

One of the greatest rewards service in this honorable body accords is the opportunity for the formation of beautiful friendships, wherein political ties are entirely forgotten and Members may enjoy true companionship and pleasant associations. In my 22 years of service here I was privileged to know JOE BYRNS as a real friend. I shall ever hold in pleasant memory his beautiful character, his human sympathy, as well as his deep devotion to those who were near and dear to him.

Within the past year the Speaker kindly consented to my request that one of my constituents be permitted to make a mask of him, and as I have a reproduction of that mask in my office here I shall continually be reminded of his many kindnesses to me, his achievements, and the rewards which came to him, as well as our beautiful friendship.

FLOOD VICTIMS RECEIVE PROMPT RELIEF

Mr. SNYDER of Pennsylvania. Mr. Speaker, the March floods throughout the Nation left destruction in their path.

This was especially true in eastern United States, where the floods were most severe.

The city of Johnstown, Pa., was one of the cities that was damaged most. The stream that carries the big waters to Johnstown that caused the flood and destruction has its headwaters in my district, Somerset County, Pa. This stream, Stony Creek by name, and its tributaries drain the mountain side and plateaus of all northern Somerset County, and during heavy rains and especially when these rains come in the spring when the mountains are covered with snow, a considerable amount of damage is done to the farmers and home owners along the shores of these streams.

Of course, some of the suburbs of Johnstown lie in my district, and it is the firm belief of the people living in Stony Creek that we must have flood control on Stony Creek and a few of its branches if we are going to prevent a repetition of the terrible disaster of March 1936.

If the Federal Government would spend just one one-hundredth in building dams of what the flood destruction was, we could make the valley of Johnstown safe. In other words, the loss caused by the flood in March was more than 100 times greater than would be the cost to build flood-control dams.

On this basis I introduced into Congress, after the March floods, the following bill:

A bill for a complete survey of Stony Creek watershed, from its mouth, where it empties into the Conemaugh, in Johnstown, Pa.

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to make a complete survey of Stony Creek watershed, Somerset County, Pa., from its mouth, where it empties into the Conemaugh, in Johnstown, Pa., with a view of the Government flood-control agency building not less than two nor more than four flood-control dams at the proper places designated by the Army Engineers on Stony Creek or its tributaries, for the purpose of preventing disastrous floods like those which swept down on Johnstown, Pa., in 1889 and 1936.

Of course, there was no time after the flood to get it through this session of Congress, but in the Seventy-fifth Congress we hope to see this measure passed or else included in a general flood-control measure.

Mr. Speaker, the promptness with which the Federal Government comes to the rescue of flood victims is indeed worthy of comment. This I find is true all over the Nation wherever the floods raged.

No wonder the flood victims and all who were directly or indirectly affected are strong for our administration.

In my own congressional district the following sums have been approved and granted since May of this year:

Somerset County, Pa.:	
Reconstruction of streets, sidewalks, alleys, Benson Burrough	$30,309
Construction of a new channel in Willis Creek, Glencoe	10,550
Bridge construction	6,611
Bridge construction	7,115
Turkeyfoot Township	7,912
Allegheny Township	5,899
Cring Township	5,050
Summit Township	7,852
Middlecreek Township	4,042
Allegheny Township	7,998
Do	9,034
Route 88819	7,115
Fayette County, Pa.:	
Construction of highway, Franklin Township	16,964
Bridge construction:	
Uniontown	3,947
Do	5,227
Do	5,553
Menallan Township	4,468
Over Bigger Run	8,132

These are the sums allotted to date to my district. As the months go on this will be multiplied. The nice thing about it is there is not a superabundance of red tape. I find the Department handling this, here in Washington, very efficient as well as very much interested.

Mr. Speaker, we talk about working 6 hours a day. I happen to know that in many of these emergency depart-

ments they work 12 hours a day and some of the emergency heads do, as well as Congressmen do in the closing days of the session. They work 14 or 16 hours a day.

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 52 minutes p. m.), in pursuance of House Concurrent Resolution 53, the House adjourned until Monday, June 15, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

865. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize the acquisition of lands in the San Francisco Bay area as a site for a naval supply base and to authorize the construction and installation of facilities for a naval supply base thereon; to the Committee on Naval Affairs.

866. A letter from the Chairman of the Reconstruction Finance Corporation, transmitting pursuant to the provisions of section 201 (b), title II, of the Emergency Relief and Construction Act of 1932, the report of its activities and expenditures for April 1936 (H. Doc. No. 505), was taken from the Speaker's table, referred to the Committee on Banking and Currency, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. DISNEY: Committee on Ways and Means. H. R. 10483. A bill to provide revenue from the importation of crude petroleum and its products; without amendment (Rept. No. 2953). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES: Committee on Agriculture. H. R. 12694. A bill to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926; without amendment (Rept. No. 2954). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 12873. A bill to authorize completion, maintenance, and operation of certain facilities for navigation on the Columbia River, and for other purposes; with amendment (Rept. No. 2955). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 12888. A bill to provide for the erection of a building to be used exclusively for the recorder of deeds; without amendment (Rept. No. 2956). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. House Joint Resolution 602. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937; without amendment (Rept. No. 2957). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. House Joint Resolution 604. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes; without amendment (Rept. No. 2958). Referred to the Committee of the Whole House on the state of the Union.

Mr. MITCHELL of Tennessee: Committee on Agriculture. S. 3784. An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes; without amendment (Rept. No. 2959). Referred to the Committee of the Whole House on the state of the Union.

Mr. DE ROUEN: Committee on the Public Lands. S. 4707. An act for the relief of certain purchasers of lots in Harding town site, Florida, and for the relief of the heirs of Lewis G. Norton; without amendment (Rept. No. 2960). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. S. 4667. An act to prohibit the commercial use of the coat of arms of the Swiss Confederation pursuant to the obligation of the Government of the United States under article 28 of the Red Cross Convention signed at Geneva, July 27, 1929; without amendment (Rept. No. 2961). Referred to the House Calendar.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 12951. A bill to extend the laws governing inspection of vessels, and for other purposes; without amendment (Rept. No. 2962). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEROUEN: A bill (H. R. 12956) to provide for the addition or additions of certain lands to the Fort Donelson National Military Park in the State of Tennessee, and for other purposes; to the Committee on the Public Lands.

By Mr. DIRKSEN: A bill (H. R. 12957) to provide for a preliminary examination of the Mackinaw River in Illinois with a view to flood control and to determine the cost of such improvement; to the Committee on Flood Control.

By Mrs. GREENWAY: A bill (H. R. 12958) providing for relief in cases of desert-land applications or entries of lands within Verde River irrigation and power district, Arizona; to the Committee on the Public Lands.

By Mr. MALONEY: A bill (H. R. 12959) to authorize the Parish of Jefferson to have and to lease the mineral and oil rights for drilling, production, and handling of same on certain lands being a canal right-of-way in the State of Louisiana; to the Committee on Military Affairs.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 12960) for a complete survey of Stony Creek watershed from its mouth where it empties into the Conemaugh in Johnstown, Pa.; to the Committee on Flood Control.

Also, a bill (H. R. 12961) to provide for the location and survey by the Bureau of Public Roads of a system of three transcontinental and six north-south highways; to the Committee on Roads.

By Mr. THURSTON: A bill (H. R. 12962) to amend the act entitled "An act to promote the conservation and profitable use of agricultural land resources by temporary Federal aid to farmers and by providing for a permanent policy of Federal aid to States for such purposes"; to the Committee on Agriculture.

By Mr. WILCOX: A bill (H. R. 12963) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. DICKSTEIN: Resolution (H. Res. 546) to authorize an investigation of the "Black Legion", and for other purposes; to the Committee on Rules.

By Mr. DISNEY: Resolution (H. Res. 547) providing for the consideration of H. R. 10483, a bill to provide revenue from the importation of crude petroleum and its products; to the Committee on Rules.

By Mr. SABATH: Resolution (H. Res. 548) authorizing further expenditures of $25,000 to be paid out of the contingent fund of the House for the continuance of the investigation by the Select Committee to Investigate Real Estate Bondholders' Reorganizations; to the Committee on Accounts.

By Mr. DIRKSEN: Joint resolution (H. J. Res. 622) proposing an amendment to the Constitution of the United States relative to disapproval of items in general appropriation bills; to the Committee on the Judiciary.

By Mr. LUCKEY: Joint resolution (H. J. Res. 623) proposing an amendment to the Constitution permitting the President of the United States to disapprove or reduce any item of any appropriation bill passed by Congress; to the Committee on the Judiciary.

By Mr. DICKSTEIN: Concurrent resolution (H. Con. Res. 55) to authorize a joint committee to investigate the "Black Legion", and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Michigan: A bill (H. R. 12964) granting a pension to Martha Bertha Rapin; to the Committee on Pensions.

By Mr. FERGUSON: A bill (H. R. 12965) granting a pension to C. R. McGill; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

11048. By Mr. BEITER: Petition of Branch No. 71 of Neon Workers, of Buffalo, N. Y., supporting the Wagner-Ellenbogen housing bill; to the Committee on Banking and Currency.

11049. By Mr. KENNEY: Petition of the Ridgefield Park Council, No. 123, Ridgefield Park, N. J., favoring Senate bill 4011 and House bill 11172, and the defeat of the Kerr bill; to the Committee on Immigration and Naturalization.

11050. By Mr. McCORMACK: Memorial of the Senate of Massachusetts, memorializing Congress in opposition to certain pending legislation relative to price fixing of coal; to the Committee on Ways and Means.

11051. By Mr. PFEIFER: Petition of the Brooklyn Metal Trades Council, Navy Yard, New York, urging favorable action on the Dickstein Resolution No. 527; to the Committee on Immigration and Naturalization.

11052. Also, petition of the Geiger Products Co., Inc., New York, urging support of the Bailey amendment; to the Committee on Ways and Means.

11053. Also, telegram from Bertram Reinitz, editor, Garment Trade Review, New York City, concerning the Pope amendment in the revenue bill; to the Committee on Ways and Means.

11054. Also, telegram from Samuel Klein, executive director, Industrial Council of Cloak, Suit, and Skirt Manufacturers, Inc., New York City, concerning the Pope amendment in the revenue bill; to the Committee on Ways and Means.

11055. Also, telegram from Joseph L. DuBow, executive director, Merchants Ladies' Garment Association, Inc., New York City, concerning the Pope amendment in the revenue bill; to the Committee on Ways and Means.

11056. Also, telegram from Alexander Printz, chairman, National Coat and Suit Industry Recovery Board, of New York City, concerning the Pope amendment in the revenue bill; to the Committee on Ways and Means.

11057. By Mr. SADOWSKI: Petition of the Associated Credit Bureaus of Michigan, Inc., favoring the construction of the Straits of Mackinac Bridge; to the Committee on Interstate and Foreign Commerce.

11058. By Mr. SIROVICH: Petition of the East Side Housing Conference of New York, Fourteenth District, supporting the Wagner housing bill; to the Committee on Banking and Currency.

11059. By the SPEAKER: Copy of proceeding of the Thirty-ninth Annual Convention of the Tennessee Federation of Labor held in Chattanooga May 4–6, 1936; to the Committee on Banking and Currency.

11060. Also, petition of the International Falls Local, No. 49, of International Falls, Minn.; to the Committee on Ways and Means.

11061. Also, resolution of the city of Macon, Ga., favoring enactment of the United States Housing Act, being bill 4424, by WAGNER, and bill 12164, by ELLENBOGEN; to the Committee on Banking and Currency.

11062. Also, petition of the Portsmouth Central Labor Union, of Portsmouth, Va., endorsing the Wagner-Ellenbogen housing bill; to the Committee on Banking and Currency.

11063. Also, petition of the South Carolina Tuberculosis Association, of Columbia, S. C., endorsing House bill 12460; to the Committee on Interstate and Foreign Commerce.

SENATE

MONDAY, JUNE 15, 1936

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, who art all-wise, all-knowing, and all-loving: Abide with us this day, as again we commit ourselves to Thy gracious keeping. Grant that amid all life's storms and troubles we may rest in Thee, safe under Thy care, governed by Thy will, guarded by Thy love.

Breathe upon us with the breath of Thy Holy Spirit, that Thy presence may be power, by which we shall be directed with gentle compulsion to the completion of the work Thou hast called upon us to perform.

We ask it in the name of the Master of all good workmen, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 8, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Carey	Holt	Pope
Ashurst	Chavez	King	Radcliffe
Austin	Clark	La Follette	Reynolds
Bachman	Connally	Lewis	Robinson
Bailey	Copeland	Loftin	Russell
Barbour	Couzens	Lonergan	Schwellenbach
Barkley	Davis	Long	Sheppard
Benson	Dieterich	McAdoo	Shipstead
Bilbo	Donahey	McGill	Smith
Black	Duffy	McKellar	Steiwer
Bone	Fletcher	McNary	Thomas, Okla.
Borah	Frazier	Maloney	Thomas, Utah
Brown	George	Metcalf	Townsend
Bulkley	Gerry	Moore	Truman
Bulow	Gibson	Murray	Vandenberg
Burke	Guffey	Neely	Wagner
Byrd	Hale	Norris	Walsh
Byrnes	Hastings	Nye	Wheeler
Capper	Hatch	O'Mahoney	
Caraway	Hayden	Pittman	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], and the Senator from Nevada [Mr. McCARRAN] are absent because of illness, and that the Senator from Virginia [Mr. GLASS], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], the junior Senator from Indiana [Mr. MINTON], the Senator from Iowa [Mr. MURPHY], the Senator from Louisiana [Mr. OVERTON], the Senator from Maryland [Mr. TYDINGS], and the senior Senator from Indiana [Mr. VAN NUYS] are necessarily detained from the Senate.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. KEYES] is necessarily detained from the Senate, and that the Senator from Iowa [Mr. DICKINSON] and the Senator from Maine [Mr. WHITE] are necessarily absent.

Mr. McNARY. I announce that the Senator from California [Mr. JOHNSON] is absent on account of illness.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

TRIBUTE TO THE LATE SPEAKER BYRNS

The VICE PRESIDENT laid before the Senate resolutions adopted by the Eighth Triennial Convention of the Brotherhood of Locomotive Engineers, at Cleveland, Ohio, as a tribute to the memory of Hon. Joseph W. Byrns, of Tennessee, late Speaker of the House of Representatives, which were ordered to lie on the table.

TAXATION OF WAR PROFITS—FILING OF REPORT BY THE FINANCE COMMITTEE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Senate, which was read and ordered to lie on the table, as follows:

UNITED STATES SENATE,
Washington, June 15, 1936.

To the PRESIDENT OF THE SENATE:

Under the order of the Senate of the 8th instant, Mr. CONNALLY, from the Committee on Finance, filed with me, as Secretary of the Senate, on June 10, 1936, the bill (H. R. 5529) to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense and promote peace, with amendments and an accompanying report (No. 2337).

Very truly yours,

EDWIN A. HALSEY, *Secretary.*

SIGNING OF ENROLLED BILLS AND JOINT RESOLUTIONS

The VICE PRESIDENT announced that, under authority of House Concurrent Resolution 54, he signed, during the recess of the Senate, the following enrolled bills and joint resolutions, which had previously been signed by the Speaker of the House of Representatives:

S. 1073. An act for the relief of Louis Finger;

S. 1435. An act conferring jurisdiction upon the United States District Court for the District of Connecticut to hear, determine, and render judgment upon the claim of Elizabeth Kurau;

S. 1464. An act for the relief of Frank P. Hoyt;

S. 1687. An act to incorporate the National Yeomen F;

S. 1769. An act for the relief of Percy C. Wright;

S. 2075. An act to provide for the appointment of additional district judges for the eastern and western districts of Missouri;

S. 2137. An act to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma;

S. 3067. An act for the relief of A. J. Watts;

S. 3080. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of John W. Hubbard;

S. 3334. An act to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes;

S. 3369. An act providing for the posthumous appointment of Ernest E. Dailey as a warrant radio electrician, United States Navy;

S. 3389. An act to provide for the appointment of two additional judges for the southern district of New York;

S. 3467. An act amending the Shipping Act, 1916, as amended;

S. 3531. An act to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928;

S. 3600. An act for the relief of S. C. Eastvold;

S. 3607. An act for the relief of T. H. Wagner;

S. 3608. An act for the relief of Vinson & Pringle;

S. 3652. An act for the relief of George E. Wilson;

S. 3663. An act for the relief of William Connelly, alias William E. Connoley;

S. 3768. An act for the relief of E. W. Jermark;

S. 3770. An act to award a special gold medal to Lincoln Ellsworth;

S. 3781. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

S. 3818. An act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and Public Health Service;

S. 3824. An act for the relief of Maud Kelley Thomas;

S. 3850. An act for the relief of Mrs. Foster McLynn;

S. 3861. An act for the relief of the Alaska Commercial Co., of San Francisco, Calif.;

S. 3992. An act for the relief of Capt. Laurence V. Houston, retired;

S. 4052. An act for the relief of W. D. Gann;

S. 4116. An act for the relief of Grant Anderson;

S. 4119. An act for the relief of Bernard F. Hickey;

S. 4140. An act for the relief of Homer Brett, American consul at Rotterdam, Netherlands;

S. 4233. An act for the relief of William H. Brockman;

S. 4265. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the United States Military Reservation of Fort Bliss, Tex.;

S. 4358. An act for the relief of Harry L. Parker;

S. 4359. An act for the relief of W. D. Reed;

S. 4374. An act for the relief of Ruth Edna Reavis (now Horsley);

S. 4379. An act for the relief of the Indiana Limestone Corporation;

S. 4391. An act authorizing certain officers and enlisted men of the United States Army to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered;

S. 4400. An act for the relief of Barbara Jaeckel;

S. 4444. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

S. 4524. An act to provide a civil government for the Virgin Islands of the United States;

S. 4542. An act authorizing the Comptroller General of the United States to settle and adjust the claim of the Merritt-Chapman & Scott Corporation;

S. 4713. An act validating a town-lot certificate and authorizing and directing issuance of a patent for the same to Ernest F. Brass;

H. R. 4688. An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes;

H. R. 6772. An act to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes;

H. R. 7690. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y.;

H. R. 8234. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of the city of Elgin, Ill., and the erection of a heroic Pioneer Memorial;

H. R. 8271. An act to amend the act entitled "An act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics and related subjects, and for other purposes", approved May 22, 1928;

H. R. 8455. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 9183. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 11533. An act to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg;

H. R. 11687. An act to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes;

H. R. 11920. An act to increase the efficiency of the Air Corps;

H. R. 12329. An act to reenact section 259 of the Judicial Code relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 12848. An act to provide an additional place of holding terms of the United States District Court in the Eastern District of Kentucky, and to amend section 83 of the Judicial Code, as amended;

S. J. Res. 61. Joint resolution to repeal an act approved February 17, 1933, entitled "An act for the relief of Tampico Marine Iron Works", and to provide for the relief of William Saenger, chairman, liquidating committee of the Beaumont Export & Import Co., of Beaumont, Tex.;

S. J. Res. 110. Joint resolution authorizing Brig. Gen. C. E. Nathorst, Philippine Constabulary, retired, to accept such decorations, orders, medals, or presents as have been tendered him by foreign governments;

S. J. Res. 151. Joint resolution making provision for a national celebration of the bicentenary of the birth of Charles Carroll of Carrollton, wealthiest signer of the Declaration of Independence;

S. J. Res. 226. Joint resolution authorizing the President to invite foreign countries to participate in the San Francisco Bay Exposition in 1939 at San Francisco, Calif.;

S. J. Res. 267. Joint resolution authorizing the President to invite foreign countries to participate in the New York World's Fair, 1939, Inc., in the city of New York during the year 1939; and

H. J. Res. 467. Joint resolution authorizing the erection of a memorial to the late Haym Salomon.

MONEY PLANK OF REPUBLICAN PLATFORM

Mr. THOMAS of Oklahoma. Mr. President, I wish to give notice that on the next legislative day, as soon as I can obtain the floor, I desire to submit remarks on the money plank in the Republican platform of 1936.

DEBTS DUE THE UNITED STATES BY FOREIGN GOVERNMENTS

Mr. LEWIS. Mr. President, I desire to give notice that upon the next legislative day, following the address which has been announced for the occasion by the Senator from Oklahoma [Mr. THOMAS], I shall address the Senate upon the matter of the defaulted debts by governments owing them to the United States that, in the latter days, have declined to make their payments as required under the law.

SALE AND DISTRIBUTION OF MILK PRODUCTS, MINNEAPOLIS-ST. PAUL AREA

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Trade Commission, transmitting, pursuant to House Concurrent Resolution 32, Seventy-third Congress, second session, a report on the sale and distribution of milk products in the Minneapolis-St. Paul area, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

APRIL 1936 REPORT OF THE R. F. C.

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation, submitting, pursuant to law, a report of the activities and expenditures of the Corporation for April 1936, including statements of loans, and so forth, authorized during that month and showing the names, amounts, and rate of interest or dividend in each case, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate six letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and records on the files of the Treasury Department, the Department of the Interior, the Department of Commerce, the Agricultural Adjustment Administration, the Federal Trade Commission, and the Veterans' Administration, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. NORBECK members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolutions of the Assembly of the State of California, which were referred to the Committee on Appropriations:

Assembly Resolution 19

Whereas the necessity for relief of destitution caused by unemployment in the State of California still exists upon a widespread scale; and

Whereas the burden of providing such relief and the economic causes necessitating relief are such as to make it both necessary and proper that the Federal Government share in bearing the burden thereof; and

Whereas it is desirable to raise the standards of relief granted to those who are unemployed by reason of present-day economic conditions; and

Whereas there is now pending before the Congress of the United States the Marcantonio works standards bill, H. R. 11186, which provides in part for an appropriation of $6,000,000,000 to be allocated $2,000,000,000 for direct relief by the States, $2,000,000,000 for Public Works projects, and $2,000,000,000 for projects to give skilled unemployed tradesmen work at their particular trades and occupations, all of said moneys to be paid at the prevailing trade-union wage rates; and

Whereas the enactment of said bill will be of great benefit to the State of California and will expedite the economic rehabilitation of the unemployed in this State: Now, therefore, be it

Resolved by the Assembly of the State of California, That the President and the Congress of the United States are hereby respectfully urged to enact the legislation proposed by H. R. 11186 as speedily as possible; and be it further

Resolved, That the speaker of the assembly is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Members from California are hereby respectfully urged to support such legislation.

Assembly Resolution 3

Relative to memorializing and petitioning the President and the Congress of the United States to authorize the construction of the Central Valley project and to make an appropriation therefor

Whereas California is in urgent need of the development, conservation, and stabilization of its water resources to prevent the abandonment of thousands of farms and homes and to avert tremendous financial losses; and

Whereas the State of California has prepared a comprehensive coordinated plan for the progressive economic development of the water resources of the State, carefully formulated over a period of 14 years, which provides for the control of floods and salinity encroachment, the improvement of navigation, the conservation and stabilization of water supplies for municipal, irrigation, industrial, and mining uses, and for the generation of electric power; and

Whereas the Legislature of the State of California in 1933 passed the Central Valley Project Act, which was signed by the Governor and was thereafter approved by vote of the people of the State at a special election held on December 19, 1933; and

Whereas the said Central Valley Project Act created the water-project authority of the State of California to execute and administer the Central Valley project, which project is a coordinated plan for the immediate needs of the great Central Valley of California; and

Whereas said Central Valley project has been investigated and approved by 13 agencies of the Federal Government and has been recommended for Federal financing; and

Whereas said project has further been recommended by the President's Committee on Water Flow and by the National Resources Board as one of the country's foremost projects for a national program of public works; and

Whereas the House of Representatives has passed H. R. 6732, authorizing the improvement of the Sacramento River in ac-

cordance with the plan as set forth in House of Representatives Document No. 35, Seventy-third Congress, which recommends a Federal contribution of $12,000,000 to the cost of the Kennett Dam of the Central Valley project; and

Whereas the said project will be self-liquidating and the cost thereof will be returned to the Federal Government from revenues obtained by the sale of water and power; and

Whereas the consummation of the said project will enable 50,000 American people to sustain themselves by their present means of livelihood and will prevent their being thrown into the ranks of the unemployed, and further will stop the reversion to desert of one-half million acres of highly developed and settled lands valued at $100,000,000; and

Whereas a greater degree of flood protection in the Sacramento Valley is highly desirable; and

Whereas the construction of said project will give employment to thousands of workers, now unemployed, not only in California but throughout the Nation, thereby relieving unemployment in many branches of industry, particularly in the heavy manufacturing industries in the East and Middle West; and

Whereas the Secretary of the Interior did heretofore report to the President that said project was feasible from engineering, agricultural, and financial standpoints and was adaptable for settlement and farm homes; that the estimated construction cost was adequate and that the anticipated revenues would be sufficient to return the cost to the United States, and did approve and recommend the construction of said project, which recommendation was thereafter approved by the President; and

Whereas the President did, by virtue of the authority of the Emergency Relief Appropriation Act of 1935, approved April 8, 1935, allocate the sum of $15,000,000 from the appropriation made under said act to the Department of the Interior, Reclamation Service, to be reimbursable in accordance with the reclamation law, for the construction of the Central Valley project;

Whereas said project is now in the course of construction in accordance with said allocation, and it is imperative that continuing appropriations be made under congressional authorization to assure the successful completion of the project; and

Whereas the cost of said project has been carefully estimated by competent Federal and State authorities to be $170,000,000, and will be repaid to the United States in accordance with the reclamation law out of the revenues of said project; and

Whereas there is now pending before the Congress Department of the Interior appropriation bill, H. R. 10630, which, among other things, authorizes construction of said Central Valley project by the United States and appropriates for the construction thereof the sum of $16,000,000 for the fiscal year 1937: Now, therefore, be it

Resolved by the Assembly of the State of California, That the State of California, through its Assembly, recommends the Central Valley project to the President and to the Congress of the United States as of first and prime importance to the State of California, and respectfully requests that the construction of said Central Valley project be authorized; and that adequate funds be appropriated so that the construction of said project may be continued, to the end that the same may be completed, thereby conferring lasting benefits not only upon the people of the State of California but upon the entire Nation, and thus affording substantial unemployment relief now vitally necessary, and rehabilitating a vast area of valuable and highly developed lands, thereby enabling thousands of American families to sustain themselves on their present farms; and be it further

Resolved, That certified copies of this resolution be transmitted by the chief clerk of the Assembly of the State of California to the President and to the Vice President of the United States, the Speaker of the House of Representatives, and to the Senators and Representatives of the State of California in the Congress.

The VICE PRESIDENT also laid before the Senate the following resolution of the Assembly of the State of California, which was referred to the Committee on Finance:

Assembly Resolution 2, relating to endorsement of the old-age revolving pension plan of Dr. F. E. Townsend

Whereas this legislature did heretofore adopt a resolution memorializing the Congress of the United States to enact the old-age revolving pension plan of Dr. F. E. Townsend, said resolution being chapter 57 of the Laws of 1935; and that

Whereas since the adoption of the said resolution there has been instituted a campaign for the purpose of influencing public opinion against the merits of the said plan; and

Whereas in the opinion of this assembly no facts have appeared which would justify any change in the opinion expressed by the legislature in the aforementioned resolution; and

Whereas this assembly still feels that the said pension plan provides a means whereby widespread and urgently needed adjustments in our economic system may be made to the end that unemployment, destitution, and want may be abolished; and

Whereas this assembly still believes the said plan to be socially just and economically sound: Now, therefore, be it

Resolved by the Assembly of the State of California, That it does hereby affirm its faith and confidence in the merits of the said plan and in the integrity of the leaders thereof, and does hereby memorialize the Congress of the United States to enact the said Townsend old-age revolving pension plan; and be it further

Resolved, That a copy hereof be forwarded to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives of the Congress of the United States.

The VICE PRESIDENT also laid before the Senate the following resolution of the General Court of Massachusetts, which was referred to the Committee on Education and Labor:

Resolutions memorializing Congress for the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 p. m.

Whereas the general court recognizes the employment of women at night in industrial plants throughout the Nation as being uncalled for, unhealthy, and unreasonable; and

Whereas the employment of women at night, especially in textiles and tanneries, tends to lower the morale of the family life and breaks down the earning power of the male worker; and

Whereas the United States is the only civilized country in the world permitting the employment of women in industrial plants at night; and

Whereas knowing that the several States wherein textile mills are in operation are now working on the same competing basis as to hours of operation; and

Whereas knowing that it would be a humane act to prohibit the employment of women after 6 p. m. in industrial plants, especially textiles and tanneries, throughout the Nation, and thereby strengthen the home life and health of our women now employed at night in industry; and

Whereas knowing that the abolition of night work for women would be in accord with the movement to create more work in the daytime and for those unemployed, and a step forward in humane legislation: Therefore be it

Resolved, That the General Court of Massachusetts hereby memorializes the Congress of the United States to prohibit the employment of women in industrial plants after 6 p. m. throughout the Nation; and be it further

Resolved, That the secretary of the Commonwealth send copies of these resolutions to the presiding officers of both branches of Congress and to the members of the Labor Advisory Board of the National Recovery Administration, and one to each United States Senator and Congressman from this Commonwealth.

The VICE PRESIDENT also laid before the Senate the petition of the Federation of Citizens' Associations of the District of Columbia, praying that Congress pass a regular appropriation bill for the District of Columbia for the fiscal year 1937 instead of a continuing resolution, and further that the lump-sum contribution by the Federal Government toward the expenses of the government of the District of Columbia be not less than $5,700,000, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the city council of Minneapolis, Minn., favoring extension of the 9-foot channel in the Mississippi River to the northerly limits of the city of Minneapolis, which was referred to the Committee on Commerce.

He also laid before the Senate resolutions adopted by the semiannual meeting, held in New York City, N. Y., of the directorate of the American Association for the Recognition of the Irish Republic, protesting against certain alleged utterances of the Secretary of State, in a message to the English-Speaking Union, in connection with the arrival in this country of a new British ship, also favoring the recall of Ambassador Bingham from his post at London because of certain alleged utterances by him, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram in the nature of a petition from the Eighth Triennial Convention of the Brotherhood of Locomotive Engineers (by the legislative committee, D. G. Hines, chairman; H. L. Bowman, secretary), praying for the enactment of the so-called Pettengill bill, amending the fourth section (long- and short-haul clause) of the Interstate Commerce Act, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by the Kings County (N. Y.) Grand Jurors' Association, favoring the prompt enactment of House bill 11152, providing a retirement system for agents of the Federal Bureau of Investigation, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the city council of Council Bluffs, Iowa, and members of the advisory committee on housing, Miami, Fla., favoring the

prompt enactment of Senate bill 4424, known as the Wagner-Ellenbogen low-cost housing bill, which were ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 4712) for the relief of F. P. Delahanty, reported it without amendment and submitted a report (No. 2338) thereon.

Mr. JOHNSON, from the Committee on Naval Affairs, to which was referred the bill (H. R. 10356) authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes, reported it with an amendment and submitted a report (No. 2342) thereon.

Mr. BURKE, from the Committee on the Judiciary, to which was referred the bill (S. 2155) to grant relief to persons erroneously convicted in courts of the United States, reported it with amendments and submitted a report (No. 2339) thereon.

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the bill (S. 4118) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases, reported it with an amendment and submitted a report (No. 2340) thereon.

He also, from the same committee, to which was referred the bill (H. R. 11926) to provide for a term of court at Durham, N. C., reported it without amendment and submitted a report (No. 2353) thereon.

Mr. CHAVEZ, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 4719) for the relief of the Bridgeport Irrigation District, reported it with an amendment and submitted a report (No. 2341) thereon.

Mr. ADAMS, from the Committee on Banking and Currency, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 8107. A bill to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State Territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory in 1935 and 1936 (Rept. No. 2343); and

H. R. 11555. A bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission (Rept. No. 2344).

Mr. ADAMS also, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 10094) to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269), reported it with amendments and submitted a report (No. 2371) thereon.

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 255. A bill to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina (Rept. No. 2373); and

H. R. 1397. A bill to withdraw certain public lands from settlement and entry (Rept. No. 2374).

Mr. WAGNER also, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4634) to provide for the selection of certain lands in the State of California for the use of the California State park system, reported it with an amendment and submitted a report (No. 2375) thereon.

He also, from the same committee, to which was referred the bill (S. 4633) to provide for the selection of certain lands in the State of California for the use of the California State park system, reported it with amendments and submitted a report (No. 2376) thereon.

Mr. MURRAY, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4642) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States, reported it without amendment.

Mr. McGILL, from the Committee on Pensions, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

H. R. 8936. A bill granting pensions and increase of pensions to certain helpless and dependent children of soldiers of the Civil War (Rept. No. 2345);

H. R. 8937. A bill granting increase of pensions to certain widows and former widows of soldiers of the Civil War (Rept. No. 2346);

H. R. 8938. A bill granting pensions to certain widows and former widows of soldiers of the Civil War (Rept. No. 2347);

H. R. 12700. A bill granting pensions to certain soldiers of the Civil War (Rept. No. 2348);

H. R. 12701. A bill granting pensions and increase of pensions to certain helpless and dependent children of soldiers of the Civil War (Rept. No. 2349); and

H. R. 12908. A bill granting pensions and increase of pensions to certain widows, former widows, and helpless and dependent children of soldiers of the Civil War (Rept. No. 2350).

Mr. McGILL also, from the Committee on Pensions, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 12702. A bill granting increase of pensions to certain widows and former widows of soldiers and sailors of the Civil War (Rept. No. 2351); and

H. R. 12703. A bill granting pensions to certain widows and former widows of soldiers, sailors, and marines of the Civil War (Rept. No. 2352).

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 7256. A bill for the relief of Perry H. Callahan and Malcolm W. Callahan (Rept. No. 2355);

H. R. 7839. A bill for the relief of C. E. Rightor (Rept. No. 2356);

H. R. 8373. A bill for the relief of James Fitzgerald (Rept. No. 2357);

H. R. 8502. A bill for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers (Rept. No. 2358);

H. R. 8688. A bill for the relief of Grace Schultz (Rept. No. 2359);

H. R. 8720. A bill for the relief of Louis Manzumin (Rept. No. 2360);

H. R. 9078. A bill for the relief of Bertha W. Lamphear (Rept. No. 2361);

H. R. 10168. A bill for the relief of Arch A. Gary (Rept. No. 2362);

H. R. 10279. A bill for the relief of the Pocahontas Fuel Co., Inc. (Rept. No. 2363);

H. R. 11022. A bill for the relief of Ethel Armes (Rept. No. 2364);

H. R. 11123. A bill for the relief of Edward A. Foote, Jr., and others (Rept. No. 2365); and

H. R. 11379. A bill for the relief of William H. Milton (Rept. No. 2366).

Mr. BAILEY also, from the Committee on Claims, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

H. R. 4364. A bill for the relief of Andrew Johnson (Rept. No. 2367);

H. R. 5078. A bill for the relief of Mrs. Charles F. Eikenberg (Rept. No. 2368); and

H. R. 10439. A bill for the relief of John B. Ricketts (Rept. No. 2369).

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 10504) for the relief of Booth & Co., Inc., a Delaware corporation, reported it without amendment and submitted a report (No. 2377) thereon.

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the joint resolution (S. J. Res. 271) amending and repealing certain sections of the Emergency Railroad Transportation Act, 1933, and extending the effective period of such act, and for other purposes, reported it with amendments and submitted a report (No. 2354) thereon.

Mr. NEELY, from the Committee on Interstate Commerce, to which was referred the bill (S. 4668) to regulate interstate commerce in bituminous coal, and for other purposes, reported it with amendments and submitted a report (No. 2370) thereon.

He also, from the same committee, to which was referred the bill (S. 3012) to prohibit and to prevent the trade practices known as "compulsory block booking" and "blind selling" in the leasing of motion-picture films in interstate and foreign commerce, reported it without amendment and submitted a report (No. 2378) thereon.

Mr. POPE, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 4305) to provide for a preliminary examination and survey to determine the feasibility and cost of diverting the surplus waters of the Green River, Wyo., to the Bear River, for the purpose of irrigating the lands in the Bear River Basin, reported it with an amendment and submitted a report (No. 2372) thereon.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 11, 1936, that committee presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1073. An act for the relief of Louis Finger;

S. 1435. An act conferring jurisdiction upon the United States District Court for the District of Connecticut to hear, determine, and render judgment upon the claim of Elizabeth Kurau;

S. 1464. An act for the relief of Frank P. Hoyt;

S. 1687. An act to incorporate the National Yoemen F;

S. 1769. An act for the relief of Percy C. Wright;

S. 2075. An act to provide for the appointment of additional district judges for the eastern and western districts of Missouri;

S. 2137. An act to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma;

S. 3067. An act for the relief of A. J. Watts;

S. 3080. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of John W. Hubbard;

S. 3334. An act to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes;

S. 3369. An act providing for the posthumous appointment of Ernest E. Dailey as a warrant radio electrician, United States Navy;

S. 3389. An act to provide for the appointment of two additional judges for the southern district of New York;

S. 3467. An act amending the Shipping Act, 1916, as amended;

S. 3531. An act to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928;

S. 3600. An act for the relief of S. C. Eastvold;

S. 3607. An act for the relief of T. H. Wagner;

S. 3608. An act for the relief of Vinson & Pringle;

S. 3652. An act for the relief of George E. Wilson;

S. 3663. An act for the relief of William Connelly, alias William E. Connoley;

S. 3768. An act for the relief of E. W. Jermark;

S. 3770. An act to award a special gold medal to Lincoln Ellsworth;

S. 3781. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

S. 3818. An act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and Public Health Service;

S. 3824. An act for the relief of Maud Kelley Thomas;

S. 3850. An act for the relief of Mrs. Foster McLynn;

S. 3861. An act for the relief of the Alaska Commercial Co., of San Francisco, Calif.;

S. 3992. An act for the relief of Capt. Laurence V. Houston, retired;

S. 4052. An act for the relief of W. D. Gann;

S. 4116. An act for the relief of Grant Anderson;

S. 4119. An act for the relief of Bernard F. Hickey;

S. 4140. An act for the relief of Homer Brett, American consul at Rotterdam, Netherlands;

S. 4233. An act for the relief of William H. Brockman;

S. 4265. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the United States Military Reservation of Fort Bliss, Tex.;

S. 4358. An act for the relief of Harry L. Parker;

S. 4359. An act for the relief of W. D. Reed;

S. 4374. An act for the relief of Ruth Edna Reavis (now Horsley);

S. 4379. An act for the relief of the Indiana Limestone Corporation;

S. 4391. An act authorizing certain officers and enlisted men of the United States Army to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered;

S. 4400. An act for the relief of Barbara Jaeckel;

S. 4444. An act directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States;

S. 4524. An act to provide a civil government for the Virgin Islands of the United States;

S. 4542. An act authorizing the Comptroller General of the United States to settle and adjust the claim of the Merritt-Chapman & Scott Corporation;

S. 4713. An act validating a town-lot certificate and authorizing and directing issuance of a patent for the same to Ernest F. Brass;

S. J. Res. 61. Joint resolution to repeal an act approved February 17, 1933, entitled "An act for the relief of Tampico Marine Iron Works", and to provide for the relief of William Saenger, chairman, liquidating committee of the Beaumont Export & Import Co., of Beaumont, Tex.;

S. J. Res. 110. Joint resolution authorizing Brig. Gen. C. E. Nathorst, Philippine Constabulary, retired, to accept such decorations, orders, medals, or presents as have been tendered him by foreign governments;

S. J. Res. 151. Joint resolution making provision for a national celebration of the bicentenary of the birth of Charles Carroll of Carrollton, wealthiest signer of the Declaration of Independence;

S. J. Res. 226. Joint resolution authorizing the President to invite foreign countries to participate in the San Francisco Bay Exposition in 1939 at San Francisco, Calif.; and

S. J. Res. 267. Joint resolution authorizing the President to invite foreign countries to participate in the New York World's Fair, 1939, Inc., in the city of New York during the year 1939.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FRAZIER:

A bill (S. 4771) to liquidate and refinance existing mortgages on homes in cities and towns at a reduced rate of interest by establishing an efficient credit system through the use of the Home Owners' Loan Corporation and the Federal Reserve Banking System; to the Committee on Banking and Currency.

By Mr. TRUMAN:

A bill (S. 4772) granting a pension to Olive Hancock Entrekin; to the Committee on Pensions.

By Mr. PITTMAN:

A bill (S. 4773) to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels; to the Committee on Foreign Relations.

By Mr. THOMAS of Oklahoma:

A bill (S. 4774) to authorize the President to continue the stabilization fund for 2 additional years after January 30, 1937, and for other purposes; to the Committee on Banking and Currency.

By Mr. SCHWELLENBACH:

A bill (S. 4775) for the relief of Mr. and Mrs. O. W. Lanham; to the Committee on Indian Affairs.

By Mr. GIBSON:

A bill (S. 4776) to promote safety in the District of Columbia; to the Committee on the District of Columbia.

By Mr. TYDINGS:

A bill (S. 4777) for the relief of John A. Enson; to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 4778) to adopt regulations for preventing collisions at sea; to the Committee on Commerce.

(Mr. ROBINSON introduced Senate Joint Resolution 286, which was passed, and appears under a separate heading.)

Mr. HAYDEN. The junior Senator from Alabama [Mr. BANKHEAD] is absent because of illness. For him I introduce a joint resolution and ask that it be referred to the Committee on the District of Columbia.

The VICE PRESIDENT. The joint resolution will be received and referred as requested by the Senator from Arizona.

By Mr. HAYDEN (for Mr. BANKHEAD):

A joint resolution (S. J. Res. 287) for the purpose of increasing and financing employment in the District of Columbia; to the Committee on the District of Columbia.

By Mr. COPELAND:

A joint resolution (S. J. Res. 288) providing authority for a census of employment and population; to the Committee on Commerce.

DATE OF MEETING OF FIRST SESSION OF SEVENTY-FIFTH CONGRESS

Mr. ROBINSON. I introduce a joint resolution and ask that it be read.

The VICE PRESIDENT. The joint resolution will be read.

The joint resolution (S. J. Res. 286) fixing the date of meeting of the Seventy-fifth Congress, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the Seventy-fifth Congress shall assemble at noon on Monday, the 4th day of January 1937.

Mr. ROBINSON. Mr. President, inasmuch as the 3d of January 1937 will fall on Sunday, I ask unanimous consent for the present consideration of the joint resolution unless there shall be objection.

The VICE PRESIDENT. Is there objection to the immediate consideration of the joint resolution?

Mr. McNARY. Mr. President, I could not hear the request, because of the confusion in the Chamber.

Mr. ROBINSON. I say inasmuch as the 3d of January 1937 will fall on Sunday, I have introduced a joint resolution, which has just been read, and I now ask unanimous consent for its consideration unless there shall be objection.

Mr. McNARY. I can see no objection to the consideration of the joint resolution at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

JIMMY REILLY—APPOINTMENT AS MESSENGER

Mr. DUFFY submitted the following resolution (S. Res. 322), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved That the Sergeant at Arms of the Senate be, and he is hereby, authorized and directed to appoint Jimmy Reilly (who has been an employee at the Capitol since 1903) a messenger, who shall receive compensation at the rate of $2,400 per annum, to be paid from the contingent fund of the Senate.

POSTMASTER AT HOMER, MICH.—RECONSIDERATION AND RECOMMITTAL

Mr. McKELLAR. Mr. President, as in executive session, I ask unanimous consent that the confirmation of the nomination of Harold H. Mickle to be postmaster at Homer, Mich., the confirmation having been made on June 8, 1936, as appears from the RECORD, page 9226, be reconsidered and that the nomination be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and the vote by which the nomination was confirmed is reconsidered, and the nomination is recommitted to the Committee on Post Offices and Post Roads.

PAYMENTS UNDER SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

Mr. BILBO. Mr. President, I desire to enter a motion to reconsider the vote by which the bill (S. 4740) to provide a graduated scale of reduction of payments under section 8 of the Soil Conservation and Domestic Allotment Act was passed. I intend to move that the House return the bill to the Senate.

Mr. CONNALLY. Mr. President, will not the Senator have first to ask that the House be requested to return the bill, and then make his motion to reconsider?

Mr. BILBO. My understanding is that I can enter the motion to reconsider, with the request that the House return the bill.

The PRESIDENT pro tempore. The Senator can enter the motion to reconsider, and a motion to ask the House to return the papers would be in order.

Mr. COPELAND. What is the bill?

Mr. BILBO. It is the bill known as the O'Mahoney bill, an amendment to the Soil Conservation and Domestic Allotment Act.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Mississippi that the Senate request the House to return Senate bill 4740.

The motion was agreed to.

The PRESIDENT pro tempore. The motion of the Senator from Mississippi to reconsider the vote by which the bill was passed will be entered.

CHALMETTE NATIONAL MONUMENT, LA.—CONFERENCE REPORT

Mrs. LONG. I submit a conference report on House bill 5368, and ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The report will be read.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5368) to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 4, 5, 6 and 7, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

Page 1, lines 6 and 7, strike out "buildings within ten miles" and insert: "buildings, not to exceed an area of two hundred and fifty acres in addition to the present area of thirty-two acres", and the Senate agree to the same.

ROSE McCONNELL LONG,
KEY PITTMAN,
ROBERT D. CAREY,
Managers on the part of the Senate.
RENÉ L. DEROUEN,
KNUTE HILL,
HARRY ENGLEBRIGHT,
Managers on the part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

ADDRESS BY SENATOR DUFFY BEFORE WISCONSIN DEMOCRATIC CONVENTION

Mr. ROBINSON. Mr. President, I ask unanimous consent to have printed in the RECORD the speech delivered by the junior Senator from Wisconsin [Mr. DUFFY] before the Wisconsin Democratic convention at Milwaukee, Wis., on June 13, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen of the convention, when I received from our mutual friend, State Chairman Jim Corcoran, the generous suggestion that I attend this convention it did not seem to me that I could possibly make the necessary arrangements to do so. As you know, we are in the closing days of a busy congressional session, and there is a multitude of detailed activities to wind up. But I would go a long way and spend much effort to be present at any meeting of Wisconsin Democrats.

I want to assure you that I consider this conference one of the finest gatherings of Wisconsin Democrats that it has ever been my pleasure to attend. I congratulate you upon your enthusiasm and your loyalty; I am happy that I am privileged to be here. Although I was unable to leave Washington until after noon lunch yesterday, the marvel of winged science brought me through the air so rapidly I was here in time for Milwaukee 6 o'clock dinner. We are indeed living in a new age and under changed conditions. We are constantly facing new problems that call for new answers, and in some cases require heretofore untried solutions.

I think it is a splendid idea for Democrats to gather together to exchange ideas and to listen to each other's suggestions. It is mighty fine that we have the opportunity to get better acquainted with one another. Of course, our opponents are repeating, parrot-like, "The Democrats won't work together." While it is true we are not all of one mind on every question and we have our differences of opinion, yet when the decision has been made, when the majority has spoken, we are willing and anxious to join hands and walk shoulder to shoulder on to victory.

I realize this convention has much work to do. I should in all propriety do no more than extend to you a few words of greeting. You are here primarily concerned with State problems and issues. However, during this week the papers have been crowded, and the air has been full of national politics. Our people have been subjected to a barrage of Republican propaganda and a drum-fire of criticism directed at the accomplishments of the Democratic national administration. It, therefore, does seem appropriate at this time to bring very briefly to you a report as to the national situation.

I might start in by saying that the gentleman who will be our next President is Franklin D. Roosevelt. In spite of the millions in campaign funds that the Republicans will have available, in spite of the false charges and the whispering campaign already started, in spite of a veritable flood of Republican propaganda that will be forthcoming, a grateful American people are going to reelect and keep in office that great humanitarian who now resides at the White House.

After listening to the speeches that were made at the Republican National Convention I am more convinced than ever before that our Republican friends are going to talk only in very general terms during this national campaign. They are not going to get down to brass tacks. They will speak vaguely about some liberties that someone is alleged to have lost. They will talk much about balanced budgets. They will orate about the Constitution. They will proclaim about the "American system." But you will hear very little about repealing the specific laws that have been placed on the statute books by our Democratic administration in carrying out a great humane program to relieve the distress of millions of our fellow citizens.

The difficulty that our opponents find themselves in is that these laws were so meritorious, so good, so just, and so necessary in the emergency that many of the leading Republicans of the Senate and House cast their votes in favor of their passage. As an illustration, the keynoter, Senator STEIWER, talked about what he called sound money, yet he supported the Thomas amendment which gave the President authority to devalue the dollar. I might inject right here that there won't be very much criticism against the President for having taken this most necessary step. The American dollar is the soundest dollar in the world today. The Senator [Mr. STEIWER] declared against the Government going into business; yet he and many Republicans supported the Tennessee Valley Authority Act. Mr. STEIWER condemned the administration because the Supreme Court, usually by a divided opinion, has held a number of the laws to be unconstitutional, and yet the Senator is an able lawyer and he supported the National Recovery Act, the Agricultural Adjustment Act, and the Frazier-Lemke Farm Moratorium Act.

Many of the leading Republicans in both Houses did likewise, and you should recall that, in practically every case, there was a strong and vigorous dissent by very able members of the Supreme Court.

I have been very reluctant to criticize the Supreme Court. I practiced law for many years and have a high respect for our judiciary. But I wonder what the people of our country are going to say if we have any further ridiculous performances as was brought about in the 5-to-4 decision which declared the New York minimum wage law unconstitutional. In the Guffey Coal Act decision the Supreme Court said that such regulation as to conditions of labor, etc., were within the powers of the State to regulate, and that, therefore, the Federal Government could not lawfully enact such legislation; and then later in the New York case just referred to, under the due-process clause of the Constitution, by a 5-to-4 decision the Court held that the States didn't have the power to make such regulations. And so, while we hear, during this campaign, criticism because the majority of the Supreme Court has declared a number of important laws unconstitutional, yet I submit to you that it was very much better for Congress and a President to take the attitude that we would try to do something to bring relief to our people, rather than standing around whittling and hoping that manna would rain from the heavens. We were not faced with mere theories; we were faced with terrible realities, and for a time it appeared that the emergency was so grave that it was doubtful if our kind of a government could withstand the shock.

I am not going to narrate to you the desperate and alarming conditions of our country when President Roosevelt took hold of the reins of Government. In spite of all the pious platitudes that we will hear from our Republican friends, we should remember that they were in charge of the affairs of this Government at the time we were going down hill at such a rapid rate, and when they now present their brilliant ideas as to what should have been done, it seems to me it is fair to ask why they didn't do something about it when they had the opportunity.

The great advantage that we have in this campaign is that we have a record of accomplishments to point to, and while all parts of the program have not been 100 percent successful, yet I submit to any fair-minded man or woman that in a large measure the program has brought order out of chaos and has permitted hope and optimism to take the place of fear and despair.

No, my friends, we won't hear many specific complaints from the other side. Will they criticize the 1933 Banking Act, the very first piece of legislation on our program, which saved billions of dollars to the bank depositors of this country? No indeed. Will they complain of the loaning of $3,000,000,000 to the distressed small-home owners of this country? I think not. Will they criticize the Civilian Conservation Corps program, which has proved to be such a splendid thing in the matter of character building for our young men? Oh, I don't think they have the nerve to say that was wrong. Will they complain that bank depositors now know under the Federal Deposit Insurance Corporation law that their money will be safe and that Uncle Sam will guarantee that their deposits will be there if they need them? No; even Republican dark-horse candidates for President say that it is a fine piece of legislation. Will they complain because we regulated the practices of the stock exchanges to prevent the vicious practices that caused millions of losses to our fellow citizens? Oh, there may be a few around Wall Street that will object, but the great mass of our people know it was a good thing for the country. Will they object to our social-security program, to provide for unemployment insurance, old-age pensions, assistance for the blind, the crippled, and the orphaned? No; even the keynoter didn't complain about that. Will they condemn the Federal Housing Administration that has given such a wonderful impetus to the construction and building industry, which was so much in need of assistance? I believe not. Will they find fault because we passed the Railroad Labor Pension Act, or because we gave legal sanction to labor for self-organization and collective bargaining? And so on through the entire program.

Yes, they will probably criticize the matter of relief. We have had to spend many billions of dollars in feeding the hungry, providing clothing for those in need, and keeping families together which would have otherwise been scattered and disheartened. Let them scoff as they will about the public-works program and Works Progress Administration, but they will mean much for the future happiness of our country. There are hundreds of cities where hospitals have been built, schools have been constructed and repaired, pavements have been laid, sewer systems have been installed, needy students have been kept in schools, and millions of our fellow citizens have been able to maintain their self-respect because this great program did provide them with work. When this program is criticized, is it not proper for you to ask, "What would you have done with the 13,000,000 of unemployed which we inherited from the Hoover administration?"

But, apparently, our Republican friends are going to attempt to convince the farmers of this country that they should no longer support the Democratic Party. I imagine that they will have their fingers crossed and their tongues in their checks when they make any such argument. The farmers are not going to forget that they got $2,000,000,000 more for their products last year than they did in the last year of the Hoover administration. On March 4, 1933, the plight of the farmers was desperate indeed. They had been on the downward path through three Republican administrations—for 12 long years. The farmers needed financial assistance in order that they might help themselves. Over 1,000,000 farm homes have been spared from foreclosure. In the 3 years of the Roosevelt administration there has been loaned to American farmers through the Farm Credit Administration $3,704,000,000. This money has been loaned through the Federal land banks, commissioner's loans, Federal intermediate credit banks, production credit associations, through the Regional Agricultural Credit Corporation, in emergency crop loans, and emergency feed loans. Our opponents always get interested in the farmers' welfare during the campaign year, and our farmers know from bitter experience that they have always proceeded to forget about them as soon as the election is over.

The farmers will not quickly forget that our Democratic administration has lessened the burden of farm indebtedness by the

reduction of interest rates, by the extension of time for the payment of principal, and by restoring parity between industrial and agricultural prices. Our farmers will also approve of our program to develop and conserve the fertility of the soil, and in bringing more comfort to the physical conditions of rural life by the extension of electrification facilities. I feel certain that they must also approve the encouragement we have given to the farm cooperative movements, so that farm groups may be on an equality with other groups with their power to purchase.

In our State much criticism is being levied at the reciprocal-trade agreement with Canada. The charge is that since the treaty went into effect on January 1, and the price of cheese has dropped, that, therefore, the treaty is to blame. While 2 plus 2 makes 4, it doesn't make 6. If Charlie Broughton goes out without his rubbers and his raincoat and gets caught in the rain, Charlie should not be blamed for bringing on the downpour. If this treaty should actually work out against the best interests of the dairy farmers, I would not hesitate to be in the front ranks of those demanding a change, but I think our farmers should be willing to give this program a fair trial. It was inaugurated by an administration that time after time has shown its deep interest in helping agriculture. Now, it is true that the treaty went into effect on January 1 and that the price of cheese did go down from that time until the week of May 15. But what does that prove? The amount of cheese that came in was less than 2 percent of the total production of this country.

But what they forget to tell the farmers is that in 11 out of the last 13 years the price of cheese declined in practically the same proportion as it did this year, and of course the decline in those years could not be blamed upon the treaty. Why don't they tell our dairy farmers that for the week of May 23 of this year the price of cheese was 13½ cents a pound, while the same week a year ago, when there was no such treaty, the price was 13 cents a pound? Why don't they tell you that for the first week in June a year ago the price of cheese was 12½ cents a pound, while this year it was 14 cents? Why are they silent about the fact that in this very week a year ago the price was 12 cents a pound, while this year it is 14 cents a pound? It shows the danger of jumping at conclusions. It is my firm conviction that no matter whether there had been a trade agreement with Canada or not the price of cheese would have declined, starting last January, to practically the same extent that it did decline. The dairy industry, more than any other, responds to the purchasing power of the people in our cities. Down through the years, when the purchasing power of those people declined, there has been a lessening in the demand for dairy products. In 1929 Wisconsin industry exported $125,000,000 of its products. Think of what that purchasing power meant for Wisconsin dairy products. But what happened after the Hawley-Smoot Tariff Act of 1930 went into effect? Wisconsin's exported products dropped off from $125,000,000 to a mere $14,000,000 in 1932, and the important thing for our farmers to remember is that in the year 1932 Wisconsin cheese sank to 8.6 cents a pound, and there was practically no importation of cheese into this country at that time. The duty on cheese was raised in June of 1930, and did the price of our Wisconsin cheese go up? It did not; it dropped. So I say to our Wisconsin farmers that someone is trying to make a mountain out of a mole hill and that in all fairness this administration, which has proved its sincere friendship for agriculture, should be given an opportunity to work out their program which will add greatly to the export trade of this country and which in turn will greatly aid our dairy industry.

But, in spite of all the arguments that will be made and all of the smoke screens that will be laid, whether we are interested more in the farm problem, or some other problem, the American voter can make up his or her mind very easily this fall. All we have to do is compare the America of March 4, 1933, with the America of today. The administration that had been in power up to March 4, 1933, had apparently been powerless to prevent the rapid disintegration that was going on, and the fear and misery that was abroad in the land. Let them overlook the editorial pages of partisan newspapers and look upon the financial pages to get the true picture that this country is in today. When they do that there will be little doubt as to the outcome.

But I have taken too much of your time. I want to repeat that I am happy to have the opportunity of visiting and counseling with you, and listening to your suggestions, and of making this brief report from the national standpoint. I feel certain that you will go about your duties here with a determination to reconcile all differences of opinion and viewpoints, so that we may go united into this State campaign, and so that the Democratic Party in Wisconsin this fall may follow the example of the Democratic Party in the Nation, and sweep on to glorious victory.

BEHIND THE POLITICAL SMOKE SCREEN—ADDRESS BY SENATOR NORRIS

Mr. BULOW. Mr. President, I ask consent to have printed in the RECORD a radio address by the Senator from Nebraska [Mr. NORRIS], delivered on Sunday evening, June 14, 1936, on the topic Behind the Political Smoke Screen. This is an illuminating address, and those who did not hear it should have the opportunity to read it.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Some eminent gentlemen behind a smoke screen at Cleveland have been engaged in adopting a national platform and nominating a candidate for President of the United States. The unbounded enthusiasm of that convention upon the appearance before it of ex-President Hoover demonstrates beyond a shadow of doubt that the convention was in favor of Hoover and Hoover principles of government. If they had carried out their wishes and expressed their true sentiment, if they had had the courage of their convictions, they would have nominated Mr. Hoover for President. They knew, however, that the Hoover lesson of despair, of failure in governmental affairs, is still too fresh in the minds of the American people for them to succeed in any such reactionary program. They cheered to the limit Hoover's description of European methods. They gave unstinted approval to his idea of Europe. They were undoubtedly right in that. Hoover ought to know about Europe. He lived there long enough. From his own experience, he is far better qualified to speak of European conditions than he is to discuss American questions. The American people have not forgotten that it was Hoover who, while he was President of the United States, tipped off to our European debtors the idea that they should repudiate the debts they owed America. It was Hoover's idea, in the interest of foreign debtors, that culminated in the repudiation of more than $11,000,000,000 of foreign debts.

The American people have not forgotten the dreary picture of the Hoover administration. They remember how it failed. The chicken in every pot, the two cars in every garage, pictured by Hoover, will not satisfy the hunger of the unemployed or bring relief to suffering mothers and ragged children, who can so clearly trace their suffering and their misery to Hoover's unfulfilled prophecies. No amount of fantastic dancing around that mysterious corner, looking for prosperity, can change the situation. As the smoke screen at Cleveland gradually rises, the American people will realize that though the voice of that convention is Jacob's voice, the hands are the hands of Esau.

How those eminent gentlemen cheered the ex-President when, in glittering generalities, he discoursed on the precious value of human liberty. How they applauded when he praised the Supreme Court for its action in nullifying New Deal measures designed to bring relief to a suffering people. His comment on these Supreme Court decisions brought unlimited joy to those eminent gentlemen at Cleveland, particularly when they recalled its most recent decision which nullified any attempt to limit the hours of labor by any of the States of the Union. The same Court had practically held, only a few days before, that the Federal Government did not have this power, and, therefore, the sacred doctrine of liberty had been preserved and the freedom of the man or the woman to enter into a contract with big business to engraft human slavery upon the toilers of the Nation had been upheld.

How precious is such a liberty to the humble toiler, faced with ruin and starvation, thinking of the sufferings of his wife and children, which protects him in his right to sign himself and his posterity into human bondage.

These eminent gentlemen did not give consideration to the fact that other unemployed millions will be deprived of a living wage by the precious liberty exercised by the few who sign on the dotted line at the demand of organized monopoly and human greed.

When any monopoly or combination is able to control economic conditions so as to compel our people to sign away their right and their liberty of action, then the rights of society must be preserved by legal means in order to restrain the oppression of the powerful over the weak. To preserve our Constitution and to preserve our democratic form of government, such reactionaries as these must be kept from control of the situation.

The keynoter at that convention had no constructive note in his address. He devoted all of his great abilities to fault-finding and to criticism which was neither just nor constructive. He said, it is true, he himself had voted in the Senate for some of the New Deal measures, but the people of this country should not charge that up against the New Deal, because, in the same speech, the Senator afterward apologized for such votes. In opening his address before these eminent gentlemen at Cleveland, he enumerated very beautifully in a general way some of the economic reforms he desired to bring about, and then he asked the question: "How can we achieve this objective?"

He never answered that question, but the answer is very simple, and for the benefit of these eminent gentlemen behind the smoke screen at Cleveland, let me say that the way to achieve the moral, intellectual, and spiritual objectives of our people is simply to reelect Franklin D. Roosevelt.

The very able gentleman who was permanent chairman of that convention delivered a beautiful speech of glittering generalities, filled with criticism, but without a single constructive idea. All of these gentlemen failed to suggest a single remedy for existing conditions. They all admit that at the time Hoover went out and Roosevelt went in, the country was in a deplorable condition. Any fair-minded man must admit that it was on the verge of destruction. Something had to be done, but these men, leaders of a great party, have failed, even by innuendo, to suggest any remedy for the depression.

If the New Deal is wrong on the unemployment question, for instance, what suggestions have they to make to solve this perplexing problem? If the New Deal has not functioned properly, what have they to offer that will function properly? What specific remedies have they to offer to bring relief to a suffering people?

Constructive criticism should always be welcomed. However, men who do nothing but throw monkey wrenches into the machinery, without offering any remedy, are not making constructive

criticisms. The keynoter in that convention, for instance, promised the people that if his crowd were successful, it would reduce taxation. Everybody concedes that a reduction in taxes would be a good thing, but just how and where shall the reduction take place?

This keynoter admitted they should feed the hungry and take care of the unemployed. Does he expect to do these things without money? Can they be done without taxing the people? If so, give us the formula. Come out from behind the smoke screen and tell the barefaced truth to the American people.

When President Roosevelt took control of this Government on the 4th of March 1933 he was confronted with a condition never before faced by mortal man. Every remedy of Hoover had failed; every promise he had made to the American people remained unfulfilled. Banks were closing all over the country. Unemployment was increasing at a rapid rate. Business was at an absolute standstill. But it must be admitted that Mr. Hoover, as he said in that memorable campaign, had preserved the gold standard. To him this was more precious than the welfare of his people. Banks might fail, business might go into the hands of a receiver, the army of unemployed might increase, mobs driven to desperation by cold and hunger might be organized, yet he had preserved the gold standard.

When President Roosevelt took over the helm of government he had no precedents to guide his footsteps. He had to sail the ship of state into an uncharted sea. Naturally he made mistakes. In setting up, almost overnight, machinery to cover the entire country from ocean to ocean necessarily there were in it many cogs of inefficiency and some of graft.

However, as one of the results of the Roosevelt administration, the banks, for instance, were put on a firm foundation and today a bank failure has become almost a thing unknown except in bitter memory. But we see now a great combination of bankers, having had their own business preserved by governmental action, uniting to prevent the Government from doing anything to help anyone else. Yet it was these same bankers of the United States in the first days of the depression who came, hat in hand, to the Government begging for help.

They were not opposed then to having the Government go into business, but when they had been placed upon an honest footing, when their own business had been saved from ruin by Roosevelt's action, then many of them, with greedy hearts and itching palms, combined to destroy every action of the New Deal.

When Roosevelt took the helm in March 1933 the farmer was in a deplorable condition. The men who produce the food we eat and the raw products out of which our clothing is made were in practical financial ruin. All promises of Hoover had been tried. They had all failed. Every remedy suggested by Mr. Hoover proved disastrous when put to the test. When for the first time in 8 long years the farmers were beginning to get the benefits of New Deal policies the Supreme Court nullified the Agricultural Adjustment Act and brought joy and jubilation to the hearts of these eminent gentlemen behind the smoke screen at Cleveland. I do not mean by that they had any malice toward the farmer. I do not mean to say they were not interested in the well-being of the farmer. But I do mean that if they could get any partisan advantage from the nullification of any of the New Deal measures designed to help the farmer they would be jubilant beyond expression.

And this brings me to the proposition which I have often stated, both publicly and privately. I get it from my experience of more than 30 years in Congress. The one greatest evil of government is partisanship. It was condemned originally by Washington, the Father of our Country. "The spirit of party", as George Washington said, "if unrestrained, will eventually burst into flame and destroy the very foundation of the Government itself."

So, after all, these eminent gentlemen behind the smoke screen in Cleveland, to a great extent, were imbued with a partisan spirit which is more or less common to all of us. But they have carried this party feeling so far, they are so completely controlled by it, they would see the farmer fail rather than give any credit to any other party or organization which has been instrumental in bringing him relief.

This was clearly exemplified when the keynoter of that convention offered an apology in his speech for having voted for some of the New Deal measures. When he voted for them he undoubtedly believed in them. But, as he himself said, it was so early in the session and at that time the approaching national convention was so far off that it was unthought of and his party spirit had not asserted itself. If these partisan gentlemen want to be fair, if they have supported some of the New Deal measures, why are they not frank enough to approve them instead of offering an apology? When the Supreme Court nullified the Farm Relief Act these same partisan gentlemen went into hysterics of joy because a New Deal measure which had brought relief had failed to receive the approval of the Supreme Court.

Let me enumerate some of the acts passed by Congress on the recommendation of President Roosevelt: The Holding Company Act, acts for farm relief, the Tennessee Valley Authority Act, the Railroad Retirement Act, Securities and Exchange Act, Farm Credit Administration Act, Home Owners' Loan Act, Federal Housing Act, Federal Deposit Insurance Act, Social Securities Act, Rural Electrification Act, and many others.

Will these eminent gentlemen behind the smoke screen at Cleveland, if given the power of government, repeal any of these beneficial laws? Will they, for instance, nullify the Holding Company Act, by which the people are given relief from an autocracy and a monopoly of the greatest and most unholy combination ever put together by human hands? Will Mr. Hoover and his vociferous admirers, behind the smoke screen, repeal the Federal Housing Act? Will they repeal the Tennessee Valley Authority Act, an act which, when completely carried out and applied to our inland waterways, will give to America the greatest and cheapest method of inland water transportation ever devised by man? A system of navigation that will make it possible to carry the products of Minnesota, for example, by water to the Gulf of Mexico, to Omaha, Nebr., or to Knoxville, Tenn. A law that in addition to its immense navigation possibilities will hold in subjugation and control the enormous floods which heretofore have done such great damage in the Tennessee Valley. A law which already, through the instrumentality of one great dam, holding back flood waters amounting to 3,500,000 acre-feet, has saved many millions of damages which would otherwise have been suffered by the residents of the States in that great fertile plain. A law that as an incident to navigation and flood control has brought relief to millions of people who have been suffering under the hardships and injustices of an unconscionable Power Trust. Will the men behind the smoke screen repeal that law?

Will these eminent gentlemen, if given the power, repeal the Rural Electrification Act, by which the farmer and the farmer's wife are given relief from the drudgery and hardships of farm life hitherto imposed upon them by an unjust and unconscionable monopoly?

Will these eminent gentlemen repeal the laws providing for the public-works program, by which the people of the entire country have been given assistance in making internal improvements? Will they repeal the Roosevelt law passed for the benefit of the farmer after the Supreme Court had so ruthlessly set aside the Agricultural Adjustment Act? Will these eminent gentlemen behind the smoke screen at Cleveland, if given the power, repeal the Social Security Act, which gives pensions to millions of our aged citizens? Will these eminent gentlemen continue to shout with joy every time the Supreme Court nullifies any one of these beneficent laws? Will they continue to shed crocodile tears every time any of the New Deal measures receives judicial sanction and approval? Why not be explicit? Why not be concrete? In condemning the New Deal, why not make a bill of particulars?

In a nutshell, the efforts of President Roosevelt have been to put some humanity on the statute books. These measures which I have enumerated are only examples of this attempt to make government human. The people of the country must not forget that in this program of humanity in which President Roosevelt is engaged, he has incurred the animosity and bitter hatred of all monopoly, of all combinations, of all special interests, which are trying to get a financial advantage out of legislation and which are financially interested in shifting the burden of government from their own shoulders to those of the poor, whose rights they have so long trampled under foot.

One of the great reforms now pending which comes from the earnest recommendation of President Roosevelt is the one which has to do with the taxing of undistributed profits by corporations which have so far to a very great extent escaped through a legal loophole from paying their just share of income taxes. The eminent gentlemen behind the screen at Cleveland are all opposed to this reform measure. The interests behind them have so long escaped their just share of the tax burden that they are alarmed when Roosevelt undertakes to stop up the loopholes that have made it possible in the past for selfish interests to shift the burden of taxes from the rich to the poor. This is not a partisan question. There are unnumbered thousands of Republicans who are behind the President in his noble attempt to bring happiness and comfort to the firesides of millions of our citizens. There are many Democrats who are opposed to this program. They will give secret help and assistance to these eminent gentlemen behind the smoke screen at every opportunity.

I am not asking support of Roosevelt on a party basis. I am pleading with my countrymen to forget partisanship and come to the support of the man who more than any other man in recent years has stood for the welfare of the common people. I want you to remember that these eminent gentlemen behind the smoke screen at Cleveland will attempt to buy the electorate at the coming Presidential election. They will be supplied with funds from special interests which have come into conflict with the reform measures of President Roosevelt. The amount of their subscriptions will to them not be material. The only question they will ask is how can their subscriptions be used for the purpose of bringing about the defeat of Mr. Roosevelt.

They will be careful in this coming campaign not to appear in the open wherever they can conceal their attempts. They will wrap themselves in the American flag, stand on the housetops, cry out for liberty of contract, denounce the Government for going into business, and do everything they can, directly or indirectly, which will enable them to maintain the stronghold they held under Hoover and upon which Roosevelt has gradually but surely loosened their grasp.

These eminent gentlemen behind the smoke screen in Cleveland adopted a platform. Within the limits of my time I cannot discuss that platform in any detail. A few things in it, mostly glittering generalities, will be approved by fair-mined men. Some things in it are absolutely unworkable, and many things in it are deceptive and so indefinite as to permit of almost any construction. For instance, the platform says, "We advocate a sound currency to be preserved at all hazards." The wildest inflationist who believes in unlimited expansion of the currency and the most narrow-minded

stand-pat reactionary who believes in deflation both claim—and, I presume, believe—that they are advocating a sound currency "to be preserved at all hazards." No man, reasonable or unreasonable, will have any difficulty in standing on that plank. It covers everything and does not touch anything. Similar misleading planks on almost every subject are found in this platform. We should consider not only the platform but the men who made it.

In this connection we should not forget that the leaders of those eminent gentlemen, most of the members of the platform committee, belong to the reactionary element of the party. Some of them have had experience for many years in Congress, and the record shows they have bent all their great abilities in the direction of the protection of monopolistic principles as against the welfare of the common man.

These eminent gentlemen behind the smoke screen at Cleveland nominated a man for President whose greatest asset is that nobody knows him and nobody knows what he stands for. It does not necessarily follow from this that the nominee is not a good man. But it does mean that, if he will not take orders from the undisclosed bosses who made him, then these eminent gentlemen have been deceived. The very fact that reactionary alleged leaders from Maine to California, from Minnesota to Florida, and from all other sections of our great country tumbled over one another to endorse a man they did not know and had never heard of before is conclusive proof that somewhere behind the scene the representatives of special interests issued the commands that percolated down through the reactionary organization to the lieutenants in local control, and they obeyed the recognized voice of their masters.

I think Mr. Landon is entitled to credit for his stand upon the merit system. In his message to the convention he takes a definite stand upon this subject. For this I commend him. But I call attention to the fact that his stand upon the merit system is not binding upon the convention which nominated him. Some of the leaders on the platform committee have shown by their past official activities that they are bitterly opposed to the merit system in all its details.

This is not peculiar to any one party. Both parties have fought the enactment into law of any legislation which would put an effective merit system upon the statute books. This is particularly true of the Post Office Department. That ought to be taken out of politics entirely, from top to bottom, and the President, whoever he is, will have to battle the leaders of his own party to bring about this reform.

I am firmly of the belief that President Roosevelt is an ardent believer in the merit system and that he would be glad to have the proper legislation enacted so that the civil-service system may be firmly embedded upon the statute books, and particularly that the Post Office Department, from Postmaster General down to janitor, should be taken completely out of the domain of partisanship. There has been a gradual sentiment developing, I think, even in Congress, that this should be done, and I welcome Mr. Landon's assistance in that direction. I firmly hope and sincerely believe that the next Congress of the United States, under the guidance of President Roosevelt, will enact such a law.

In spite of all the partisan criticism, in spite of the ardent attempts of monopolies, of special interests, and of partisan politicians, I do not believe the American people are going to change horses while crossing the stream of depression. President Roosevelt's sincerity of purpose, the humanity of his heart, his desire to relieve the distressed, his fidelity to the common man, will bring to his standard, regardless of politics, all sincere, liberty-loving, patriotic people of America, many of whom love him for the enemies he has made, all of whom have faith in his declared purposes. Out of the New Deal, under his leadership, will come a new civilization for America.

ADDRESS BY ATTORNEY GENERAL AT WASHINGTON AND LEE UNIVERSITY

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD the address delivered by Hon. Homer Cummings, Attorney General of the United States, on the occasion of the dedication of the new law-school building erected in honor of John Randolph Tucker at the Washington and Lee University, Lexington, Va., on June 11, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Governor Peery, President Gaines, distinguished guests, ladies, and gentlemen, there is an indescribable charm in the very name of Virginia that makes her call, whether to one of her own sons or to one of a sister State, a command which may not easily be denied.

Her matchless contribution to the early glories of the Republic and her costly sacrifices to a principle which her people had been taught since the beginning of the Nation have set her apart, as primus inter pares, in the community of States. The late Bishop Beverley Tucker, an illustrious kinsman of him whose name is associated with the building we are here to dedicate, caught this thought and feelingly expressed it in a poem commemorating Virginia's contribution to the Union. With a deep pride in her past and in prophetic vision of the future, he said of this old Commonwealth:

"She dowered the land with greatness
And wrote thy illustrious name
With deeds of her peerless children
On the opening page of fame:
And, like the wind in its swiftness,
She will come to the Nation's call.
Wherever the fight is fiercest
Or thickest the arrows fall,
She will bring to thy aid and succor
Her treasure and blood and all."

Stirred by these memories, I am happy in the opportunity of speaking today in Virginia to Virginia.

On my way from Washington to this historic spot I turned from the road, a short distance from Luray, to enjoy the magic view of mountain and valley that makes of the Skyline Drive an unquestioned rival of anything to be seen in Switzerland or in the Pyrenees. There I found the small stone monument which marks the point at which Sir Alexander Spottswood, colonial Governor of Virginia, with his adventurous band of cavaliers, called Knights of the Golden Horseshoe, first caught sight of the Shenandoah Valley. The date was 1716. At that time there was no English settlement beyond the Blue Ridge. The purpose of the expedition was not alone to discover what lay beyond but to determine whether it might be possible to establish a settlement that would intercept communication between the French colonies in Louisiana and Canada. It was this same purpose that actuated the disastrous expedition under General Braddock, 5 decades later, which cost his life and brought fame to a Virginian aide-de-camp named George Washington.

We are told that the Governor and his comrades were so stirred by the glorious expanse of woodland and field stretching before them that they forthwith dismounted, fired a volley, and enthusiastically drank a health to the King in abundant bumpers of champagne. As I paused at the moment I thought how little that group of administrators and explorers could know or even guess of the future of that great area which no white man had ever penetrated, or of the millions who would pour into it, and with the vigor, the courage, and the restlessness of the pioneer press on and still on until they had covered every space from the Blue Ridge to the Pacific.

Among the settlers that the future was to bring were groups of hardy Scotch-Irish from Pennsylvania and Carolina, who, with a quick appreciation of the good things of the world, were content to pause in this beautiful valley of Virginia, to win its fertile soil from the Indians to dot it with their farms, schools, and churches; and to raise up men whose courage and devotion, in a moment of the greatest peril to the Revolution, would wring from the heart of Washington this moving tribute:

"Leave me but a tattered banner of my country, and I will plant it on the hills of West Augusta and rally round it a band of patriots who will lift our country from the dust and set her free."

But these emigrants were not alone patriots and soldiers. There was implanted in their souls a love of knowledge and a consciousness of the advantages of education. To that love and that consciousness Virginia and the Nation owe this ancient seat of learning, whose culture and influence, begun in humble surroundings, have spread from one end of the continent to the other. And let me observe in passing that it was well for Washington and Lee University that these men, who were its earliest sponsors, did not share the view of one of the most celebrated of the colonial Governors, Sir William Berkeley, who, in his report to the commissioners in London, some three-quarters of a century after the birth of the Colony of Virginia, said:

"I thank God we have no free schools or printing, and I hope we shall not have for 100 years, for learning has brought heresy and disobedience into the world, and printing has divulged them and libels against the best governments. God help us from both."

I cannot claim for the great Virginian in whose honor this building has been erected that he came of this pioneer valley stock; but his fine qualities of mind and character and his rich heritage were of peculiar value in the growth and development of this historic university to which he devoted the latter years of his life. His forbears were cavaliers. His direct ancestor, St. George Tucker, the son of the English Governor of Bermuda and the first of the family to settle in Virginia, came at the age of 18 to study at the College of William and Mary at Williamsburg. The matchless eloquence of Patrick Henry had already kindled the fires of the Revolution, and the little Virginia capital was a hotbed of revolt.

Inspired by the spirit of freedom abroad in the land, St. George Tucker, with pen and sword, took up the cause of the colonists. When, in the bitter time of disaster that succeeded Lexington and Concord, the overthrow of Washington's forces seemed inevitable, he conducted, with great courage and skill, a hazardous but successful expedition to the West Indies and captured a shipload of gunpowder, which he brought back across an ocean infested with English ships of war and delivered it at Valley Forge to replenish the exhausted supplies of the dispirited Continentals.

At the siege of Yorktown he took a soldier's part as lieutenant colonel of a Virginia regiment, and at the time of the establishment of peace and the adoption of the Constitution he was ac-

knowledged as one of the leading men of Virginia. A teacher of law at William and Mary, a judge of the General Court of Virginia, a judge of the court of appeals, and finally a judge of the Federal district court, he died in 1823, at an advanced age, universally loved and venerated.

His son, Henry St. George Tucker, born in 1780, likewise attended William and Mary College. Later he served as a soldier in the War of 1812, and soon after the restoration of peace was elected to the Congress. At the conclusion of his second term he declined a reelection, and after a short time spent in the State Senate of Virginia became judge of the superior courts of chancery for the Winchester and Clarksburg districts. This court sat at Winchester, then a small and somewhat inaccessible town. There he organized a law school, to which were attracted students from all parts of Virginia and the South. In 1831 he was appointed president of the Virginia Court of Appeals. After a decade in that post he resigned to accept a professorship in law at the University of Virginia. On his tombstone in the old cemetery at Winchester, near the head of the valley, is inscribed this epitaph:

"Learned without pedantry, brave without austerity, cheerful without frivolity, gentle without weakness, meek but unbending, rigid in morals, yet indulgent to all faults but his own."

His son in turn, whose memorial this building shall be, carried on the family tradition of scholarship, instruction, statesmanship, and devotion to the public service. John Randolph Tucker, named for his distinguished half-uncle, John Randolph, of Roanoke, was born at Winchester in 1823. He was thrice elected attorney general of Virginia and six times a member of the National House of Representatives, where he served with distinction during a period of critical events in our national history.

An advocate of peculiar effectiveness, learned in his profession, a leader of the bar, he relinquished his private practice and his official career to devote his undivided time to Washington and Lee University. From 1889 until his death in 1897 he presided as dean of its law school with the grace, charm, and wisdom inherited from his forbears, leaving at his death his son, St. George Tucker, the namesake of his grandfather, and himself a distinguished jurist, lawyer, statesman, and teacher, to continue the unselfish services that each generation in turn had rendered to State and Nation.

There are few American families with such an illustrious history. To have an opportunity to participate in the dedication of this building, about which hover the great spirits of the present and the past, is a moving experience. Here in this beautiful environment are the tombs of Robert E. Lee and Stonewall Jackson. From this neighborhood sprang that stanch old hero, Sam Houston, who gave Texas to the Union, and that sailor-hero, Matthew Fontaine Maury, known as the "Pathfinder of the Seas", who came back in his old age to die in the peace and quietude of this smiling land. Nor do I forget that it was George Washington himself who turned over to this institution, as an endowment, the gift that came to him from the legislature in recognition of his services in winning the independence of our country.

It is not strange that these men, their lives, their works, and their memories are of previous concern to Washington and Lee University and to the State of Virginia. Even those of us who were not fortunate enough to have been born within your borders can, I hope, without intrusion or presumption be permitted to take pride in your great traditions and to profit from them amidst the pressing problems and perplexities of our own times.

I spoke a few moments ago of the pioneers who first penetrated this valley. Consider their meager material equipment, but think, too, of their spiritual qualities, their superb faith, and the courage and self-reliance which enabled them confidently to face their unknown destinations and their unknown destinies! Let us not regard them as men apart. Indeed, the whole lesson of their lives would be lost to us should we conceive of them as possessed of supermortal characteristics that rendered them immune to human fatigues and human discouragements. No; these were brave men, but still men, proceeding upon their great adventures—self-respecting, independent, alert, resourceful, full of the spirit of initiative and enterprise, prepared to face sacrifices and endure bitter hardships.

I am sure that this pioneer spirit has not perished from the earth. Change is ever with us. Ours is not now, and never has been, a static civilization. There are still frontiers to cross, for education itself, as I need not remind such an audience as this, is but an exploration of pathless areas to a better and more complete life.

We hear much talk of being in the midst of a crisis; but, in this environment and at an institution where the memories of the men I have mentioned are held in eternal honor, need I stress the fact that every era is one of crisis and that each age is, and ever has been, one of change? Who, for example, better than the man to whom this building is dedicated would appreciate that in the midst of a man-made world, just now suffering from a sense of moral frustration, no problem of government is so difficult as the attempt to establish a true balance amongst the rights and duties, both individual and collective, that in the end determine the scope and operation of justice? Who, better than he, would understand that justice in the modern state is a fabric of infinite pattern, and that the unending effort to grasp and apply its elusive significance should inspire us with hope instead of despair?

Here, in the presence of the sacred memories of those who have gone before, let us be of good courage and of good cheer. No living institution is ever finished; no rigid formula for the solution of human problems is ever apt to be devised. Here on this hallowed soil of Virginia let us resolve to derive renewed inspiration from those who sleep around us, and who have shown us, in meeting the perplexities and difficulties of their generations, how to meet the challenges of our own.

NEUTRALITY—ARTICLE BY BERNARD M. BARUCH

Mr. ROBINSON. Mr. President, I ask to have printed in the RECORD an article from the pen of Bernard M. Baruch on the subject of Neutrality, published in Current History for June 1936.

There is attached to the article an estimate of the cost, as is required by the rule of the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Current History, June 1936]

NEUTRALITY

By Bernard M. Baruch

The world is again rocked with wars and thunderous rumors of wars. This country, still suffering grievously from the eruption of civilization 20 years ago, is determined to have nothing to do with impending conflict. The word "neutrality" is on everybody's lips in tones of approbation.

This great popular demand has been reflected in proposals to restrict the shipment of American goods to warring nations and we hear talk of embargoes and sanctions, which latter word, in the language of law, means exactly the reverse of its ordinary intendment of permission and connotes penalties attached to a law to enforce it. Sanctions and embargoes are economic coercions which we apply to a nation with which we are at peace but whose actions we do not approve. They are hostile acts short of assault. Active hostility between nations is very close to war. Yet we speak of this kind of thing as neutrality legislation.

The truth is that two very distinct and contradictory purposes are being confused under the word "neutrality." If we can't get them clear, we may be legislating ourselves into exactly the position that we desire to avoid.

One of those purposes is to prevent or end war between other nations. The other is to keep us out of war between other nations. If we can prevent or end a war between others without getting into it ourselves—fine. But war is a contest of force to the uttermost. The hour of argument is past. Any intervention steps between colliding powers and, in some measure, great or little, itself involves the use of force. That is not keeping out of war. That is getting into war.

Is that what our people want? Is this almost unanimous popular urge, under the name "neutrality", a demand of our people that we attempt to prevent foreign wars at the risk of engaging in them? It is not.

What our people mean by neutrality is that they want to keep out of war—and that is all they mean. They put their fingers into the European buzz saw once and all they got was grief. If they can prevent war by good offices, they would go the limit, but not by taking part.

Nobody is inquiring much about the technicalities of neutrality in international law. But in that law neutrality means the condition of a government which refrains from taking part, directly or indirectly, in a war between other powers. That is exactly what our people want. It is high time to ask whether this proposed neutrality legislation isn't the reverse of what neutrality means and of what they want.

MODERN WARFARE BEGINS

Some remarks on modern war may prove to be a little tedious but, in view of this obvious confusion, they are necessary to a proper development of this subject.

Before the days of Napoleon Bonaparte, war was pretty largely a contest between small professional armies. Nations risked their continued existence on the outcome of a sort of glorified gladiatorial contest in which each was represented by minute fractions of their whole potential strength in manpower and supplies.

The force of each belligerent placed itself between its own capital and the enemy and then—always covering home base—began to move in the direction of the opponent. As the forces approached collusion, deft maneuvers like the lunges and ripostes of skillful fencers began in efforts to gain the maximum advantage in ground and use of weapons at the critical moment. After a number of desperate encounters, one force or the other was rendered hors de combat, and—to the victors belonged the spoils. It was like playing a game of chess for the stake of national existence rather than a contest to the death between whole nations.

Napoleon having utterly subdued Germany determined to keep her subdued and, therefore, limited the professional army which she might maintain to what he thought was a helpless minimum. He reckoned without a new idea by two gentlemen, named Scharnhorst and Stein. They proceeded to use that small gladiatorial football team not as a martial ornament, but as a high-pressure

school of arms. They forced recruits through it as fast as training could be completed. Every time a class graduated they provided for it complete arms and equipment and sent it back to civil life—with a string to it. At the earliest available moment they recalled all graduates to the destruction of the first French Empire. As if by magic, a completely trained, organized, and armed force of unsuspected magnitude sprang up on Bonaparte's flank after the retreat from Moscow. It licked him at Leipzig and crushed him at Waterloo.

It was the beginning of a new idea which has completely changed the face of war—the idea later known as the nation in arms. Its basis was that no nation has a right to risk its existence on the skill of a small group of professional soldiers no matter how able and devoted; that war threatens the very existence of a nation and, therefore, should be risked on nothing less than every ounce of its power in men, material, money, and morale, organized and converted to the purpose of war.

It took a little more than a century for this idea to come to full bloom. Indeed it was not fully realized by all nations until the end of the World War, but it has been universally accepted now, and woe to the modern nation which does not fully understand it in all its implications. It is a terrible thing, but it is an evil force moving on the face of the earth which we must recognize, or perish.

What it really means is that in any major conflict the entire population must suddenly cease to act as individuals, each following a self-appointed course, and must become a vast unitary mechanism composed, in our case, for instance, of 127,000,000 correlated moving parts, all working to the end of directing all our material resources to the single purpose of victory. It means that the engines of modern war are not merely a few great guns on the battle line, but every farm, factory, and unit of production—every dollar and ounce of human energy—ranged in battery to discharge the full of their output, not to the use of peace, but to hurl its whole flood, converted into forces of destruction, at the enemy.

Of course, the tremendous advances in science, transportation, and industry have had as much to do with producing this condition as has the germination of the original idea of Scharnhorst and Stein.

Regardless of the myth that Xerxes assaulted Greece with a million men, the truth is that up to 50 years ago it would not have been possible to maneuver, transport, and supply an army of a million men on any battlefield. But under modern conditions of transport and communication, whole frontiers can be so heavily manned with many millions of men that no single shock can break them. They have to battered down by siege. The old fencing warfare of swift movement is greatly changed. In the World War we saw stalemate along a solid front in Europe from the Mediterranean to the North Sea so heavily manned that it took 3 years of constant blasting to break it on any front. There is practically no limit to the size of armies which a modern industrial nation can transport and fight. The offensive forces move on, in, and under the earth, sky, and sea, and use every form of communication and transportation known to man.

They used to need only cold steel. Now there is no force of death and destruction within the realm of science which is not utilized and required in such bulk and tonnage that war reduces to a contest in quantity production of everything and in withholding the ingredients of production from the enemy.

The chief effort is production of everything to the uttermost and thus—from the most remote farm in the interior to the farthest advance post on the frontier—the whole of its resources and the utmost activity of every individual of a nation is as much a part of its military force as the armies under its battle flags.

DEMANDS OF WAR

Words cannot adequately express to one who has not known and borne the burden of these things the full force of their certain application. Modern war is an impact of civilization. It is a struggle to the death—not between armies alone but between economic systems. There is not a product of farm, mine, or factory, not an ounce of human effort, that is not necessary to the conduct of this new war of multiplied and horrible force.

This is the basic fact of the problem, but it has equally significant corollaries. In the first place, no nation produces all that even its life in peace requires, and certainly no nation produces all the indispensables of this kind of war. Take our own case: We have not as yet developed a sufficient production of rubber, tin, platinum, chrome, silk, manganese, nickel, coffee, tea, and sugar—to name only a few of the principal necessities. Italy produces within her borders only a very minor fraction of the requirements of war. England, with her sea lanes closed, would be utterly helpless. She doesn't even produce one-third of her necessary breadstuffs. Russia's potential Army of 12,000,000 men looks formidable on paper. As a matter of fact, until her industries have been developed to a high state of efficiency, without access to some industrial state, she could not put up even a passable continuous offensive.

A second corollary is that in addition to the tremendous wastage and destruction of war itself, soldiers in the field and a population in furious effort consume from three to seven times as much of every common necessity of life—clothing, shoes, food, etc.—as the same individuals consume in peace. The demand for every useful thing for consumption by a nation at war is multiplied in tonnage. Any serious restriction on its sources of supply is as dangerous to it as a hostile army. For this reason the current talk of not letting a belligerent buy from us more than it bought in peace is an expedient more dangerous than its proponents probably realize.

There is another element of this revolution in the art of war which enforces and emphasizes this point. It is that when a whole population becomes a part of its hostile forces for the purposes of modern war, civilian morale and civilian supply become quite as important as the morale and supply of its army and navy. It is now very clear that, even with the assistance of the tremendous forces of America, it was not the assault on the Hindenburg and Siegfried lines which broke down German resistance in 1918. It was the crumbling of the "home front", as Ludendorff called it. Germany's military force was starved into submission, not on the western front, but among the civil population, many leagues behind it. For this reason also any serious constriction by a neutral of a belligerent's channel of civilian supply is as deadly as a declaration of war.

In a slightly different direction there is another angle to these proposals that we keep out of war while we apply economic sanctions to great powers in a death struggle. It is that war has become a matter of world economic strategy quite as important, if not more important, than military strategy.

ECONOMIC STRATEGY IN WAR

The use of capital and commerce, as well as arms, to destroy the overseas trade of an enemy with neutrals as well as allies, and especially to coerce neutrals, was a repeated occurrence of the World War. This doesn't need argument, because interference with our neutral commerce was the very thing that brought us into the war.

The cutting off of an indispensable source of supply, not by naval or land blockades but by buying it up or boycotting it out of availability, is an equally powerful weapon. Neither does that need argument, because that is exactly the manner in which we partially prevented the Germans from getting Swedish steel. That was why we bought control of Chilean nitrates, prevented Germany from getting them from neutrals, and held them as a club over the subversive activities of pro-German Spain. Spain needed those nitrates or substitutes for them to live.

Such things often prove to be of primary importance in modern war. The torpedoing by a submarine of a rusty old tramp steamer rolling up from Panama with a cargo of nitrates was sometimes more of a blow than the wiping out of a whole infantry division on the western front—so wholly were the Allies dependent on this essential ingredient of fertilizers and of explosives.

If these stupendous realities about modern war as an ultimate death struggle between economic systems rather than skillful jousting of trained bands of professional soldiers can be only dimly realized, it will be easier to understand the following unquestionable truth.

All nations, for their defense in war, need and must have from those countries which produce them, and especially from those countries which are their accustomed sources of supply, absolute access to the indispensables of war—which in many instances are the indispensables of peace multiplied. The complete denial of it is a sentence of economic and military death. No endangered nation could ever forgive such a denial by us on the plea that it was neutrality and taking no part in the assault on their existence. They could only construe it as taking the determinative part.

WHAT OF SANCTIONS AGAINST UNITED STATES?

One way to visualize this is to apply it to ourselves. We are suddenly attacked in the Pacific and our whole west coast is menaced. We begin to mobilize and then hear from the world: "As long as you continue to fight you can't have any more rubber, coffee, sugar, tea, tin, or silk, or any of the necessary metals on which your industry is dependent." Would we regard the countries who had thus embargoed our supplies as taking no part, directly or indirectly, in favor either of us or of Japan?

Certainly not. There would be a resentment so bitter and anger so implacable against the nations that had thus put their fingers on our life lines that our Government would be forced by popular opinion to immediate reprisal. And our case, thus put, gives the least provocative instance that could be imagined among the nations of the world.

During the World War, when shortage of ships, German submarines, magnificent distance, and the war itself had cut off the accustomed streams of wheat from Australia, the Argentine, and Russia to England and France, they became absolutely dependent on this Nation for their very means of life. If we had cut off that wheat, is it conceivable that even though we protested that we were only practicing this new principle of neutrality, the Allies would not have regarded us as perhaps the most deadly of their enemies? Would we not have been taking a part indirectly in that war? We would have been underwriting German victory. Should we not have suffered war for it sooner or later?

All that has been said suggests that, although sanctions and embargoes would tend to draw a neutral into war rather than keep her out, yet when practiced by so important a source of the world's supply as we are, they would be a powerful deterrent against war by any of our customers. Properly and unfailingly we have set our face against war as an institution. That is well, and we have done it more sincerely and disinterestedly than any other nation.

LET US BE REALISTIC

We shall retain this high-minded attitude toward war, but we must keep in mind that ours is the idealism of a splendid and happy isolation. It is a great force for good in the world. But we have no ancient enemy within the very sound of our church

bells. It cannot be said of us as of France, that no generation ever lived and passed that did not suffer a war on her eastern frontier. We must not be too quick in judging other nations in more straitened and dangerous circumstances than our own—especially in view of our history. It was wonderful for Woodrow Wilson to be able to lay down the doctrine that "never again would America acquire a foot of territory by war or by forcible annexation." We don't need a foot of territory now. But much of the territory of the United States was acquired by war and by forcible annexation either from resident Indians or from other nations. We acquired territory in that way when we had to have it. While it is well to abjure that method when we don't need more territory, it hardly lies in our mouths to lay down the same rule for others in less fortunate defensive circumstances and especially to enforce that rule by sanctions. It is not neutrality to judge and punish other nations either, one as against another, or all impartially. Our proper policy is to keep out of war, not to participate in it—no matter how idealistic our purpose. Until the world lives up to treaties and agreements, let us be realistic—no matter how much it may shock our high ideals.

For this is truth. Bottle up a people to the extent of threatening their existence and their growth—any people, of any race, anywhere—and the whole record of the world shows that they will fight. If the history of any people under the sun proves that when the economic burden becomes heavy enough and harsh enough they will resort to arms, it is that of the people of the United States.

One of the most glorious incidents in our history was the Battle of New Orleans, because it was a conquest of overwhelming numbers of the finest troops of Europe—the most formidable army that ever invaded these shores—by a little handful of embattled American farmers combed in driblets from the vast and scantily peopled wilderness of the then Southwest, principally Kentucky and Tennessee. How could so small a group so widely scattered be moved to such an heroic enterprise? Because they thought that their homes and their new country was jeopardized by the projected closing of the port of New Orleans and their only practicable access down the Mississippi to the ocean and outside world hermetically sealed.

Nations will never lightly incur modern war, but only if they think their existence is menaced. Then they will fight—judge them as we may.

Economic boycotts placed by us upon nations in that desperate state of mind—sanctions forceful enough to imperil their defense—are a form of participation in war any way you look at it, and, in my opinion, we should engage in it only with the utmost caution, if at all.

WHAT ARE MILITARY SUPPLIES?

Thus far our actual neutrality legislation has gone no further than to prohibit shipment of arms and direct munitions—so-called absolute contraband—to a belligerent. But the pressure is strong to extend this list to so-called "conditional" contraband. The effort here is to distinguish the kind of shipments that can only help armies from the kind that are necessary to the civilian population. That is where the fundamental error and danger of the whole doctrine lies.

Men have been trying to do that for 300 years. The doctrine that military supplies consigned to a belligerent may be captured on the high seas by its enemy is older than Grotius. And so is the question: "What are military supplies?"

When war was a professional tournament between relatively small forces, there was some sense to an attempt to say that military supplies are that which is necessary to armies as distinguished from supplies for civilians. But now that everything is necessary to a nation in arms, it is an impossible distinction.

Speaking as long ago as 1801, the Solicitor General of England insisted that this "distinction of contraband is artificial."

"All articles designed for and conducive to the enemy are inadmissible to be conveyed on the high seas and are, therefore, contraband", he said.

The attempted distinction has met with success diminishing to zero in the World War. If it was artificial in 1801, it is notoriously absurd now, when the civilian population is as much a part of the engine of force as the armies beneath the colors. By one device or another, practically everything was treated as contraband in 1917 and 1918.

There is another proposal to distinguish between essential and nonessential military supplies. That also is impossible. Requirements change with unpredictable swiftness. Such a bucolic product as barbed wire and so peaceful a thing as cement, did not sound very martial in August 1914. Suddenly the war took an unexpected shift to trench and position fighting and there were not enough factories in the world to supply the necessitous immediate demand for both, for front-line trenches. Lives by the hundred thousand depended on them. Later, months would go by with no particular demand by the armies and then some great sweeping retreat, or some new development of checkerboard defense, would again require reequipment of a whole front and the essential requirement would shift from artillery and explosives to barbed wire and cement. You can't anticipate these changes in today's warfare.

Things that yesterday were of no importance today become indispensable. Who would have regarded castor oil, discarded cherry pits, peach stones, and byproduct coal as contraband of war? Yet the developing requirements of aircraft, the gas assaults, and changes in the use and application of explosives suddenly made these things so necessary in such unimagined quantities that this Government subsidized the cultivation of tens of thousands of acres of castor beans, employed the very children in the streets and fields to the salvaging of fruit pits from garbage cans, and developed equipment and methods in the chemical industry that had never been necessary before and may never be necessary again.

TAKING SIDES

Experiments with these sanctions and distinctions have already resulted in absurd contradictions. We seriously considered sanctions against Italy on petroleum, which is indispensable for both her armies and her civilian population. We were at peace with Italy. We wouldn't fight her for attacking Ethiopia, but we were going to discipline her. That was certainly not a neutrality move to keep us out of war. It was a coercive move frankly participating on the side of Ethiopia. In the end, we didn't do that. But we did put an embargo on arms. Italy has arms and arms' factories. Ethiopia has neither. That also was not keeping us out of war. It was, in effect, participating on the side against Ethiopia.

Petroleum producers are not very popular, and there was no great outcry here. But apply the same idea to cotton which is, like petroleum, an all-purpose product: What would happen to us and to the victims of the embargo?

Our South was at one time the world's exclusive source of cotton, and still is its principal source. In that great American economic province—practically all of the old Confederacy—cotton is still king. Fifty-five percent of the crop is normally exported. The economic basis of that whole region is cotton, and the exportation of it is its principal support.

Now, cotton is necessary to daily life in peace in all parts of the world, but it is also an absolute indispensable in war because guncotton is an ingredient of most explosives and propellents. If we embargoed cotton against a Europe at war, we would, first of all, ruin our entire South. We would deprive millions of Europeans of a necessity of life and we would impair, if not destroy, the defensive power of every nation which did not have an alternative source of supply.

HUMAN LIVES VERSUS RULES

Another trouble about these preconceived rules made in peacetime treaties and statutes—nobody respects them when war comes or even threatens. The World War and the whole post-war history proves that.

A nation at war, its men being killed and its people being starved, isn't going to confine its chance for continued existence to the rules of a game unless compelled by force or fear of force. None ever has; none ever will.

In the old romantic days, when war was a kind of glorified professional football game in which contesting nations sat cheering in the bleachers while their trained teams battled it out on a comparatively small gridiron, rules worked a little better. The colonel of one "gentleman's" regiment could salute the colonel of an enemy guard regiment with a flourish of his sword, his men standing at attention to receive the first onslaught, and say "Gentleman of the guard, be pleased to fire first."

But that day is gone. No part of the population is in the bleachers. All are fighting in one way or another and all are inflamed by systematized propaganda and by the fever of danger.

There are few rules and little chivalry in the mass madness of modern war. We lost a lot of men in personal encounter in the early months of the Great War because Americans didn't understand about eye gouging, groin kneeing, back stabbing, and killing prisoners and wounded. We learned later that we were fighting a force to whom victory was everything and chivalry was a weakness. We played that game as well as any when we learned that there were no other rules. In this new era of legalized murder in mass there are no laws of "civilized warfare" (except on paper), and whoever complies with those may lose the victory, especially when those rules are artificial and depart from realism—like the distinction between absolute and conditional contraband.

For all the reasons I have stated, I fear we are off on the wrong foot on this confused idea of neutrality with sanctions, boycotts, and embargoes as a means of keeping us out of war, because:

(a) It doesn't keep us out of war. It might put us into war.

(b) It is not a policy of neutrality. It is a policy of participation, and of telling other nations when they can and can't fight.

(c) It therefore does not meet the real wish of our people. Under a specious guise it frustrates their desire to keep out of war.

(d) It is impracticable.

REFUSE TO FINANCE EITHER SIDE

What are we going to do about it? A new conflict between great powers in Europe if not probable is at least momentarily threatening and is entirely possible. Our people are sanely, absolutely, and almost unanimously determined not to get mixed up in it. The sanctions-embargo-boycott policy is wrong. Is there a better one?

It seems to me that there is, if only we can keep our purposes and our definitions and our heads clear, and our outlook always realistic.

In the first place, money and credit are on a very different basis than is merchandise. No nation is a continuing source of credit to another. When you sell merchandise your interest ends. When you loan money it has only begun. The moment a neutral begins to loan money or advance credit to a belligerent, it has given a hostage to fortune—"where your treasure is, there will your heart be also." This country should absolutely refuse to finance either

side in a foreign war publicly or privately—either by loans or advance of credit, no matter what be the pledge or collateral and no matter how persuasive the appeal. For whatever we sell, we should have only one formula: "Cash on the barrel head." This is the first and great commandment for our peace, our prosperity, and our unassailable neutrality.

Our legislation already provides for this, and we should never alter it.

REFUSE TO SELL LETHAL WEAPONS

Next comes the question of our refusal to sell munitions of war to anybody. That raises all the troublesome problems about absolute and conditional contraband that have vexed the world for a century. It comes under every criticism of misguided and mistaken neutrality which we have considered. It is not a means for keeping us out of war. It is an attempted contribution to world peace and an effort to prevent or minimize war between other nations. It is not neutrality.

Nevertheless, if we want to go somewhere down this road, clearly recognizing the purpose and probable effect, there is one distinction we can make and keep quite clear. It is not munitions of war or absolute contraband or essential war supplies. That distinction for reasons here developed simply can't be made.

But we can (we have attempted it already) refuse to sell "lethal weapons, ammunition for the same or manufactured parts thereof." The moment we attempt to go beyond that we are lost in a haze of uncertainty. We could say "manufactured parts" of a weapon but we could not say "ingredients of ammunition" because that would include cotton, coke, fertilizers, and many chemicals—useful alike in peace and war. Even airplanes are in this class and, by failing to recognize this, we have already greatly impaired our export market for commercial airplanes in South America.

There is a good deal of unnecessarily extreme thinking about this whole subject growing out of recent publicity of the bad methods of European munition makers. They are properly condemned but let's not further injure our languishing foreign trade by superheated restrictions on such products as aircraft and locomotives.

Even this embargo on lethal weapons does not tend to keep us out of war—it is our contribution to the effort to compel peace on the earth. Our real efforts to keep out of war all lie in directions already discussed.

Refusal of loans and finance is most important to our real purpose. Embargoes on lethal weapons is a humanitarian purpose having little to do with our main purpose. But there is a third and overwhelming consideration that, to my mind, goes to the root of the whole matter.

It is not the goods that we have bought or sold that have endangered our peace. It is something about the sea that has drawn us into every foreign war we ever had, except the war with Mexico. The real question is not whether or how we shall sell goods. It is whether and how we shall ship goods on the ocean and our right to ship goods including the travel of our citizens on the high seas. The real meat of the whole matter is here and not in the sale of goods at all.

Up to the time of the World War our doctrine was freedom of the seas. We conceded that an enemy merchantman could be seized whenever found but not sunk without warning and without taking care of passengers and crew. We insisted that neutral ships bearing neutral goods had a right to go anywhere with goods consigned to anybody, subject to exceptions:

(a) Where a port had been actually blockaded, as Union vessels blockaded Confederate ports, if neutral ships should attempt to run such a blockade they could be sunk. But we insisted that no nation could fence off with imaginary lines any section of the seas with a paper blockade and say that neutral ships found anywhere in that section were there at their peril and could be sunk on sight.

(b) We admitted the right of a belligerent ship to stop neutral vessels on the high seas and search them for contraband of war and, if they carried it, they could be seized and taken to a prize court—but not sunk except in certain special circumstances.

Thus far the doctrine seems quite simple, but under (b) a host of vexing questions arose. What was contraband of war? As has been already shown, in the World War practically everything consigned to a belligerent was held to be contraband by the enemy. But the real trouble came in respect of goods consigned to a neutral but which the seizing naval vessel complained was really ultimately destined to an enemy.

Thus far we have been talking about vessels. What about our goods and passengers aboard merchant vessels of a belligerent or a neutral?

We insisted that we had a right, in respect of them, to have the rules of international law observed toward the vessel on which they sailed, whether American, belligerent, or neutral.

Those were the principles for which we said we would fight, and in respect of which Woodrow Wilson also said: "To forbid our people to exercise their rights for fear we might be called upon to vindicate them would be a terrible humiliation indeed. It would be an implicit, all but an explicit, acquiescence of the violation of the rights of mankind everywhere * * * what we are contending for is the very essence of the needs that have made America a sovereign Nation."

Those principles were knocked into a cocked hat by both belligerents. So far as technical legality is concerned, Great Britain violated them much more flagrantly, continuously, and impudently than Germany ever did. She violated our mails. She called whatever she desired, and to whomsoever consigned, contraband of war, and—insolence of insolences—she blockaded the port of New York. No American ship could safely sail and no American cargo be safely shipped without first obtaining a clearance from the British consul general in New York.

Germany attempted what Napoleon Bonaparte had tried a century before. She blocked off wide areas of the high seas and warned that ships of any nation found therein were subject to be sunk. She asserted the right to sink at sight and without search or seizure not only the merchant ships of belligerents but the ships of neutrals in the interdicted zones. The only difference between her assaults on our sovereignty and those of England were that she illegally destroyed the lives of our citizens, while Great Britain illegally destroyed only their property and their rights.

The lesson there is that when great nations are in an economic death struggle they will respect no asserted right of neutrals on the high seas which in any way threaten the victory of their arms or which cannot be asserted and adequately defended by the neutral. We might as well recognize this truth realistically as an outgrowth of the development of the art of modern war.

Our present solution of this problem of keeping out of war, or of neutrality, might still be the ancient one—freedom of the seas. But unless we are willing to impose it by force, it is just plain silly to put any reliance upon it, and if we say that we will fight for it we can be 100-percent certain that instead of keeping us out of war it is the surest, quickest, and most inevitable way of getting us into war. We have fought two wars for it.

COME AND GET IT

What, then, remains for us to do? As far as goods are concerned, the solution seems simple: We will sell to any belligerent anything except lethal weapons, but the terms are cash on the barrel head and come and get it. Any American who sells goods on any other terms to a belligerent, whether directly consigned to him, or consigned to a neutral and destined to him, does so at his peril. The flag will not protect such transactions.

That would not much interfere with our trade, because at such times requirements are necessitous and belligerents buy here because they must.

With that should go a declaration that Americans traveling or shipping goods to anybody—belligerent or neutral—on merchantmen of a belligerent do so at their peril. That would relieve us of responsibility of such incidents as the *Lusitania* and of all responsibility for maintaining the interest of one belligerent against another.

All this leaves open the great difficulty of protecting American merchantmen freighting to neutrals, American goods on neutral ships destined to neutral customers, and American citizens traveling on neutral vessels. There remains the risk of embroilment over some affront by a belligerent to another neutral carrying our citizens and property.

I think we cannot escape this danger unless we are ready to concede that neutrals, including ourselves, have no rights at all on the ocean. If a neutral ship is sunk in violation of international law and an American citizen is killed or injured, or if an American ship or citizen thereon is illegally interfered with, we have an obligation. That obligation may lead us into war.

We may as well face the fact also that during any major war the international law which we are thus to vindicate will be what we ourselves assert and make by force or threat of force. Nothing written in treaties and declarations or expounded by jurists seems to be worth much more than the paper on which it is written.

It is a commentary, sad but true, that international agreements are almost worth nothing. Since Belgium was invaded in violation of a "scrap of paper", the nations have regarded treaties as matters of expediency. Every nation except Finland abrogated the debt agreements with us without so much as the bat of an eye toward what was once called national honor. The Washington, Versailles, Four-Power, Nine-Power, and Kellogg-Briand Treaties are more honored in the breach than the observance. Why should we make or rely on new concordats with defaulters. The scratch of the pen signing new treaties is drowned in the sound of the tearing up of the parchments of the old. It is tragic but it is a lesson we should learn. We can rely on the strength of our own right arm and very little else under the shining sky, until the sanctity of agreements is certain.

KEEP SILENT ON OUR PLANS

Finally, we cannot now determine in ultimate detail the rules in this regard which we shall be willing to fight to vindicate because we do not know the circumstance of any future war or what other nations may do. In general, war will start with lip service to the existing shaky doctrines of international law—they would be the extreme protection that neutrals can expect. We may be willing to make further sacrifices than have been suggested here, but it would be unwise to declare them now. It would do no good and would leave no room whatever for trading and diplomacy. It would be like the youthful U. S. Grant's famous frankness to a horse trader: "My father said to offer you $100 for this horse but if you wouldn't take it, to go as high as $150."

If we refuse loans or credit to belligerents, abjure the sale of lethal weapons, require that all sales to belligerents be made cost, insurance, and freight our ports, and withdraw the protection of the flag from shipments and passage on belligerent vessels, we shall have removed 90 percent of the potential field in which the danger of our embroilment lies.

Such I believe should be our policy, but I think that further legislation, or even the announcement of that policy, or any attempt to go much further into detail is most unwise.

War is now a matter of world economic strategy. No man can foresee its implications. Their bearing upon us is sure to be vital. We should constantly study the changing scene and keep open to ourselves the widest possible field of action.

The general staffs of all modern nations maintain war plans in very complete detail, anticipating conflict with every possible enemy or combination of enemies. Those plans are revised yearly and even daily when some new event changes the circumstances of their potential application. It would be perfectly absurd for the Congress to call on the War College for its current plan in the event of the appearance of an enemy in both the Atlantic and Pacific Oceans, and then act and announce that plan as a statute. For a similar reason it would be exactly absurd for the Congress now to draw up a plan to govern the whole of our attitude to meet the economic strategy of any two great warring nations as it might affect us.

Until this world recovers from its present state of madness, it seems to me that the thing for us to do is to arrive at our policy in general terms, leave legislation as it is, keep our plans to ourselves, study them constantly, and leave the enactment and announcement of our final decision until the dreaded event arrives.

THE FARM PLANK—EDITORIAL BY VICTOR MURDOCK

Mr. McGILL. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "The Farm Plank", written by Hon. Victor Murdock, editor of the Wichita (Kans.) Eagle.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wichita (Kans.) Eagle]

THE FARM PLANK

If a Republican farm plank is a composite of the views of leaders of the Midwestern agricultural States, it will contain a number of things. One is a tariff equivalent payment for farmers in an effort to bring what the farmer sells into line with what he buys. The farmers' tariff disadvantage now is figured to be 20 percent; that is, the things the farmer buys cost him a fifth more than they would without tariffs. And the tariffs do not commensurately increase the price of what the farmer sells.

Now it is proposed to find this tariff disadvantage accurately and add it to the price of the bushels, bales, and barrels the farmer sells in the domestic market. Would that fix things for the farmer? It would and it would not. Add this tariff equivalent to wheat at 75 cents per bushel and it would help a lot. Add it to wheat at 25 cents a bushel and it would help some but not nearly enough to give the farmer a profitable price.

The farmer wants a parity price, which the A. A. A. was aiming at before it was declared unconstitutional—something which can be applied vigorously when farm prices sink away down and relaxed when they come up to a profitable level. Will that be found in any political convention? It will not but it will be found in a long system of trial and error and in application throughout the length and breadth of the land.

AFTER 12 LONG YEARS—EDITORIAL

Mr. McGILL. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "After 12 Long Years", written by S. T. Osterhold, editor of the Jackson County Signal, Holton, Kans.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Jackson County Signal, Holton, Kans.]

AFTER 12 LONG YEARS—KEYNOTER STEIWER SOUNDS CLARION CALL AT NATIONAL CONVENTION IN CLEVELAND

As the Signal goes to press the Republican national convention is in session at Cleveland for the purpose of selecting a candidate and writing a platform.

In our opinion, there is no question as to whom that candidate will be. We believe that matter was settled several months ago and that Governor Landon will be the nominee of the convention on an early ballot.

We anticipate more difficulty when it comes to writing the platform. The time has come when the old type of platform, saturated with conservatism from beginning to end, will no longer serve. The people can no longer be brought into line by a mere condemnation of President Roosevelt and a dull recital of trite platitudes.

The keynote speech by Senator STEIWER, of Oregon, last night consisted of a blanket condemnation of all the present administration has done. He sought to show how the people were being robbed of their liberties, how business was being hampered, and how taxes were being piled up and no results being accomplished. He pleaded with his listeners to take the administration of government away from Roosevelt and return it to the Republican Party.

We listened attentively to STEIWER's speech but not once did he plead with his hearers to go back with him to the days of the Hoover administration.

We listened attentively to the keynote speech but not once did he explain how it was that while the Government was in the unbroken control of his party for 12 long years that the business of the country came to the state of demoralization that it had reached during the Hoover administration.

We listened but did not hear him explain why it was that after 12 long years of his party's rule that the entire banking system of the country was on the verge of collapse and the bank holiday by President Roosevelt was the only thing that saved us from the worst financial panic the Nation has ever seen.

We listened but did not hear him explain why it was that after 12 long years of his party's rule the farmers of the Nation were on the verge of bankruptcy, many of them so far gone that even the most liberal lending policy on the part of the Government could not save them.

We listened but we did not hear him explain why it was that after 12 long years of his party's rule that our foreign trade was in such a state of demoralization that wheat from Kansas farms was piled up in elevators from Galveston Harbor to the western plains of Kansas without a market.

We listened but we did not hear him explain why it was that after 12 long years of his party's rule the factories and industries of this Nation were idle and men were being laid off by the thousands daily.

We listened but we did not hear him explain why it was that after 12 long years of his party's rule 12,000,000 men tramped the streets of this Nation seeking employment that was not to be had.

We listened but we did not hear him explain why it was that after 12 long years of his party's rule that 12,000,000 men, women, and children were hungry at a time when the price of foodstuffs reached the lowest point in 30 years of this Nation's history.

We listened but we did not hear him say why it was that after 12 long years of his party's rule that prices of farm products reached the lowest price in 30 years history of this Nation.

We listened but did not hear him offer one constructive thought as to what he would do differently or better.

We listened to him condemn the mounting debt of this Nation but he did not say how else he would feed the hungry or clothe the naked. He did not say how else he would have given the idle employment. He did not say how else he would have saved the homes and the farms and the banks and the insurance companies and the railroads. He did not say because he did not know.

He did not know how after 12 long years of his party's rule and he does not know now.

STEIWER did not fool his listeners. They know that after 3 short years of Roosevelt the banks are back on their feet with insured deposits for the first time in this Nation's history and after the narrowest escape from financial chaos this country has ever known.

They know that after 3 short years of Roosevelt that foreign trade is being rapidly recovered and that our farm products and industrial products are now being marketed in 14 foreign countries.

They know that after 3 short years of Roosevelt that industry is again out of the deficit column and is again paying normal dividends.

They know that after 3 short years of Roosevelt that farm income is the highest it has been in years.

They know that after 3 short years of Roosevelt that men are being reemployed by the hundreds daily.

They know that after 3 short years of Roosevelt that this Nation is borrowing money at the lowest rate of interest in the Nation's history and that every bond issue that has been offered the public has been oversubscribed from 6 to 20 times.

They know that after 3 short years of Roosevelt that thousands of homes have been saved to their owners through the farm loan and home owners' loan agencies, and that because of this liberal and unprecedented policy the hard-earned savings of thousands of men and women have been restored to them.

They know that after 3 short years of Roosevelt that they have a man in the President's chair at Washington who has a human interest and a human concern for the welfare of the common man.

They know that after 3 short years of Roosevelt that they have a man in the President's chair who has no fear of the mighty of this earth and is willing in spite of any personal fortune or consequence to take up arms and do battle for the cause of the common man.

They know that after 3 short years of Roosevelt that he will carry out these policies in spite of all opposition and influence and pressure.

They know after 3 short years of Roosevelt that they are safe with Roosevelt.

THE FEDERAL HOUSING PROGRAM

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Houston (Tex.) Chronicle of May 23, 1936, relative to the Federal housing program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Houston (Tex.) Chronicle of May 23, 1936]

TO HOUSING FOR AMERICA

It is to be hoped that Congress will find it possible to pass the Wagner-Ellenbogen low-cost housing bill before adjournment.

The measure, to be sure, is not calculated to put everybody to work, duplicate British housing progress in this country overnight, or bring us to Utopia. But it represents a common-sense approach to the problem of low-cost housing, both the subsidized and unsubsidized types.

America needs housing, a vast quantity of it; it needs to eliminate many squalid areas. Progress in this work automatically would provide employment for millions of skilled laborers, would contribute more than anything else to breaking the deadlock in the heavy industries, the one depression "front" which remains relatively intact.

Methods heretofore adopted have not been highly effective. The Federal Housing Administration plan undoubtedly has stimulated the building of homes valued above $5,000. In Houston, for instance, the construction of homes in this class has reached the best levels of the predepression period. Nevertheless the plan has not yet been rounded out by the establishment of national mortgage associations, intended to guarantee a ready market for Federal Housing Administration guaranteed mortgage loans, and is susceptible to considerable liberalization both as to the cost of the mortgage insurance and the percentage of loan values allowed. Particularly is the latter important if we are to get private capital active in that broad field of low-cost housing where Government subsidization will be out of the question, that is to say in all except the very lowest cost range.

The P. W. A. slum-clearance plan broke down because of its economic unsoundness. This fact is admitted by Secretary Ickes. The so-called low-cost housing constructed in some cities cost, per family, from $4,000 up. The plan provided for Federal ownership and control and no payment of taxes to local communities. Numerous cities, when the facts were discovered by them, promptly declared they would refuse to furnish schools, streets, sewer service, police and fire protection. The P. W. A. offered to turn over 5 percent of the gross income in lieu of taxes—a highly inadequate proportion—but the Comptroller of the Currency subsequently vetoed the offer as illegal. The right of eminent domain was denied by the courts; further progress was halted.

The effort to establish subsistence homes as a sort of bridge between the low-wage earners and depressed industries soon proved impractical, merely a method of giving Government funds to a relatively few families.

Mr. Tugwell's resettlement projects, if not already outlawed, will stand rather as models in what "ought to be", when and if we can pay the bill.

Everyone now recognizes that a new start must be made. The Wagner-Ellenbogen bill will provide loans and grants to locally organized and locally controlled concerns, whether public or private, to eliminate slums and stimulate low-cost construction by private capital.

The fact is clearly recognized that in the lowest range there must be a measure of subsidization, but that this type of work must be marked off distinctly from the type into which it is hoped to attract private capital. In the latter field loans at low rates of interest will be made available, with the cooperation of the F. H. A. counted on.

Thus it is expected to get America on the road to effective replacement of much of its outmoded and outworn housing, the road which Great Britain already has traveled.

Even here we need expect no miracle. Great Britain not only has had a Government-aid housing plan, she has kept her building costs below those in America, she has a balanced budget, her policy toward capital investments is well known, the owners of capital have been willing to put it out for long periods of time at low rates of interest.

We must arrive at such conditions in this country before we can hope to duplicate the British accomplishment. Nevertheless, the Wagner-Ellenbogen measure is a step in the right direction. It opens the door to progress, and we should take that step in full expectation that the other conditions prerequisite to a major housing success will soon be brought into existence.

RETIREMENT OF ALASKA RAILROAD EMPLOYEES

Mr. ROBINSON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bill (S. 2293) for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States.

I will state that on the last day the Senate was in session I made the request now being made, and there was objection because of the absence of a large number of Senators. I am advised that at this time there will be no objection to the present consideration of the bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas?

Mr. McNARY. Mr. President, doubtless the Senator from Arkansas referred to the attitude of the Senator from Oregon a week ago today. When the request was made for consideration of the bill I stated that because other Senators would desire to call up other bills if that were done, and in view of what I thought was a perfect understanding at that time that there would be no legislation, I should object to the consideration of the bill. Today I have no objection to the consideration of the bill and should like to see it passed.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the bill (S. 2293) for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States, which had been reported from the Committee on Civil Service with amendments.

The first amendment was, on page 1, line 4, after the word "Alaska", to insert the words "except the clerical employees", and at the end of the section to insert a proviso, so as to make the section read:

Be it enacted, etc., That all employees of the Alaska Railroad, Territory of Alaska, except the clerical employees, who are citizens of the United States and whose tenure of employment is not intermittent nor of uncertain duration, shall come within the provisions of this act: *Provided, however*, That employees of the Alaska Railroad who in the past have been, or in the future may be, employed thereon for the period of at least 3 months per year for at least 2 years shall come within the provisions of this act: *Provided further*, That the provisions of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes", approved March 22, 1920, as amended, are hereby extended to apply to all clerical employees of the Alaska Railroad who are citizens of the United States.

The amendment was agreed to.

The next amendment was, in section 3, on page 3, line 16, after "Sec. 3", to strike out "(a)", and on page 4, after line 2, to strike out the following paragraph:

(b) Any employee to whom this act applies may voluntarily retire on an annuity, computed as provided in section 6, who shall have attained the age of 55 and rendered at least 30 years' service in the Territory of Alaska (inclusive of absences while in the service of the United States during the World War), of which not less than 3 years shall have been in the employment of the Alaska Railroad and the Alaska Engineering Commission, or of either of them, between March 12, 1914, and July 1, 1923.

So as to make the section read:

SEC. 3. Any employee to whom this act applies who shall have attained the age of 55 and rendered at least 25 years of service, of which not less than 15 years shall have been rendered in the Territory of Alaska, may voluntarily retire on an annuity equivalent in value to the present worth of a deferred annuity, beginning at the age at which the employee would otherwise have become eligible for retirement, computed as provided in section 6 of this act, the present worth of said deferred annuity to be determined on the basis of the American Experience Table of Mortality and an interest rate of 4 percent compounded annually.

The amendment was agreed to.

The next amendment was, on page 5, line 21, to strike out the words "Commissioner of Pensions" and insert the words "United States Civil Service Commission", so as to make the paragraph read:

No claim shall be allowed under the provisions of this section unless the application for retirement shall have been executed prior to the applicant's separation from the service or within 6 months thereafter. No employee shall be retired under the provisions of this section unless he or she shall have been examined by a medical officer of the United States, or a duly qualified physician or surgeon or board of physicians or surgeons designated by the United States Civil Service Commission for that purpose, and found to be disabled in the degree and in the manner specified herein.

The amendment was agreed to.

The next amendment was, on page 6, line 6, to strike out the words "Commissioner of Pensions" and insert the words "United States Civil Service Commission"; and, in line 10, to strike out the words "Commissioner of Pensions" and insert the words "United States Civil Service Commission", so as to make the paragraph read:

Every annuitant retired under the provisions of this section, unless the disability for which he was retired be permanent in character, shall, at the expiration of 1 year from the date of such retirement and annually thereafter, until reaching retirement age as defined in section 2 hereof, be examined under the direction of the United States Civil Service Commission by a medical officer of the United States, or a duly qualified physician or surgeon or board of physicians or surgeons designated by the United States Civil Service Commission for that purpose, in order to determine the nature and degree of the annuitant's disability, if any. If an annuitant shall recover before reaching the age at which he would otherwise have become eligible for retirement and be restored to an earning capacity which would permit him to be appointed to some appropriate position fairly comparable in compensation to the position occupied at the time of retirement, payment of the annuity shall be continued temporarily to afford the annuitant opportunity to seek such available position, but not in any case exceeding 90 days from the date of the medical examination showing such recovery.

The amendment was agreed to.

The next amendment was, on page 7, line 7, after the word "the", to strike out the words "Commissioner of Pensions"

and insert the words "United States Civil Service Commission", so as to make the paragraph read:

The United States Civil Service Commission may order or direct at any time such medical or other examination as he shall deem necessary to determine the facts relative to the nature and degree of disability of any employee retired on an annuity under this section. Should an annuitant fail to appear for any examination required under this section, payment of the annuity shall be suspended until the requirement shall have been met.

The amendment was agreed to.

The next amendment was, on page 7, line 25, after the word "the", to strike out the words "Commissioner of Pensions" and insert the words "United States Civil Service Commission", so as to make the paragraph read:

In all cases where the annuity is discontinued under the provisions of this section before the annuitant has received a sum equal to the amount credited to his individual account as provided in section 11 (a) hereof, together with interest at 4 percent per annum compounded on June 30 of each year, the difference, unless he shall become reemployed in a position within the purview of this act, shall be paid to the retired employee, as provided in section 11 (b) hereof, upon application therefor in such form and manner as the United States Civil Service Commission may direct. In case of reemployment in a position within the purview of this act, the amount so refunded shall be redeposited as provided in section 11 (b) hereof.

The amendment was agreed to.

The next amendment was, on page 8, line 17, after the word "the", to strike out the words "Commissioner of Pensions" and insert the words "United States Civil Service Commission", so as to make the paragraph read:

Fees for examinations made under the provisions of this section by physicians or surgeons who are not medical officers of the United States shall be fixed by the United States Civil Service Commission, and such fees, together with the employee's reasonable traveling and other expenses incurred in order to submit to such examinations, shall be paid out of the appropriations for the cost of administering this act.

The amendment was agreed to.

The next amendment was, on page 12, line 6, after the word "forty", to strike out the following proviso: *"Provided,* That the annuity paid a retiring employee of the Alaska Railroad in such service on July 1, 1935, shall be an amount equal to 2 percent of the average annual basic salary, pay, or compensation, not to exceed $5,000 per annum, received by the employee during any 5 consecutive years of allowable service at the option of the employee, multiplied by the number of years of allowable service rendered prior to July 1, 1935; plus the amount to which the employee is entitled under the provisions of this section, exclusive of paragraph (4) for service rendered subsequent to June 30, 1935", so as to make the clause read:

In no case, however, shall the total annuity paid exclusive of that provided in paragraph (4) hereof, be less than an amount equal to the sum of—

The average annual basic salary, pay, or compensation, not to exceed $2,000 per annum, received by the employee during any 5 consecutive years of allowable service at the option of the employee, multiplied by the number of years of service used in computing the annuity under paragraph (1) hereof, and divided by 40, and the average annual basic salary, pay, or compensation, not to exceed $1,600 per annum, received by the employee during any 5 consecutive years of allowable service at the option of the employee, multiplied by the number of years of service used in computing the annuity under paragraph (3) hereof, and divided by 40: *Provided, however,* That the sum to be used in computing the annuity purchasable under paragraph (2) of this section shall include only contributions made subsequent to June 30, 1935: *And provided further,* That the number of years of service to be used in computing the annuity under paragraphs (1) and (3) of this section shall not exceed the difference between 30 and the number of years of allowable service rendered prior to July 1, 1935.

The amendment was agreed to.

The next amendment was, on page 15, in section 8, line 12, after the word "the", to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission", so as to make the section read:

SEC. 8. All employees coming within the provisions of this act after the effective date thereof shall be required to deposit with the Treasurer of the United States to the credit of the Alaska Railroad retirement and disability fund referred to in section 9 hereof, under rules to be prescribed by the United States Civil Service Commission, a sum equal to 2½ percent of the employee's basic salary, pay, or compensation received for services rendered after July 31, 1920, and prior to July 1, 1926, and also 3½ percent of the basic salary, pay, or compensation for services rendered subsequent to June 30, 1926, together with interest computed at the rate of 4 percent per annum compounded on the last day of each fiscal year, but such interest shall not be included for any period during which the employee was separated from the service. Upon making such deposit the employee shall be entitled to credit for the period or periods of service involved: *Provided,* That failure to make the allowances are to be computed under section 6 hereof, the fractional part of a month, if any, shall be eliminated from each respective total period.

The amendment was agreed to.

The next amendment was, in section 9, on page 16, line 16, after the numerals "22", to strike out "1930" and insert "1920", so as to make the paragraph read:

SEC. 9. Beginning July 1, 1935, there shall be deducted and withheld from the basic salary, pay, or compensation of each employee to whom this act applies a sum equal to 5 percent of such employee's basic salary, pay, or compensation. The amounts so deducted and withheld from the basic salary, pay, or compensation of each employee shall be deposited with the Treasurer of the United States to the credit of a special fund to be known as "the Alaska Railroad retirement and disability fund", in accordance with the procedure now or hereafter prescribed for covering into the United States Treasury the deductions from salaries under the Civil Service Retirement Act of May 22, 1920, as amended, and said fund is hereby appropriated for the payment of the annuities, refunds, and allowances as provided in this act.

The amendment was agreed to.

The next amendment was, on page 16, line 19, after the word "the", to strike out "Administrator of Veterans' Affairs" and insert "United States Civil Service Commission", so as to make the paragraph read:

The United States Civil Service Commission is hereby authorized and directed to ascertain the amount, if any, including accrued interest, due employees of the Alaska Railroad coming within the purview of this act from the civil-service retirement and disability funds created by the act of May 22, 1920, and to certify same to the Secretary of the Treasury, who is hereby authorized and directed to transfer such amount on the books of the Treasury Department to the Alaska Railroad retirement and disability fund.

The amendment was agreed to.

The next amendment was, on page 20, after line 1, to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission"; and in line 7, after the word "the", to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission", so as to make the paragraph read:

(f) If the amount of accrued annuity or of refund due a former employee who is legally incompetent does not exceed $1,000, and if there has been no demand upon the United States Civil Service Commission by a duly appointed executor, administrator, guardian, or committee, payment may be made, after the expiration of 30 days from date of death or of separation from the service, as the case may be, to such person or persons as may appear in the judgment of the United States Civil Service Commission to be legally entitled thereto, and such payment shall be a bar to recovery by any other person.

The amendment was agreed to.

The next amendment was, on page 20, line 19, after the word "the", to strike out "Administrator of Veterans' Affairs" and insert "United States Civil Service Commission", so as to make the paragraph read:

SEC. 12. Annuities granted under the terms of this act shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued; and payment of all annuities, refunds, and allowances granted hereunder shall be made by checks drawn and issued by the disbursing clerk for the payment of pensions in such form and manner and with such safeguards as shall be prescribed by the United States Civil Service Commission in accordance with the laws, rules, and regulations governing accounting that may be found applicable to such payments.

The amendment was agreed to.

The next amendment was, on page 20, after line 23, to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission"; and on page 21, line 5, after the word "the", to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission"; and in line 9, after the word "annuitant", to strike out "under the seal of the Veterans' Administration", so as to make the paragraph read:

Applications for annuity shall be in such form as the United States Civil Service Commission may prescribe, and shall be supported by such certificates from the heads of departments, branches,

or independent offices of the Government, or the Alaska Railroad in which the applicant has been employed as may be necessary to the determination of the rights of the applicant. Upon receipt of satisfactory evidence the United States Civil Service Commission shall forthwith adjudicate the claim of the applicant, and if title to annuity be established, a proper certificate shall be issued to the annuitant.

The amendment was agreed to.

The next amendment was, in section 14, on page 22, line 12, after the word "the", to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission"; and in line 17, after the word "the", to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission", so as to make the section read:

SEC. 14. The board of actuaries selected by the United States Civil Service Commission under the provisions of section 16 of the act of July 3, 1926, shall make a valuation of the Alaska Railroad retirement and disability fund at intervals of 5 years, or oftener, if deemed necessary by the United States Civil Service Commission.

The amendment was agreed to.

The next amendment was, in section 15, page 22, in line 20, after the word "the", to strike out "Commissioner of Pensions, under the direction of the Administrator of Veterans' Affairs" and insert "United States Civil Service Commission"; and on page 23, line 2, after the word "effect", to strike out "An appeal to the Administrator of Veterans' Affairs shall lie from the final action or order of the Commissioner of Pensions affecting the rights or interests of any person or of the United States under this act, the procedure on appeal to be as prescribed by the Commissioner of Pensions, with the approval of the Administrator of Veterans' Affairs"; in line 8, after the word "the", to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission"; in line 14, after the word "Congress", to strike out "through the Administrator of Veterans' Affairs"; and in line 17, after the word "the", to strike out "Administrator of Veterans' Affairs" and insert "United States Civil Service Commission", so as to make the section read:

SEC. 15. For the purpose of administration, except as otherwise provided herein, the United States Civil Service Commission is hereby authorized and directed to perform, or cause to be performed, any and all acts and to make such rules and regulations as may be necessary and proper for the purposes of carrying the provisions of this act into full force and effect.

The United States Civil Service Commission shall make a detailed comparative report annually, showing all receipts and disbursements on account of annuities, refunds, and allowances under this act, together with the total number of persons receiving annuities and the total amounts paid them; and he shall transmit to Congress the reports and recommendations of the board of actuaries.

The United States Civil Service Commission shall submit annually to the Bureau of the Budget estimates of the appropriation necessary to finance the Alaska Railroad retirement and disability fund and to continue this act in full force and effect.

The amendment was agreed to.

The next amendment was, in section 17, on page 24, line 21, after the word "the", to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission"; and on page 25, line 1, after the word "the", to strike out "Commissioner of Pensions" and insert "United States Civil Service Commission", so as to make the section read:

SEC. 17. This act shall take effect July 1, 1935, and from and after that date the provisions of the Civil Service Retirement Act of May 22, 1920, as amended, shall not apply to the employees of the Alaska Railroad or to any other employees coming within the provisions of this act: *Provided, however,* That any employee of the Alaska Railroad who shall attain the age of eligibility for retirement without having rendered sufficient service on the Alaska Railroad to entitle him to be retired on an annuity as provided by section 2 hereof, but whose aggregate employment under the United States would be sufficient in character and duration to entitle him to receive an annuity under the provisions of the Civil Service Retirement Act of May 22, 1920, as amended, will be eligible to retire and receive an annuity under the provisions of that act and payable from the civil-service retirement and disability fund; and in such event the employee shall be entitled, upon separation from the service, to the refund, under such regulations as the United States Civil Service Commission may prescribe, of any excess in the deductions made from his salary, pay, or compensation under the provisions of this act, with interest, over those which would have been made at the rate fixed by the Civil Service Retirement Act, as amended; and the United States Civil Service Commission shall certify to the Secretary of the Treasury the amount remaining to the credit of such employee in the Alaska Railroad retirement and disability fund, and the said amount shall be transferred on the books of the Treasury Department to the civil-service retirement and disability fund.

The amendment was agreed to.

Mr. KING. Mr. President, may I ask the Senator from Arkansas if there is any provision in the bill under the terms of which, if the Alaska Railroad should be sold to private parties and should cease to be a Government-owned project, the pensions would abate? Is there any provision that would deal with the question of employees in the event of private ownership of the railroad?

Mr. ROBINSON. Mr. President, there is no provision in the bill relating to the pensioning of employees of private railroads. There is an existing law which is applicable to that class of employees. The railroad to which the bill applies is a Government-owned institution. If the railroad should be sold—and there is nothing in the bill that has relationship to that subject—the private pension law applicable to employees of railroads under private ownership would be effective or should be made effective.

The PRESIDENT pro tempore. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LOW-COST HOUSING PROGRAM

Mr. WAGNER. Mr. President, I move that the Senate proceed to the consideration of Calendar 2270, being Senate bill 4424, the so-called housing bill.

Mr. McNARY. Mr. President, without expressing any view as to the bill, I simply call for the regular order, which is the consideration of the calendar. When the bill is reached on the calendar, a motion may then be made, but not now, as I understand the rule.

The PRESIDENT pro tempore. The point of order of the Senator from Oregon is well taken. The clerk will call the first bill on the calendar.

THE CALENDAR

BILLS PASSED OVER

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act was announced as first in order.

Mr. GEORGE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909, Thirty-fifth Statutes, 1109 (U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order.

Mr. GEORGE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 509) to prevent the use of Federal offices or patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. ROBINSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 24) to assure persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching was announced as next in order.

Mr. ROBINSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1452) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 87) to prevent the shipment in interstate commerce of certain articles and commodities, in connection with which persons are employed more than 5 days per week or 6 hours per day, and prescribing certain conditions with respect to purchases and loans by the United States, and codes, agreements, and licenses under the National Industrial Recovery Act was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1460) to fix standards for till baskets, climax baskets, round stave baskets, market baskets, drums, hampers, cartons, crates, boxes, barrels, and other containers for fruits or vegetables, to consolidate existing laws on this subject, and for other purposes, was announced as next in order.

Mr. DUFFY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 212) to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system, through the use of the Farm Credit Administration, the Federal Reserve banking system, and creating a Board of Agriculture to supervise the same was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1476) to provide for unemployment relief through development of mineral resources; to assist the development of privately owned mineral claims; to provide for the development of emergency and deficiency minerals, and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

PROMOTION OF CIVIL-SERVICE EMPLOYEES

The bill (S. 476) relating to promotion of civil-service employees was announced as next in order.

Mr. KING. Let the bill go over.

Mr. BLACK. Mr. President, I hope the Senator will not object to the present consideration of the measure. I should like to invite his attention to the fact that it simply attemps to make effective the law as it now exists. Under the law, a civil-service employee is prohibited from seeking political influence to obtain a promotion. The bill simply attempts to provide a means whereby that provision of law may be made effective. It does not change the existing law which at the present time makes it unlawful to seek to obtain influence for obtaining a civil-service promotion. I am sure all Senators agree that, so far as we have civil service, it should be free from political influence in the matter of promotion. I hope the Senator will not object.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SMITH. Let the bill go over.

Mr. BLACK. Mr. President, is it in order to move to proceed to the consideration of the bill?

The PRESIDENT pro tempore. It is.

Mr. BLACK. I move that the Senate proceed to the consideration of the bill, notwithstanding the objection. I ask for a division and, if necessary, shall ask for a roll call.

On a division, the motion was agreed to; and the Senate proceeded to the consideration of the bill (S. 476) relating to promotion of civil-service employees, which was read, as follows:

Be it enacted, etc., That in order to improve the morale of civil-service employees and to bring about promotions by merit alone, each such employee shall, upon receiving a promotion, file with the governmental agency by which he is employed a sworn statement that he has not solicited, directly or indirectly, from any Senator, Member of Congress, political committee, or any other political organization, any political influence to obtain such promotion. The statement so filed shall be preserved by such governmental agency, or any other governmental agency to which the employee may be transferred, as long as the employee remains in its service.

SEC. 2. If at any time the Civil Service Commission or any of its duly authorized representatives finds, after appropriate notice and opportunity for hearing, that the statement filed by any such employee is false, or that the employee has solicited such influence, directly or indirectly, to obtain a promotion, the Commission shall certify such fact to the administrative officer in charge of the governmental agency in which the employee is serving. Thereupon it shall be the duty of such officer to suspend such employee for a period of not more than 6 months, and for a second offense such employee shall be discharged.

Mr. McKELLAR. Mr. President, let the bill be explained.

Mr. BLACK. I explained the bill a moment ago, while the Senator was out of the Chamber.

Mr. McKELLAR. Yes; I am sorry I was out.

Mr. BLACK. However, I shall be glad to explain it again.

Under the law as it now exists, employees who have a civil-service status are prohibited from seeking and obtaining political influence in order to secure a promotion. We all know that the law has been flagrantly disregarded. If we are to have a civil service free from political influence, it is absolutely essential that some steps be taken to implement the law as it now exists. What this particular measure does is to require that an affidavit be made, at the time of a promotion, that it was not obtained as a result of political influence.

Under the law, an employee has no right to obtain a promotion by political influence, and a department has no right to make a promotion by reason of political influence; so that, so far as the civil-service law is concerned, as to the merits of the controversy, there is no change whatever in the existing law. Every notice that an employee has with reference to his appointment shows that he is not permitted to seek political influence to obtain a promotion. Very few weeks pass, however, that some employee does not come to see me or take up with me the question of seeking a promotion, and he bases his claim for political assistance upon the ground that other persons from other States receive political assistance in obtaining promotions, and, therefore, those who do not follow that course are placed at a disadvantage.

The pending bill does not attempt to purify all the evils of civil service, but it strikes at a very simple abuse. It requires that when a promotion is obtained, an affidavit shall be filed that no political influence was sought. If it should be discovered that the promotion had been obtained through political influence, and that the affidavit was false, the promotion would be ineffective.

I cannot see any possible reason why we should let the law remain as it is. The present law—I understand that it is both a statute and a regulation—makes it illegal for a civil-service employee to seek and obtain political influence to obtain a promotion. The bill simply requires that when the promotion has been obtained there shall be filed in the Department an affidavit that political influence was not sought in connection with it.

I was requested by the Civil Service League further to strengthen the affidavit by an amendment, which I have not here, so I cannot offer it; but if it is necessary to do that, it can be done when the bill reaches the House. That is the entire and complete issue which is raised by this simple amendment to the civil-service law.

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. BLACK. I do.

Mr. ROBINSON. May I ask the Senator to state the substance of the amendment which the Civil Service League proposed should be incorporated in the bill?

Mr. BLACK. The Civil Service League, in a letter to the Senator from New York [Mr. COPELAND], suggested that an additional provision be placed in the measure requiring the

head of the department to make the same affidavit that the bill requires shall be made by the employee. I have not the amendment with me, and it is not attached to the letter which the Senator from New York has handed me.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. BLACK. I yield to the Senator.

Mr. NORRIS. As the Senator has described the amendment proposed by the Civil Service League, I think it would very materially improve the bill. Has the Senator the amendment on his desk?

Mr. BLACK. I agree with the Senator as to the nature of the amendment. Unfortunately, I have not the amendment here, because I did not know there would be any chance of having the measure taken up today.

Mr. NORRIS. Could not the bill be amended very simply by requiring the affidavit to be made not only by the person promoted but also by the head of the bureau or office or department where the person was employed?

Mr. BLACK. Personally, I should have no objection to that, and if I had had here the text of the amendment I should have suggested it to the Senate for consideration; but since the bill will have to go to the House in any event, and it is now so late in the session, I am of the opinion that if we could pass the bill through the Senate the question of amendment might be taken up in the House.

Mr. NORRIS. I do not wish to delay action on the bill, because, while its importance is not great, I think it is important and should pass.

Mr. ROBINSON. Mr. President, in the consideration of measures of this character it is well worth while to give some thought to the subject matter of proposed amendments.

With respect to the last suggestion, I desire to point out to the Senator from Nebraska [Mr. NORRIS], and also to the Senator who is the author of the bill, that if anyone in a department or anyone outside of a department, for that matter, desired to prevent an employee from obtaining a promotion under the suggested amendment to the pending bill, all he would have to do would be to ask the chief of the bureau or the head of the department to grant the promotion. Then he would disqualify the employee from securing a promotion.

My experience in these matters has led to the conclusion that, while influences are used to secure the promotion of civil-service employees, at times influences are also employed to prevent their promotion; and it is a very dangerous thing to undo what is proposed to be done by the pending bill by incorporating in it an amendment of the character suggested by the Civil Service League. Of course the purpose of the amendment is to make more effective the provisions of the bill; but I have had dozens of instances in my experience where it has been suggested that someone in a department ought not to receive a promotion for this reason or for that reason; and if the suggestion of promotion be made under the amendment which has been contemplated by the Civil Service League, probably in some instances at least it would prevent deserving employees who were willing to take their chances on their own records and on their own merits from receiving deserved promotions.

That is all I have to say.

Mr. BLACK. May I ask the Senator from Arkansas if he believes that the bill in its present form would hold an employee responsible for what someone else had done? I did not draw it with that intention, and I do not think it would accomplish that end.

Mr. ROBINSON. No; the bill in its present form, as I understand it from a limited study of it, merely requires at the time of promotion an affidavit by the employee that he has not sought political influence. He could make that affidavit in spite of the fact that someone had attempted to influence his promotion, either to secure it or to prevent it, if in good faith he had not actually attempted to obtain political influence; but if the chief of the bureau or the head of the department were required to make an affidavit, he could not truthfully make such an affidavit if anyone spoke to him urging or requesting a promotion.

Mr. BARKLEY. Mr. President, in that connection, if the Senators will permit me, would not the effect of such an amendment be that the head of the department or the bureau who made such an affidavit would address it to himself and file it with himself, so that it would really present a sort of ridiculous situation, in that the man who made the promotion had to file with himself an affidavit that he had not been influenced by any political considerations?

Mr. BLACK. In order that the aim of the Civil Service League may not be misunderstood, I may say to the Senator that as I read their proposal it did not suggest and was not intended to require an affidavit that no one had spoken to the head of the department. They suggested that the affidavit that the employee had not sought to obtain the promotion by political means could be strengthened by having the affidavit made by two persons instead of one.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I suggest to the Senator that the following language might meet the desire of the Civil Service Commission in extending the amendment so as to govern the activities of personnel officers:

Provided, That upon appointing or promoting any employee, the appointing officer shall also file with the President of the Civil Service Commission a sworn statement that he has not permitted any person or political favoritism to influence his action.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. BLACK. Yes; I yield to the Senator from Arkansas.

Mr. ROBINSON. That amendment is of doubtful value. In the first place, one does not always know in good faith when he has been influenced by a suggestion. If an officer should swear that my attempt to influence him or the attempt of the Senator from Wyoming to influence him had been futile, under the suggestion of the Senator from Wyoming that would be conclusive. I think we had better not put into the statute a provision that would invite evasion of the law. Under such an amendment, all that the head of the Bureau would be required to do would be to say, "Although persons have spoken to me and tried to get me to do this, I was not influenced by what they said or what they attempted to have me do." According to my thought, the suggestion is not a very valuable one.

Mr. BLACK. Mr. President, I think I have explained the bill in its present form, and with the remarks which have been made I would think it would not be wise at this time, at this stage in the consideration of the bill, to offer any additional amendment.

Mr. ROBINSON. Mr. President, while we are discussing this matter, we might just as well go into it a little further. Within the last 6 months many cases have come to my notice in which relatives and friends of Government employees have asked my feeble intervention in their behalf, and there have been numerous cases in which I have pointed out the questionable value of their conduct. Always they have replied, "Well, the employee does not know anything about this." If he is an Army officer, they say, "Oh, he has not been informed of what I am doing. He does not ask me to do it. I am proceeding on my own initiative." Close relatives of an officer in the Army ask the intervention of someone in politics—not a terrible thing to do, when we come to think about it. Everybody I know of is seeking political influence at some time or other, and then suddenly becomes too pure and spotless to approve of the methods employed.

I do not know of any way of getting rid of politics in government. I believe Government employees ought to be selected on the basis of merit. As far as it is practicable to do so, political influence should be eliminated. If it were possible to eliminate it, Members of Congress could have more time to devote to the study of legislation than they now have.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. BARKLEY. I am sure the Senator has observed situations in which some chiefs of bureaus or heads of divi-

sions have made contacts with certain favored employees growing out of personal acquaintance or for other reasons. They frequently promote them over equally deserving employees who have not been able to form such personal contacts with the chief.

Mr. ROBINSON. And that is not all.

Mr. BARKLEY. We know that in every department there always have been little cliques, the members of which work together, and who work one with the other to promote themselves and to promote their particular favorites. I should like to see passed some law that would give justice to the humble employee of the Government who has no immediate personal approach to someone who is the head of a division and where favoritism has been indulged in through personal contacts and mutual favors conferred. That sort of thing should be eliminated.

Mr. ROBINSON. What the Senator from Kentucky has said is true. There are many cases which have come to my knowledge in which organizations within bureaus and departments have arranged for the promotion of favored employees to the exclusion of others equally or more deserving.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. CLARK. Right along the same line, does not the Senator know, from his long experience, that there is just as much departmental politics, just as much Army politics, and just as much Navy politics, as there is partisan politics in national affairs? A very pat illustration of that was given here a year or two ago by the Senator from Alabama himself, in opposing the confirmation of a general in the Marine Corps, when conclusively demonstrated, to my mind, that there was in the Marine Corps a clique and a machine which was playing politics just as much as any partisan organization ever played politics in the appointment of non-civil-service employees in this country.

Mr. ROBINSON. Yes; but these inside politicians, politicians in the bureaus and the departments, regard the exercise of their influence as very wholesome and beneficial, and some of them will be very happy if we provide by law that a Member of Congress cannot make a recommendation to a department for the appointment or promotion of an employee. They will continue to organize groups and cliques, they will continue to intrigue. By enacting this proposed legislation we would not escape anything except the additional burden imposed on Members of Congress and others who are known to be in politics which comes as a result of efforts to obtain so-called "influence" for promotions and for appointments. I should be happy to escape the burden.

Mr. NORRIS. Mr. President, it seems to me we should remember, in considering a bill of this kind, what its object is, rather than to go into a consideration and a discussion of those things which it will not affect, which may in themselves be wrong and may be evil.

I do not believe this particular bill is of very great importance, but it seems to me it would stop up one loophole. The fact that there is politics in the Navy, in the Marine Corps, in the Army, and in other organizations, does not seem to me to afford any reason why we should not stop this little loophole, if by so doing we would help the civil service.

I take it that all of us who believe in civil service want to have the law carried out in good faith. I believe it is known by all Senators and Members of the House of Representatives that employees seeking promotion are continually, either personally or through others, trying to influence Members of the House and of the Senate to intercede in their behalf with the heads of departments in order to get the promotions. I think they are a small minority of the civil-service employees.

Those who do not indulge in that practice, and who do not have friends who do, feel that they are discriminated against because they are trying in good faith to abide by the law. Often when Senators and Representatives advise them that they have no legal right to seek congressional influence in order to get promotions, they are met with the statement that others do it, that even heads of departments sometimes suggest it. I think the pending bill would probably stop a small loophole. It would help somewhat. It is not a cure-all—it is not intended, as I understand, to be one—but it will go a short distance, at least, to put the civil service on a higher plane.

Incidentally, it will relieve Members of Congress of much embarrassment, which of itself ought to have some weight with this body and with the House of Representatives in legislating on the subject, because, as has been said, if we throw appointments and promotions open to influence, the demands of nonmembers of Congress on Senators and Representatives will be so great as seriously to interfere with the performance of their legislative duties.

We have started out with the civil service. The theory is that it is free of politics, free from political influence. There are loopholes in the law. I think this bill is intended to stop one of the loopholes, and to my mind it certainly cannot hurt any person who is promoted to provide that he shall make an affidavit that he has not sought political influence in order to get the promotion. The law means that he should get his promotion on merit, and in no other way. That is what we ought to have enforced in good faith, if that is possible. This bill, if enacted, would help to bring about the enforcement of the law in good faith. This bill would not stop all the evils, of course. In my judgment, it is no argument against the bill to say that it does not go far enough to stop some well-known evils or to abolish cliques or partisan organizations which exist in the different bureaus and in the different departments of the Government.

It is said here today that some departmental promotions are made because of personal relationships between the head of a department and employees under him. I do not doubt that that is true in some cases. The bill, if it shall be passed, will not cure such an evil, though I should like to see it cured. I myself do not know how to cure it. But simply because such an evil exists, and because it will very likely continue to exist, is no reason why we should not pass the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. KING. Reading the provision of the bill, I find that the affidavit must be to the effect that the affiant—

> Has not solicited, directly or indirectly, from any Senator, Member of Congress, political committee, or any other political organization, any political influence to obtain such promotion.

Are there not other sources from which the promotion might be obtained?

Mr. NORRIS. I think there are. I think there will still be evils after we shall have passed the bill. However, does not the Senator think it would be desirable that a civil-service employee who is honest and who is doing his work under the law, but who does not have any prominent Senator or Member of the House to try to get a promotion for him, should not be subjected to competition with another employee who can run to a Senator who will say to the head of a department something that may be necessary to obtain a promotion?

Mr. KING. Are not employment organizations, labor organizations, and other organizations allegedly nonpolitical as potential in securing promotions as is political influence?

Mr. NORRIS. I do not think so. It may be true at some times. They are perhaps often active in securing original appointments. I do not know that they are active in the case of appointments which are made under civil service. However, I will say to the Senator that I do not believe there are any evils that amount to anything in that connection. Even if there were, and if the passage of the bill did not stop them, that would not be any reason for not passing the bill.

Mr. KING. Let me say to the Senator from Nebraska that complaints have come to me from employees who were discriminated against, as they alleged, by officials in departments through the operation of the cliques to which the Senator from Arkansas [Mr. ROBINSON] and the Senator from Kentucky [Mr. BARKLEY] have referred. There is no doubt that cabals arise in various departments, and worthy men

are passed over in favor of men who are less worthy of promotion.

Mr. NORRIS. I think that often occurs.

Mr. KING. Those are the employees I should like to see protected.

Mr. NORRIS. Those are the employees I should like to see protected more than any others.

Mr. VANDENBERG. Mr. President, may I have the attention of the Senator from Alabama [Mr. BLACK] in respect to the bill? I am completely in sympathy with it, and I wish to be sure that it goes as far as the Senator desires it to go. I call his attention to the fact that it bars only a political committee. That provision would not bar, would it, the chairman or a member of a political committee in his individual capacity?

Mr. BLACK. I should think so. It certainly was intended to do so.

Mr. VANDENBERG. Would the Senator object to making the bill read on page 1, line 8:

From any Senator, Member of Congress, officers or members of any political committee?

Mr. BLACK. Not in the slightest.

Mr. VANDENBERG. I offer that amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Michigan.

The amendment was agreed to.

Mr. VANDENBERG. May I ask the Senator from Alabama one other question? His bill proposes to bar influence by Members of Congress. Does he not think it is equally important to bar influence by administrative officers of the Government, Cabinet members, or officers of that character? Does he not think it should also extend to the use of administrative influence? Would he object, in other words, to the further addition in line 9, after the word "organization", of the words "or any other Government official"?

Mr. BLACK. I should object to that, because I think the matter is fully covered in a much better manner in the same line by the use of the words "any political influence." That language would include any person. It would be far broader than the suggestion the Senator from Michigan makes.

Mr. VANDENBERG. I call the Senator's attention to the fact that the phrase "any political influence" merely describes the thing which has been solicited from the identified officers preceding. For instance, let me make it specific. Does the Senator think this provision would apply, let us say, to the Postmaster General?

Mr. BLACK. I think it would not apply to the Postmaster General as Postmaster General in connection with the recommendations in the Postmaster General's Department.

Mr. VANDENBERG. In view of the fact that he does have to make recommendations in his Department, that would be an unfortunate example; but the Senator can see what I am trying to say. Suppose there is a clearing house for jobs at any point in the administrative branch of the Government; I am sure the Senator desires that clearing house covered by his bill.

Mr. BLACK. If there is a clearing house which has the idea of doing something by reason of efficiency, I should not want it eliminated. I am frank to state that I should go a great deal further in connection with a complete revamping and revision of civil-service legislation; but somehow I have an idea that Senators and Members of the House were elected for the purpose of trying to enact legislation. That is the chief thing I have in mind. Frequently in their election that object is lost sight of; but all of us know that the passage of the bill would immediately relieve the Members of the Senate and the House from a burden which is not theirs under the law at the present time, but which by long-standing practice and custom has become almost universal.

When I introduced the bill, it was my judgment that it was as broad a bill as it was possible to obtain at this time with reference to promotion. I should like to go much further with reference to appointments. In other words, if we are going to have civil service I think it should be non-political. If it is political, I think the entire law should be repealed. I believe this bill is broad enough to cover any political influence which is used for the purpose of promotion.

The PRESIDENT pro tempore. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. BLACK. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON], who is detained from the Senate on account of illness. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I am not informed as to how he would vote if present. If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I am informed that if present he would vote as I am about to vote. I therefore feel free to vote and vote "yea."

Mr. BARKLEY. I announce the unavoidable absence of my colleague [Mr. LOGAN] on important official business. If present, he would vote "yea."

Mr. McNARY. I announce that the Senator from California [Mr. JOHNSON] is absent on account of illness.

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. McCARRAN] are absent because of illness, and that the junior Senator from Virginia [Mr. BYRD], the senior Senator from Virginia [Mr. GLASS], the Senator from Oklahoma [Mr. GORE], the junior Senator from Indiana [Mr. MINTON], the Senator from Iowa [Mr. MURPHY], the Senator from Louisiana [Mr. OVERTON], the Senator from Maryland [Mr. TYDINGS], the senior Senator from Indiana [Mr. VAN NUYS], the Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Wisconsin [Mr. DUFFY], the Senator from California [Mr. McADOO], the Senator from Georgia [Mr. RUSSELL], the Senator from Missouri [Mr. TRUMAN], and the Senator from Montana [Mr. WHEELER] are necessarily detained.

Mr. AUSTIN. I announce the following general pairs:

The Senator from New Hampshire [Mr. KEYES] with the Senator from Georgia [Mr. RUSSELL];

The Senator from Maine [Mr. WHITE] with the Senator from Virginia [Mr. BYRD];

The Senator from Iowa [Mr. DICKINSON] with the Senator from Mississippi [Mr. BILBO];

The Senator from Rhode Island [Mr. METCALF] with the Senator from Maryland [Mr. TYDINGS]; and

The Senator from New Jersey [Mr. BARBOUR] with the Senator from Indiana [Mr. MINTON].

The result was announced—yeas 46, nays 18, as follows:

YEAS—46

Austin	Davis	Loftin	Robinson
Barkley	Donahey	Lonergan	Schwellenbach
Benson	Fletcher	Long	Sheppard
Black	Frazier	Maloney	Steiwer
Bone	George	Murray	Thomas, Okla.
Borah	Gibson	Neely	Thomas, Utah
Brown	Hale	Norris	Townsend
Bulkley	Hatch	Nye	Vandenberg
Bulow	Hayden	O'Mahoney	Wagner
Capper	Holt	Pittman	Walsh
Carey	La Follette	Pope	
Copeland	Lewis	Reynolds	

NAYS—18

Adams	Chavez	Gerry	Moore
Bachman	Clark	Guffey	Radcliffe
Burke	Connally	King	Smith
Byrnes	Couzens	McGill	
Caraway	Dieterich	McKellar	

NOT VOTING—32

Ashurst	Dickinson	Logan	Overton
Bailey	Duffy	McAdoo	Russell
Bankhead	Glass	McCarran	Shipstead
Barbour	Gore	McNary	Truman
Bilbo	Harrison	Metcalf	Tydings
Byrd	Hastings	Minton	Van Nuys
Coolidge	Johnson	Murphy	Wheeler
Costigan	Keyes	Norbeck	White

So the bill was passed.

BILLS PASSED OVER

The PRESIDENT pro tempore. The clerk will state the next bill in order on the calendar.

The bill (S. 1952) extending the classified executive civil service of the United States, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2405) to provide for a special clerk and liaison officer, was announced as next in order.

Mr. McKELLAR. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 916) to carry into effect the decision of the Court of Claims in favor of claimants in French spoliation was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2583) establishing certain commodity divisions in the Department of Agriculture was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 379) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

Mr. COPELAND. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1632) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by water carriers operating in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3072) to amend the Tariff Act of 1930, as amended, was announced as next in order.

Mr. COUZENS. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

DEPORTATION OF CRIMINAL ALIENS

The bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes, was announced as next in order.

Mr. REYNOLDS. I ask that the bill go over.

Mr. COPELAND. Mr. President, will the Senator from North Carolina withhold his objection for a moment?

Mr. REYNOLDS. I withhold it.

Mr. COPELAND. There are many Members of the Senate who are anxious to have this bill, in some form, enacted into law. I hope that within a few hours, or a day or two, we may find some adjustment that will make it possible to enact a portion of the bill, if not all of it. I merely wanted to say that much and to appeal to my friend from North Carolina to do his part to help us in bringing about some adjustment.

The PRESIDENT pro tempore. Objection having been made, the bill will be passed over.

BILL PASSED OVER

The bill (S. 1826) for the retirement of employees in the classified civil service to include employees in the legislative branch was announced as next in order.

Mr. VANDENBERG. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

THE MERCHANT MARINE

The bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid in national defense, and for other purposes, was announced as next in order.

Mr. COPELAND. Mr. President, I am not going to press this matter, and for the present will ask that the bill go over, but some time today, or within a very short time, we hope to have the ship-subsidy bill before the Senate.

I wish to call attention to the fact that the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Vermont [Mr. GIBSON], and I, working with various experts, have perfected this bill. We feel that it is in better form now than it has been heretofore. Copies of the bill are available, marked "committee print", and any Senator who is interested in the subject we hope will study the bill so as to be prepared to consider it when it again comes before the Senate.

Mr. WHEELER. Mr. President, the Senator does not expect to secure the passage of the bill at this session of Congress, does he?

Mr. COPELAND. The Senator from New York is very hopeful that it will pass at this session of the Congress.

Mr. WHEELER. We will have to extend the session of Congress, I am afraid, to a considerable length of time if the Senator hopes to pass it at the present session.

Mr. COPELAND. Of course, I trust that the Senator from Montana will be in a more yielding mood when the bill really comes before the Senate.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 3420) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3393) to create a Federal Board of Foreign Trade was announced as next in order.

Mr. VANDENBERG. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3646) to repeal an act of March 3, 1933, entitled "An act to provide for the transfer of powder and other explosive materials from deteriorated and unserviceable ammunition under the control of the War Department to the Department of Agriculture for use in land clearing, drainage, road building, and other agricultural purposes" was announced as next in order.

Mr. LA FOLLETTE. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3604) to place William H. Clinton on the retired list of the Navy was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3113) to provide a government for American Samoa was announced as next in order.

Mr. COPELAND. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 205) providing for disposition of certain cotton held by the United States was announced as next in order.

Mr. KING. I ask that the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 3659) to promote the efficiency of the Judge Advocate General's Department of the Army was announced as next in order.

Mr. CLARK. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3726) to provide suitable rank for the Deputy Chief of Staff, United States Army, was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3580) granting and confirming to the East Bay Municipal Utility District, a municipal utility district of the State of California and a body corporate and politic of said State and a political subdivision thereof, certain lands, and for other purposes, was announced as next in order.

Mr. COUZENS. Mr. President, the Senator from California [Mr. JOHNSON] is absent, due to illness. When he was present on the last call of the calendar when this bill was reached he asked that it go over. I now request in his behalf that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 70) for the relief of agriculture, the producers of livestock, and the producers of raw materials generally, and for other purposes, was announced as next in order.

Mr. VANDENBERG. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 9074) granting pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows and dependents of such soldiers and sailors was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

RETIREMENT OF EMPLOYEES IN THE LEGISLATIVE BRANCH

The bill (H. R. 3044) to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch, was announced as next in order.

Mr. VANDENBERG. I ask that the bill go over.

Mr. COPELAND. Mr. President, if the Senator from Michigan will withhold his objection for a moment, let me say that this bill proposes a retirement fund, a very small one, for employees of the legislative branch of the Government. It is a matter which I am sure means much to all Senators, and I hope the Senator from Michigan will be more kindly today than perhaps he has been in the past.

Mr. KING. Let the bill go over.

Mr. COPELAND. I move that the Senate proceed to the consideration of the bill. I do that in the name of the Senator from West Virginia [Mr. NEELY], chairman of the Committee on Rules.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New York [Mr. COPELAND] that, notwithstanding the objection, the Senate proceed to the consideration of the bill.

The motion was rejected.

The PRESIDENT pro tempore. The clerk will state the next bill in order on the calendar.

BILLS PASSED OVER

The bill (H. R. 4836) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3500) to develop a strong American merchant marine to promote the commerce of the United States, to aid national defense, and for other purposes, was announced as next in order.

Mr. COPELAND. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6719) to amend the Canal Zone Code was announced as next in order.

Mr. THOMAS of Oklahoma. Let that bill go over.

Mr. BORAH. Mr. President, I inquire if objection was made?

The PRESIDENT pro tempore. Objection was made to the consideration of the bill.

The bill (S. 3075) for the relief of John L. Summers, former disbursing clerk, Treasury Department, and various former Treasurers of the United States was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 8875) to clarify section 104 of the Revised Statutes (U. S. C., title II, sec. 194) was announced as next in order.

Mr. McKELLAR. I notice that the Senator from New Mexico [Mr. HATCH] reported the bill. In his absence, I ask that it go over, as I should like to have an explanation of it.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

ADDITION OF LANDS TO UMATILLA AND WHITMAN NATIONAL FORESTS

The bill (H. R. 9483) to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That within the following-described boundaries, any lands not in Government ownership which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes may be offered in exchange under the provisions of the act of March 20, 1922 (42 Stat. 465), as amended by the act of February 28, 1925 (43 Stat. 1090; U. S. C., 1934 ed., title 16, secs. 485, 486), upon notice as therein provided, and upon acceptance of title, shall become parts of the Umatilla or Whitman National Forests, to wit:

Sections 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, and 36; the south half, the northeast quarter, the north half northwest quarter and the southwest quarter northwest quarter of section 27; the north half, the southeast quarter, the north half southwest quarter and the southeast quarter southwest quarter of section 35, township 2 south, range 37 east, Willamette meridian.

Sections 1, 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 29, and 30; the west half, the south half southeast quarter, the north half northeast quarter, and the southeast quarter northeast quarter section 7; the east half, the northwest quarter, the east half southwest quarter, and the southwest quarter southwest quarter section 8, township 3 south, range 37 east, Willamette meridian.

Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23, 24; the north half, the southeast quarter, the north half southwest quarter, and the southwest quarter southwest quarter section 21; the south half, the northwest quarter, the north half northeast quarter, and the southwest quarter northeast quarter section 30, township 3 south, range 36 east, Willamette meridian.

Sections 22, 27, 28, 29, 32, 33, 34, 35, and 36; the west half, south half southeast quarter, north half northeast quarter, and southeast quarter northeast quarter section 23; the east half, the southwest quarter, the south half northwest quarter, and the northeast quarter northwest quarter section 24; the north half, the southeast quarter, the north half southwest quarter, and the southwest quarter southwest quarter section 25; the north half, the southwest quarter, the west half southeast quarter, and the southeast quarter southeast quarter section 26, township 3 south, range 35 east, Willamette meridian.

Sections 1, 2, 3, 5, 8, 9, 10, 11, 12, 14, 15, 16, 20, 21, and 22; the north half, the southeast quarter, the west half southwest quarter, and the southeast quarter southwest quarter section 4; the north half, the southwest quarter, the north half southeast quarter, and the southwest quarter southeast quarter section 17; the west half, the southeast quarter, the north half northeast quarter, and the southeast quarter northeast quarter section 23, township 4 south, range 35 east, Willamette meridian.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (H. R. 11688) providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union was announced as next in order.

Mrs. CARAWAY. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 266) for the appointment of boards to study and report upon the Atlantic-Gulf Ship Canal project, Florida, and the Passamaquoddy tidal power project making, and for other purposes, was anounced as next in order.

Mr. VANDENBERG. I ask that the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (H. R. 8525) prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore and for the purpose of promoting the safety of navigation was announced as next in order.

Mr. CLARK. Over.

The PRESIDENT pro tempore. The bill will be passed over.

RETIREMENT PRIVILEGES FOR FEDERAL BUREAU OF INVESTIGATION

The bill (S. 4552) to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation was announced as next in order.

Mr. KING. Over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. VANDENBERG. Mr. President, was there an objection to the bill?

The PRESIDENT pro tempore. Objection was heard.

Mr. VANDENBERG. I move that the Senate proceed to the consideration of the bill.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Michigan that the bill be considered notwithstanding the objection. [Putting the question.] The noes seem to have it.

Mr. VANDENBERG. I ask for a division.

On a division, the motion was agreed to, and the Senate proceeded to consider the bill (S. 4552) to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation, which was read, as follows:

Be it enacted, etc., That subdivision (b) of section 3 of the act approved July 3, 1926, chapter 801, as amended (U. S. C., title 5, sec. 693, subdivision (b)), be, and it is hereby, amended to read as follows:

"(b) Superintendents of United States national cemeteries, and such employees of the offices of solicitors of the several executive departments, of the Architect of the Capitol, of the Library of Congress, of the United States Botanic Garden, of the recorder of deeds and register of wills of the District of Columbia, of the United States Soldiers' Home, of the National Home for Disabled Volunteer Soldiers, of the State Department without the continental limits of the United States who are United States citizens and not within the Foreign Service as defined in the act of May 24, 1924, and amendments thereof, of the Indian Service at large whose tenure of employment is not intermittent nor of uncertain duration, and the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation of the Department of Justice."

Mr. VANDENBERG. Mr. President, this bill has the complete support of every branch of the Government that has looked at it or come in touch with it. This includes the Senate Civil Service Committee. The Department of Justice distinctly and specifically requests it. It permits the retirement privilege to be extended to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation. The bill proposes to add these employees, numbering about 550 persons, to the contributory retirement pension privilege.

There probably is not a group of civil servants working for the Government which more definitely and specifically dedicate not only its time and effort, but literally its physical life, to the Government of the United States than do these particular so-called G-men in the Federal Bureau of Investigation.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WHEELER. How many men are involved?

Mr. VANDENBERG. About 550.

Mr. WHEELER. How long have they been employed and what is the situation? We have in the Department of Justice many so-called undercover men who are going around the country acting as such. Are the temporary undercover men included?

Mr. VANDENBERG. No. It includes only the specific employees who have been chosen by the competitive merit system which is involved in the choice of agents for the Federal Bureau of Investigation and who hold specific commissions there as Director, Assistant Directors, inspectors, or special agents. They are a completey identified and permanent group.

Mr. WHEELER. When can they retire?

Mr. VANDENBERG. Under the terms of the bill they could retire under the regular Civil Service Retirement Act and would make their regular contribution as do any other employees.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. As a matter of fact, this is not a civil-service group, I believe.

Mr. VANDENBERG. The Senator is correct.

Mr. CONNALLY. They are not under the regular civil service. If we should enact the proposed legislation, it would be the beginning of the extension of the retirement privileges beyond the regular civil-service establishment. The theory of the retirement privilege is that those involved shall enter the civil service and spend their lives in it, and, therefore, may later have the advantage of the retirement privilege. In this particular service there is no recognized civil service; there is no permanent tenure unless the chief of the service wants to continue the men in office. They are really no more than particular employees employed by the Government, except that the method of appointment is fixed by the Department itself, and not by law. In other words, a man must be an accountant or must be licensed to practice law before he can take the examination.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. VANDENBERG. In just a moment. I want to reply to an observation of the Senator from Texas.

It is quite true this group of employees is not under the regular civil service. I think it is manifest and obvious as a practical proposition that they could not be, because these men are chosen for a peculiar and particular type of activities—often hazardous—which cannot be regimented under ordinary rules and regulations and identification.

On the other hand, I know something about the examinations which are required in respect to these particular employees. I am prepared to assert that, in my judgment, the merit system was never more scrupulously administered in any branch of the Government inside the civil service than it is administered in the Federal Bureau of Investigation.

Mr. WHEELER. Mr. President, will the Senator yield now?

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Montana?

Mr. VANDENBERG. I yield.

Mr. WHEELER. I appreciate that at the present time Mr. Hoover has been trying to raise the standard of these employees, but I once made an investigation of the Department of Justice and of this particular branch of it. Who are some of the outstanding men in that branch of the service or who were they at that time? There was Gaston B. Means, for one. He was one of the G-men under Mr.

Daugherty and Mr. Burns. What is to prevent the next administration from discharging Mr. Hoover?

I only refer to this situation to bring out the point I have in mind. In my opinion, of all the scoundrels ever operating in the United States, some of them were operating in the Department of Justice under Mr. Daugherty and Mr. Burns. Some of those same men have been kept on by Mr. Hoover under this administration. Mr. Hoover could take on anybody he might see fit. He could take on the worst crook in the world and put him to work, and there would be nothing to prevent it. Mr. Burns came into the Department and took on Gaston B. Means and a lot of other men who had had no experience except as policemen and city detectives.

I sympathize with the objective the Senator has in mind, but it is one of the most dangerous things that we could do at this particular time, in my judgment, until these men are brought under the civil service and until they have some definite standing under the civil service. I know that Mr. Hoover is generally taking on young lawyers and some very high-class men, but, nevertheless, we are not dealing only with the situation at the present time. We are dealing with a situation that may arise in the future.

Mr. VANDENBERG. If we were to deal with every establishment of the Government on the theory that when once a scoundrel is found in it, never thereafter should it be considered worthy of confidence, there would not be any branch of the Government in operation. The fact is that this branch of the Government at the present moment is superbly organized, superbly active, and has the complete confidence of the American people. It has rendered to the American people a finer and more essential and at the same time dangerous service in the last 12 months than has any other single group of law officers in the history of the United States.

Let me say something about personnel. The most active law officer in the Department of Justice in respect to criminal prosecutions is Mr. Joseph B. Keenan. He is serving under an administration which is of a political faith different from mine, but I desire to testify that, in my judgment, no law officer ever served this Government under any political regime with any greater independence and loyalty and efficiency and fine capacity than Mr. Keenan. He is an officer who is in a class by himself. In the course of his experience with criminal prosecutions he has necessarily had to rely primarily upon Director Hoover's F. B. I. When Mr. Keenan says to the Senate—and I say to the Senate for him that he does say it—that this Bureau is absolutely efficient, clean, and powerful in every way that it should be, and that it richly deserves the consideration and cooperation which the pending bill contemplates, I submit it is the least that this body can do by way of cooperation with this brave law-enforcement arm of the Government.

I know of no argument on earth against it.

I desire now to refer to one other thing that the Senator from Texas [Mr. CONNALLY] said. He said it is dangerous to open the retirement privilege to those not in the civil service. I call his attention to the fact that it is no unusual thing, in exceptional circumstances, to open the retirement privilege to those who are not directly under the civil service. It is already done for superintendents of United States national cemeteries, for the solicitors of the several executive departments, for the Architect of the Capitol, for the Library of Congress, for the United States Botanic Garden, for the recorder of deeds and the register of wills of the District of Columbia, for the United States Soldiers' Home, for the National Home for Disabled Volunteer Soldiers, for the employees of the State Department without the continental limits of the United States, and so forth. Whenever there was a necessity to act Congress never has hesitated to act; and this certainly is a situation which is an exception, and which deserves the sympathetic and applauding cooperation of the Senate.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. Would the Senator have any objection to amending his bill so as to put the Federal Bureau of Investigation under the civil service?

Mr. VANDENBERG. I certainly should, because I think it is perfectly ridiculous to attempt to apply abstract academic civil-service rules to the choice of agents of justice who have to step into the battle with crime. I do not think their qualifications can be reduced to black and white.

Mr. CONNALLY. Does the Senator wholly disagree with the Cleveland platform, which has just announced the doctrine that all Government employees should be under the civil service?

Mr. VANDENBERG. If the Senator from Texas wishes to talk politics——

Mr. CONNALLY. Oh, no; I do not wish to talk politics; but the Senator says it is perfectly silly and ridiculous to consider civil service with regard to this particular branch of the Government service.

Mr. VANDENBERG. Which I repeat.

Mr. CONNALLY. If it is silly to refer to the Cleveland platform, the Senator is in better position to do it than is the Senator from Texas, because the Senator from Michigan was there and knows more about it.

Mr. VANDENBERG. I hope the Senator from Texas is satisfied to have injected the political equation. The declaration at Cleveland, if it is of any interest, is a sturdy declaration in favor of complete civil service wherever it can possibly be applied, and I myself stand behind that declaration to the last possible degree. I could say a great many things on the subject if we were going to discuss the civil service politically, particularly in the light of what has happened in the past 3 years, when the civil service has been all but emasculated; but for the time being I think the G-men of the Government are entitled to have this matter considered on their own merits and on the basis of the debt which America owes them.

Mr. WHEELER. Mr. President, I appreciate the fact that the Senator from Michigan has come back from the Republican convention and is willing to praise some of the branches of the Government service under a Democratic administration. I think probably he knows more about the Department of Justice than I do; but I desire to say to the Senator that I had a long experience with the Department of Justice. For a time I was a United States district attorney, and I came into contact with a great many of the Department of Justice men. Then when I came to Washington I had a thorough investigation made of the Department of Justice and the Bureau of Investigation under Mr. Burns; and Mr. Hoover at that time was one of Mr. Burns' subordinates. I assert without fear of contradiction that there was not a more crooked department of investigation in the United States or anywhere else than in the Department of Justice as it was then organized. Agents of the Department of Justice were going out to Chicago and elsewhere, shaking down breweries, getting out injunctions against them at the front door, letting them open at the back door, and getting a rake-off from it.

I say to the Senator that it is a very dangerous thing to do what is proposed here, in spite of the fact that there are many good men in the Bureau at the present time. In the first place, any man who goes into the detective business generally comes down the ladder. I do not know of any friend whom I would ever advise to go into the Department of Justice as an investigator with the idea of staying there any length of time.

We should not tie these persons up as permanent members of a bureau. We should let them be in a position where they may be hired and discharged according to their merits as they go along. I feel very keenly that Mr. Hoover has done a great job in running down criminals; but we should not be carried off our feet because he has done a good job in that particular respect, and has done his patriotic duty.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WHEELER. Yes.

Mr. VANDENBERG. Is the Senator under the impression that this bill would create permanent tenure for these employees?

Mr. WHEELER. No; I am not under that impression; but its passage would be another reason why they would want to be kept as permanent employees in the Department.

Mr. VANDENBERG. But, of course, the specific authority remains for their discharge at any time.

Mr. WHEELER. The authority remains there, but the authority will not be exercised nearly so quickly if this bill shall be passed; and I just do not see any rhyme or reason for doing it. I do not think it is right that it should be done; I do not think there is any reason why it should be done; and, in addition to that, I say it is a dangerous thing to do.

We become hysterical at times in this country. We became hysterical during the World War. Then when somebody goes out and captures a few criminals, we become hysterical about it, and we think he is the greatest man in the world. We wish to laud some of the detectives who perform that patriotic service; but we had better hesitate a little, and not be carried away because of the fact that the service has done a pretty good job in these particular instances.

I repeat, we may go through the detective forces throughout the country, whether they be Government detective forces, private detective forces, State detective forces, or city detective forces, and sooner or later we will find that a great many of the men who are tied up with these various branches of the Government—not all of them—sink to somewhat the level of the class of men with whom they are associating in obtaining evidence of the kind necessary. It is like the case of the lawyer who makes a practice of defending criminals; in many instances he eventually sinks to the level of those he is defending.

I appreciate the motives which actuate the Senator from Michigan, but I think he has not seen the practical side of the matter, and has not given it the thought and consideration which should be given to it.

Mr. VANDENBERG. Mr. President, I desire to rest the case finally on the very brief statement of Attorney General Cummings, who certainly has a right to speak with some authority at the moment and whom I ought to be able to quote with some hope of appeal to my friends on the other side. I read:

> Due to the peculiar nature of their work and unusual qualifications required, the investigative personnel of the Federal Bureau of Investigation cannot properly be placed under the civil-service requirements. And yet they obtain their positions under a merit system of their own, the vigor and reality of which no one challenges. It is hardly just that an investigative personnel, which is under great and continuous strain, should be denied retirement privileges which are extended to other Government employees.

I interrupt the reading just to observe that there certainly can be no question that these particular employees are under great and continuous strain and, I might add, very definite and specific physical hazard; yet they are let out in the cold with respect to the retirement privilege when they are taking their own lives in their own hands in behalf of the rest of us while all the Government clerks occupying comfortable swivel chairs, beyond the reach of any possible harm or damage, have all the benefits which we are now asked to deny to this particular group.

But I continue reading Attorney General Cummings' statement:

> The enactment of the proposed legislation would go a long way toward strengthening the service, stimulating the morale, and make it possible to secure more readily the right type of men.

What the Senator from Montana wants is the right type of men, and the Attorney General says this is one way they have to get them.

> The right type of men who would be willing to make a career of their work in the Department of Justice.
>
> I am informed by the Acting Director of the Budget that the proposed legislation would not be in conflict with the program of the President.

With that, so far as I am concerned, I am willing to vote.

Mr. COPELAND. Mr. President, I do not see why we should hesitate a moment in this matter. For my part, I know the circumstances to which reference has been made by the Senator from Montana, and I am in full sympathy with him. If I believed that the Bureau of Investigation now were what it was at the time to which he refers, I should be bitterly opposed to the bill; but there has been an effort to bring the Bureau of Investigation to the high standard which similar departments abroad have reached, and I believe the ambition of those in charge of the work has been realized.

The American people ought to be proud of what has been accomplished by the Bureau of Investigation. The people in the homes of the country ought to feel more comfortable because of the knowledge that these alert, active, aggressive, intelligent, sleepless young men are working all the time for the safety of our people. There are on file now in this Bureau the fingerprints of 6,000,000 persons. There is in that department now probably an indelible means of identification of every crook in the country. All these things—and the fingerprinting is only one of them, there are many others—have resulted from the intelligent administration of the Bureau.

In England it has always been the aim to make Scotland Yard a place where men of long training, many of them of scholarly attainments, might spend their lives in a career, and that is exactly what is contemplated here. Every young man who seeks admission or entrance into the Federal Bureau of Investigation, who seeks to be numbered among this group, must be either a graduate lawyer or he must have had definite courses with a certificate showing that he is a certified accountant. They are trained men.

It is not a common thing for a man to go from a profession into a calling so dangerous as this. Every one of these men takes his life in his hands when he goes out to protect the American home against kidnaping and against crimes of every sort repulsive in their nature. I think we ought unanimously to take the action proposed here.

I desire to join the Senator from Michigan in what he has said about Mr. Keenan. I am glad I had something to do with his promotion. Our experience in connection with the crime investigation caused those of us who were active in it to know the sort of man Mr. Keenan is, and we have had occasion to know the activity of the Bureau of Investigation perhaps as others have not had quite to the same degree.

I plead with Senators to permit the bill to pass. There is in this Bureau a standard as high as that demanded by any civil-service examination, much higher in many respects, and certainly when these men are going out not alone to give us of their brains but if need be to give their lives—and that is what they are doing—we ought to show some degree of appreciation for what they are doing.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. McGILL. Are the requirements demanded of those who enter this service, which the Senator has been describing, specified in any act of Congress, or are they requirements which have been set up by the administration officials?

Mr. COPELAND. I do not think they are required by act of Congress.

Mr. McGILL. Then they can be changed by the head of the department?

Mr. COPELAND. They could be. It might be well, in the future, to work out with the Department of Justice some legislation which would provide assurance that there would be no change. But no man can enter that Bureau today unless he is either a lawyer or an accountant, and unless he has, in addition to that, qualities of mind and spirit which fit him for this particular work.

Mr. McGILL. But if there should be a different administrative official at the head of the Department, the requirements could be changed, and does not the Senator think that the Congress should set up some specific requirement before we give these men retirement privileges?

Mr. COPELAND. No; I do not think we ought to wait for that. If there is one thing that breaks the heart of a conscientious Member of Congress it is delay in action. I gave of my blood and of what brain I have to the passage through the Senate of a food and drug bill, a bill which would give protection to the consumers of the United States. That bill has gone to the other House, and I am not reflecting at all upon that body, but because of the legislative machinery necessary to have a measure enacted into law, delay comes.

If we were to wait now in our effort to give the young men who are in this Bureau the benefits of this proposed legislation, they would grow long white hair and white whiskers before we would have the perfecting legislation. I am not willing to wait, for my part, and I hope the bill will be passed.

Mr. KING. Mr. President, the Senator from New York complains because of the slowness of Congress in enacting laws. I am of the opinion that there is entirely too much legislation, and the country would be infinitely better off if fewer laws were enacted and if those enacted received more serious and critical consideration. I think it is conceded by those who are familiar with legislation that not sufficient care is bestowed upon measures submitted to Congress, and that many measures receive approval that are defective, if not inconsistent with other laws and not infrequently unconstitutional.

A number of years ago I made some inquiry with a view of ascertaining the number of laws upon the Federal and State statute books. I do not now recall the number, but they fill many volumes and total tens of thousands; and, in addition to the Federal statutes, there are thousands and, indeed, tens of thousands of pages of rules and regulations having the effect of law, which have been promulgated by the various departments, executive, and administrative agencies of the Government. I repeat that there has been a deluge of legislation to the disadvantage of the people. It is my opinion that we could render an important service to the country if Congress would devote a part of the next session to an examination of existing laws with a view to repealing many of them. There are hundreds, if not thousands, of measures upon Federal and State statute books which should be repealed.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. COPELAND. I will join the Senator any time when he makes a motion to have an entire session of the Congress devoted to the repeal of laws. We could render no greater service to the country, in my judgment, than to have such a session as that.

Mr. KING. I am glad the Senator entertains that view, and I hope he will not complain because we do not enact legislation as rapidly as he thinks we should.

My experience since I have been in the Senate, and for a limited time when I was a Member of the House of Representatives, has confirmed the view which I have expressed on a number of occasions—that we are cursed with too many laws, many of which are not enforced, many of which are obsolete, and many of which are oppressive and unjust.

Mr. President, I have received a number of complaints from various parts of the United States to the effect that the Federal Government is attempting to take over the administration of all criminal laws, to supplant States and counties and cities and their law-enforcing agencies, and to superimpose upon the country Federal organizations which tend to encroach upon State organizations and affect their efficiency and diminish their energy.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. WHEELER. Does the Senator know how much money we appropriated and turned over to this Bureau of Investigation to use for undercover work?

Mr. KING. I do not; but I know that a few days ago we appropriated $5,000,000 for this organization.

Mr. WHEELER. We appropriated $5,000,000. We have appropriated a great deal of money. I do not know just what the figures are, because I do not happen to have them here, but we appropriated a great deal of money for the Department of Justice, without any strings to it whatsoever, so that they might go out and hire underworld characters on the pretext that they were running down criminals. That is one of the most dangerous precedents we could possibly set in this country, and I ask Senators to mark what I am saying on the floor of the Senate: That that will come back to plague the Congress of the United States and it will come back to plague the Department of Justice, because when money is turned over to the Department and they are allowed to spend it without making any sufficient accounting, and hire underworld characters to get information, a precedent is being set which is bound to undermine the Department and the Government itself.

Mr. KING. Mr. President, as I indicated a moment ago, fears have been expressed by some that the Federal Government is seeking to enlarge its authority to deal with law violations and to take over, in part at least, duties and responsibilities which rest upon the States and their political subdivisions to enact and to execute laws for the prevention of crime. It must be recognized, however, that Congress has enacted during the past few years statutes covering what theretofore have been regarded as crimes against States or their political subdivisions. All States have statutes dealing with offenses recognized at common law, and many of which are of purely statutory origin. All States have statutes against theft, and yet Congress has passed a law making the asportation of automobiles from one State to another a Federal offense; and more and more the Federal Government is entering the field of what might be called criminal jurisprudence and supplementing, if not duplicating, laws enacted by States for the protection of life and property. Federal agencies are being set up, and their authority increased, and appropriations for their maintenance augmented to deal with acts and omissions which by Federal statutes are made crimes. I fear that there is an overlapping of jurisdiction and a growing disposition upon the part of the National Government to cover by Federal statutes fields which are within the purview of States and their political subdivisions.

I have been inclined to believe that the pressure for Federal criminal statutes has been too great, and that Congress has too readily responded to such pressure and propaganda, which in some instances have inspired it. I fear that this movement to enact criminal codes, covering conduct and misconduct which should be amenable to State laws, will produce consequences of an unfortunate character. Little by little the vitality of States in the enforcement of criminal laws will be diluted, if not weakened, and this will be attended with growing demands for Federal statutes and usurpations in the fields of criminal jurisprudence and law enforcement.

We cannot forget the experience through which we passed under the Volstead Act. Many States, when that act was passed, had statutes dealing with the liquor question. Many of the States were dry, and they enforced their laws in a vigorous and effective manner. When the Federal Government set up its Nation-wide organization to enforce the Volstead Act, many communities and States relaxed their efforts to enforce their prohibitory statutes and left to the Federal Government the responsibility of handling the so-called liquor question.

I think it is a fact that law-enforcing organizations existing under State laws took the position that the Federal Government, having assumed to control the manufacture, sale, and transportation of liquor, the full responsibility rested upon it to effectively deal with the subject. Congress passed laws declaring certain acts and omissions to be crimes, and created a very large organization within which were several thousand agents to enforce these enactments. I repeat when I say that with the advent of the Federal Government into

this field there was an immediate subsidence of State activity in the enforcement of State laws dealing with the liquor question, and little by little States repealed their prohibitory statutes or abandoned efforts to enforce the same.

It must be obvious that with the great authority and power of the Federal Government, its entrance into States must and will affect, to a greater or less degree, the activities and functions of the States. I fear that with the increasing number of Federal agencies created for the enforcement of Federal laws we shall find an increasing appetite for Federal control of the conduct of individuals, whether such conduct is inter or intra state.

Instead of weakening the States and restricting their authority and limiting their activities, every effort should be made to revitalize them and to enable them to discharge the high and important responsibilities resting upon them as sovereign States of this Union.

Undoubtedly there is important work for the Department of Justice, and it must have agencies to enable it to successfully deal with infractions of Federal statutes. The organization with which the bill before us deals has performed valuable services. I have known Mr. Hoover for many years and have pleasure in testifying to his ability and to the excellent work which his organization has performed. It seems to me, however, that it is unwise to single this organization out for privileges and benefits not enjoyed by many organizations of the Federal Government.

I confess that I have not been an ardent supporter of civil service. It has not, in my opinion, merited the encomiums placed upon it. It has many defects and is chargeable with many derelictions. The bill before us seeks to give to the organization in question a sort of privileged civil-service status without prescribing the rules for its governance or the principles by which it is to be guided.

In my opinion, the time is ripe for a searching investigation as to the merits and demerits of the civil-service plan and to determine what shall be the future policy with respect to the civil-service organization.

While paying tribute to Mr. Hoover and his organization, I cannot see any reason justifying the enactment of the measure before us.

Mr. COPELAND. Mr. President, I desire to make just one reply to the Senator from Utah.

Of necessity, the control of crime is a local problem. Upon that point I agree with the Senator. At the same time there are interstate crimes. The motor car, the airplane, rapid transportation have made it necessary that there should be some central control.

It is an interesting fact that in the hearings which we have had all over the country, in discussing the subject of increasing the power of the Federal Bureau of Investigation, in every instance, without exception, chiefs of police and constables and sheriffs, not alone police officers but the bench and the bar, all concerned, have said, "Yes; here is a place where centralized control must be lodged." If we are to have it, certainly we ought to give consideration to the lives of the men engaged in this work and those who are dependent upon them in the time of their retirement.

Mr. WHEELER. Mr. President——

Mr. VANDENBERG. A parliamentary inquiry.

The PRESIDING OFFICER (Mr. McGILL in the chair). The Senator will state it.

Mr. VANDENBERG. Under the rule under which we are operating, how often may a Senator speak and how long?

The PRESIDING OFFICER. Under rule VIII, when a bill is taken up by motion over an objection, the 5-minute limitation on debate ceases to apply; and under rule XIX a Senator may speak twice on the same day on the bill or any question connected therewith.

Mr. WHEELER. In view of the fact that the Senator from Michigan spoke three times, I do not think he should complain because I wish to take a little more time.

Much has been said in the press concerning the Department of Justice and the enforcement of the criminal law. Anyone who rises on the floor of the Senate and attempts to criticize, or suggests that we ought to be careful about what legislation we shall pass in times of hysteria, is held up as one trying to stand in with the criminal element in this country. It is very easy to wrap one's self in the American flag at such a time, and to wrap an American flag around somebody else and say he is a great patriot, and he is doing a great patriotic service; but if one will read the pages of history and learn something about the enforcement of criminal law, he will find that in this country today, under the guise of enforcing the laws of the country, we are setting up a secret service and an espionage system which has a parallel in other places in the world, but only where the democratic form of government has been abandoned. In the United States we are building up a spy system in every single department of the Government.

During the Daugherty administration we saw members of the Bureau of Investigation in the Department of Justice, with which Mr. Hoover was connected, at that time, breaking into Senators' offices, raiding their offices, going through their correspondence. We saw them going into Representatives' offices. Men from Mr. Burns' department were employed as elevator men here to catch what Senators and Representatives were talking about, according to the uncontradicted and sworn testimony before the committee investigating the Department of Justice. Agents were investigating every Member of the Senate who criticized in the slightest degree the Department of Justice. They came out and surrounded my house with detectives.

They sent men out to Montana to try to get something on my late colleague, Mr. Walsh. The late Senator Caraway was subject to their investigations. Practically every Member of the Senate was subjected to that tyranny by the Department of Justice, and Mr. Hoover was in the Department of Justice at that time under Mr. Burns.

When Mr. Burns came here he brought with him as ruthless a group of crooked criminal investigators as the country has ever seen. What they did was done for the purpose of intimidating Senators and Representatives in the effort to make them vote as it was desired to have them vote on the floors of the Senate and the House.

I deplore the fact that in the various branches of the Government which have been set up under the present administration unfortunately we have bureaus of investigation that are carrying on spy systems that never should be permitted in this Government of ours.

If we permit millions of dollars to be appropriated by the Congress of the United States and to be turned over to an investigatory department with a view of letting that department use the money in any way it wishes to use it, to spend it without having to account to anybody for it excepting to say that it was necessary to spend $200, or $500, or some other amount of money in the underworld, what are we doing? We are saying to that department, "Go out and graft if you want to." That is what it means. We are saying to the Department men, "Here is $500. Go out and spend it in any way you wish to spend it, and you do not have to make any accounting for it." Will Senators tell me that many investigators in the service, I do not care how honest or how clean they may be, will not succumb to the temptations which are placed in their way under such conditions and circumstances?

Mr. President, there has been talk about what has gone on under this administration; but, as the Senator from Kansas pointed out, the only system that is now set up is set up by the Director. How effective it is, I do not know. It is certain, however, that the next administrator of that office may do exactly what Mr. Burns did.

Under Mr. Gregory and under the former Attorney General in Mr. Wilson's administration it was required that practically all the young men coming into the Department should be lawyers. When Mr. Burns came in he simply threw out that rule. He brought in with him Gaston B. Means and all the rest of that crowd. After the Senate investigation, after the scandals which broke in the Department of Justice, the Department came out and said, "Of course, we are going back now to employ only young lawyers." But how long

is that going to continue if we turn millions of dollars over to them to go out and use in any fashion they wish to use the money?

I hope this bill will not pass; and I wish to say further that if the money is going to be spent, as I am told it has been expended in many instances in the past, and if there is no better accounting of the money appropriated by the Congress for the Bureau of Investigation than there has been in the past, I will probably have to start another investigation of the Department of Justice.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the morning hour is closed.

Mr. VANDENBERG. Mr. President, inasmuch as we have practically concluded the consideration of this bill, I move that the Senate proceed once more to the consideration of Calendar No. 2212, being the bill S. 4552.

The PRESIDING OFFICER. The question is on the motion of the Senator from Michigan that the Senate proceed to the consideration of a bill which the clerk will state by title.

The CHIEF CLERK. A bill (S. 4552) to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation.

Mr. WHEELER. Mr. President——

Mr. KING. Mr. President, the motion is subject to debate.

Mr. WHEELER. I was going to say that I still have the floor, as I understand, and I cannot be taken off the floor by the motion of the Senator from Michigan.

Mr. VANDENBERG. I yield the floor very cheerfully to the Senator.

Mr. WHEELER. I submit that I still have the floor and that the motion is out of order.

Mr. McNARY. Mr. President, unquestionably when the hour of 2 o'clock arrives the consideration of the calendar automatically ceases and any Senator may be recognized for the purpose of moving to take up a bill, as the Senator from Michigan did. It does not matter whether or not the Senator from Montana had the floor, but, in fact, he had taken his seat.

Mr. WHEELER. Oh, no.

Mr. McNARY. And the Senator from Michigan was recognized for the purpose indicated by his motion to proceed to the consideration of the bill mentioned, which, if agreed to, would make it the unfinished business. That motion is now pending. I concur in the attitude of the Chair in his ruling.

Mr. WHEELER. Mr. President, for the purpose of keeping the RECORD straight, let me say that the Presiding Officer interrupted me in my speech, and called attention to the fact that the hour of 2 o'clock had arrived, and the Senator from Michigan did not make his motion until afterward. However, it does not make much difference, because the motion is debatable, and I will proceed to debate it.

The PRESIDING OFFICER. In order that the parliamentary situation may be clear, the Chair holds that the motion of the Senator from Michigan is in order, and the point of order of the Senator from Montana is not well taken.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. I understood the able Senator from New York [Mr. WAGNER] had given notice of his intention to proceed to the consideration of the housing bill at the termination of the morning hour, and that it was understood that that motion would be made. I may be in error.

Mr. VANDENBERG. How was an understanding like that arrived at?

The PRESIDING OFFICER. The Senator from Michigan [Mr. VANDENBERG] addressed the Chair, and was recognized.

JICARILLA INDIAN RESERVATION, N. MEX.

Mr. HATCH. Mr. President, will the Senator from Montana yield to me?

Mr. WHEELER. I yield.

Mr. HATCH. Mr. President, there is pending before the Committee on Indian Affairs, House bill 12073. At the request of the chairman of the committee, I ask unanimous consent that the Committee on Indian Affairs be discharged from the further consideration of the bill and, if that request be granted, I will then ask that the bill may be considered at this time.

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New Mexico for that purpose?

Mr. WHEELER. What is the purpose?

The PRESIDING OFFICER. The purpose of having a bill considered?

Mr. HATCH. By unanimous consent.

Mr. WHEELER. Yes; I yield.

Mr. McNARY. Mr. President, the bill should be stated, of course, from the desk.

The PRESIDING OFFICER. The Senator from New Mexico asks unanimous consent that the Committee on Indian Affairs be discharged from the further consideration of a bill, the title of which will be stated.

The CHIEF CLERK. A bill (H. R. 12073) to reserve certain public-domain lands in New Mexico as an addition to the school reserve of the Jicarilla Indian Reservation.

The PRESIDING OFFICER. Is there objection?

Mr. VANDENBERG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Michigan will state it.

Mr. VANDENBERG. Would the granting of the unanimous-consent request displace the pending motion?

The PRESIDING OFFICER. It would not.

Mr. HATCH. Mr. President, I desire to say a few words in explanation of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico that the Committee on Indian Affairs be discharged from the further consideration of the bill and that the Senate proceed to consider it at this time?

Mr. McNARY. Mr. President——

Mr. HATCH. Mr. President, if the Senator from Oregon will give me his attention, I think I can explain the bill so as to remove any possible objection to its passage. The bill involves only 80 acres of unappropriated public domain, and it seeks to include those 80 acres in the Jicarilla Indian Reservation. Across the 80 acres runs a pipe line for the water supply, and it is desired to have control over that water supply for the reservation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico that the Committee on Indian Affairs be discharged from the further consideration of the bill? The Chair hears none, and the Committee on Indian Affairs is discharged from the further consideration of the bill.

Mr. HATCH. I now ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the following-described public-domain lands be, and they are hereby, withdrawn from entry, sale, or other disposition and set aside as an addition to the school reserve of the Jicarilla Indian Reservation, Dulce, N. Mex.: Northwest quarter southwest quarter and the southeast quarter southwest quarter section 30, township 32 north, range 1 west, New Mexico principal meridian, New Mexico: *Provided*, That said withdrawal shall not affect any valid rights initiated prior to approval hereof.

RETIREMENT PRIVILEGES FOR FEDERAL BUREAU OF INVESTIGATION

The PRESIDING OFFICER. The question recurs on the motion of the Senator from Michigan [Mr. VANDENBERG] that the Senate proceed to the consideration of Senate bill 4552, to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation.

Mr. WHEELER. Mr. President, I am going to take only a few moments more and shall not attempt to delay the bill further.

While I am on the subject of the Department of Justice, I want to call attention to an article I saw on the front page of the Washington Star of Sunday a week ago, in which one of the Assistant Attorneys General said that he called upon Divine Providence to tell him whether or not he should bring a lawsuit that a certain western Senator desired brought. The "western Senator" he had reference to was undoubtedly myself, and the suit that I wanted him to bring was a suit by the United States on behalf of certain Indians in my State against some power interests which had defaulted on the payment of a contract. The Assistant Attorney General referred to who did not want to bring the suit and called upon Divine Providence said, in substance, at a meeting before some Oxford group in Massachusetts that Divine Providence told him not to bring the suit, and that he did not do it, or words to that effect. Of course, I know the "divine providence" upon which he called, but it was not the same Divine Providence that I had in mind.

I do not want to have to investigate the Department of Justice again, but if the Congress is going to appropriate money and turn it over to a lot of detectives to go out and expend it as they see fit in the underworld, without anything at all to bind them or any requirement that they report what they spend it for and how they spend it, we shall feel compelled, I am sure, at some future session of Congress to ask for an investigation of the Department of Justice.

I am opposed to this Department taking advantage of hysteria for the purpose of getting millions of dollars turned over to them to enable them to go out and expend it and set up one of the greatest detective agencies and secret-service organizations anywhere in the world.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CLARK. I think we all agree that very valuable and excellent work has been done by the Bureau of Investigation under the present directorship of Mr. Hoover; but I should like to ask the Senator from Montana if that Bureau were again in the hands of a scoundrel like Mr. Burns, who should desire to have one of the Bureau's agents go, let us say, to Montana, as was once done, in an effort to try to frame the Senator from Montana on a false charge, would it not be an extra club in the hands of the Chief of the Bureau to have his men not under civil-service tenure, not holding according to the ordinary routine of the civil service, the merit system, but subject at his whim and to be discharged in a moment or granted a retirement status?

Mr. WHEELER. As I said a moment ago, during the Wilson administration, as I recall, the Attorney General of the United States insisted that all the employees of the Bureau should be lawyers, and the Bureau was gradually built up in that way. Mr. Harding came in with Mr. Daugherty and they tore it down completely. They brought the worst crowd of grafters and racketeers there that ever came under a department of the Government. What is to prevent, as a matter of fact, the next administration, if a new director should come in, changing the rules completely and putting in another and different lot of Secret Service men and detectives?

Mr. CLARK. Am I correct in stating, may I ask the Senator from Montana, that under existing law the employees of the Bureau of Investigation have no civil-service status, in the sense that it is necessary to prefer charges against a man in order to remove him?

Mr. WHEELER. That is correct.

Mr. CLARK. In other words, as I understand, any employee of that Bureau may be removed on the whim or at the instance of the Attorney General or the Director of the Bureau?

Mr. WHEELER. There is no question about that.

Mr. CLARK. Not to give the men a permanent civil-service status which would protect him in his job in the absence of the preferment of charges and to put in the hands of the Chief the power of continuing a man in his job or giving him a retirement status, it seems to me would place in the hands of a corrupt Director of the Bureau of Investigation, such as Burns was, a tremendous club with which he might menace honest employees of that Bureau.

Mr. WHEELER. That is true, of course. What we should do, if we wanted to render some really constructive service to the Bureau of Investigation, would be either to put its employees under the civil service or to pass a law requiring everybody in that Bureau who may become an investigator to conform to some standards before he may be appointed in the Bureau.

We should not permit the Department, with the large funds entrusted to it, to pay out money in dealing with the underworld. The temptation is too strong for men of that class and for men upon their salaries. There would be graft, corruption, and crookedness in any department that would permit a thing of that sort to be done. It is inevitable. That is the condition which was brought about in the Prohibition Service. Many high-class men were employed in the Prohibition Service. What happened? They were paid salaries of $1,800 or $2,100 or $2,400 a year, but the temptations offered by those engaged in the liquor traffic were too great. The amounts of money offered these Government employees were so great that it was impossible for them to resist the temptations which were placed in their way.

In that way the Prohibition Service was wrecked and the country was shocked at the disclosures of Government agents accepting graft. As a matter of fact, one prohibition agent, a man whom I had formerly known and who had worked under me when I was district attorney, told me those in the Prohibition Bureau were accepting graft all the way from the top down to the bottom.

That is one reason why I say that when these men are sent out and come in contact with the criminals and characters of the underworld, it is almost impossible to keep them from getting down to the level of those whom they are investigating.

Is it better to keep the skirts of the Government clean; is it better to keep the skirts of the Bureau and the investigators of the Department of Justice clean; or is it better to let perhaps a few criminals get away? When the people lose faith in the Government at Washington, when they lose faith in the Department of Justice and in the law-enforcement officers, the Government at Washington then is at a very low ebb, at a dangerously low ebb. I want to prevent any such condition if I can. I voice my protest against the setting up of a great national system of secret service such as has existed in Russia and France and other countries where no private citizen was safe and where every individual who did not goose-step was thrown into jail or otherwise punished.

I am sorry to say that I see such a tendency in this country; I see it in the departments at the present time. Anyone who criticizes them is becoming more and more subject to punishment. The same condition exists now that prevailed during the time of the Daugherty regime. Those at the head of the departments ought to stop this tendency. They ought not to ask us to put our stamp of approval on such methods, and ought not to ask us to turn over to them huge sums of money to be spent at random and in any way that may be desired and without any accounting whatsoever.

Mr. President, I think this is a bad bill. I think it should not be passed. I think we ought to establish for the investigating bureau of the Department of Justice certain standards and insist upon them being applied. All those men ought to be under the civil service and when certain standards are established they ought to be binding not only on this administration but on future administrations. Then I should be willing that the men who come within those standards should be placed on the retirement roll and given retirement privileges.

The PRESIDING OFFICER. The question is on the motion of the Senator from Michigan [Mr. VANDENBERG] to proceed to the consideration of the bill. [Putting the question.] The Chair is in doubt.

Mr. VANDENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Ashurst	Copeland	Lewis	Robinson
Austin	Couzens	Loftin	Russell
Bachman	Davis	Lonergan	Schwellenbach
Barbour	Dieterich	Long	Sheppard
Barkley	Duffy	McAdoo	Shipstead
Benson	Fletcher	McGill	Smith
Black	Frazier	McKellar	Steiwer
Bone	George	McNary	Thomas, Okla.
Brown	Gerry	Maloney	Thomas, Utah
Bulkley	Gibson	Metcalf	Townsend
Bulow	Guffey	Moore	Truman
Burke	Hale	Neely	Vandenberg
Byrnes	Hastings	Nye	Wagner
Capper	Hatch	O'Mahoney	Wheeler
Caraway	Hayden	Pittman	
Carey	King	Pope	

The PRESIDING OFFICER. Sixty-six Senators having answered to their names, a quorum is present. The question is on the motion of the Senator from Michigan [Mr. VANDENBERG] that the Senate resume the consideration of Senate bill 4552.

Mr. VANDENBERG. On that motion I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BARKLEY (when Mr. LOGAN's name was called). I wish to announce the unavoidable absence of my colleague [Mr. LOGAN] on important official business.

Mr. McNARY (when his name was called). Again announcing my pair, I transfer it to the Senator from New Hampshire [Mr. KEYES], and will vote. I vote "yea."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. Not knowing how he would vote, I transfer that pair to the junior Senator from Maine [Mr. WHITE], and will allow my vote to stand.

Mr. SHIPSTEAD. I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I do not know how he would vote on this question, and therefore withhold my vote. If at liberty to vote I should vote "yea."

Mr. AUSTIN. I announce the general pair of the Senator from Iowa [Mr. DICKINSON] with the Senator from Mississippi [Mr. BILBO].

Mr. McNARY. I announce that the Senator from California [Mr. JOHNSON] is absent on account of illness.

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], and the Senator from Nevada [Mr. McCARRAN] are detained from the Senate on account of illness.

The Senators from North Carolina [Mr. BAILEY and Mr. REYNOLDS], the Senator from Mississippi [Mr. BILBO], the Senators from Virginia [Mr. GLASS and Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. CLARK], the Senators from Massachusetts [Mr. WALSH and Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from West Virginia [Mr. HOLT], the Senator from California [Mr. McADOO], the Senators from Indiana [Mr. VAN NUYS and Mr. MINTON], the Senator from New Jersey [Mr. MOORE], the Senator from Iowa [Mr. MURPHY], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Louisiana [Mr. OVERTON], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained.

The result was announced—yeas 33, nays 28, as follows:

YEAS—33

Ashurst	Copeland	Loftin	Pope
Austin	Couzens	Lonergan	Russell
Barbour	Davis	McKellar	Steiwer
Benson	Duffy	McNary	Thomas, Utah
Black	Frazier	Maloney	Townsend
Bulkley	Gibson	Metcalf	Vandenberg
Bulow	Hale	Neely	
Capper	Hastings	Nye	
Carey	La Follette	Pittman	

NAYS—28

Adams	Caraway	Hatch	Schwellenbach
Bachman	Connally	King	Sheppard
Barkley	Dieterich	Lewis	Smith
Bone	Fletcher	Long	Thomas, Okla.
Brown	George	McGill	Truman
Burke	Gerry	Radcliffe	Wagner
Byrnes	Guffey	Robinson	Wheeler

NOT VOTING—35

Bailey	Dickinson	Logan	O'Mahoney
Bankhead	Donahey	McAdoo	Overton
Bilbo	Glass	McCarran	Reynolds
Borah	Gore	Minton	Shipstead
Byrd	Harrison	Moore	Tydings
Chavez	Hayden	Murphy	Van Nuys
Clark	Holt	Murray	Walsh
Coolidge	Johnson	Norbeck	White
Costigan	Keyes	Norris	

So Mr. VANDENBERG's motion was agreed to; and the Senate resumed the consideration of the bill (S. 4552) to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation, which was ordered to be engrossed for a third reading, read the third time, and passed.

LOW-COST HOUSING PROGRAM

Mr. WAGNER. I move that the Senate proceed to the consideration of the Senate bill 4424, the so-called housing bill.

The VICE PRESIDENT. The question is on the motion of the Senator from New York.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 4424) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, which had been reported from the Committee on Education and Labor with amendments.

Mr. WAGNER. Mr. President, this measure has been designated as the housing bill. It provides a method for building houses for persons of low income. The principle involved has been approved on several occasions by the Government. The Public Works Act of 1933 provided that the Public Works Administrator might make loans or grants to States, or political subdivisions thereof, for such purposes. It also authorized the Federal Government itself to undertake the construction of homes. Then, in the act of 1935, which involved a large appropriation for public works, there was an authorization for the setting aside of not more than $400,000,000 for housing. In short, so far as the principle of the proposed legislation is concerned, it has received the repeated sanction of the Congress.

There is this distinction, however, in the proposed legislation: It contemplates decentralization. It puts the prime responsibility upon housing authorities, States, municipalities, or other political subdivisions. It provides that application for a loan or grant must come first from some local agency to the United States Housing Authority.

The housing authority created under this measure would have the power to build, on behalf of the Federal Government, only so-called demonstration projects, and even these could not be constructed in any locality of the country without the consent of the appropriate local governing body. So there is in effect practically complete decentralization.

Mr. President, perhaps I might read just one paragraph from the beginning of the report of the Committee on Education and Labor, which, by the way, reported the measure by a unanimous vote.

I might add, parenthetically, that I have never handled any legislation which had such universal approval throughout the country from all types of organizations interested in bettering general conditions, and particularly the lives of the lowest-income groups. I had inserted in the RECORD some days ago a list of organizations in this country supporting the proposed legislation, listed according to States. Practically every State of the Union has, either by testimony,

by communication, or by the passage of resolutions, approved the bill. I know of only one organization in the entire country which has disapproved the proposed legislation, and it did so in rather vague language and with some reservations.

The report which was made by the committee is, I think, one of the clearest and ablest reports I have ever read. I should like to read the second paragraph of the report, which is as follows:

> During the past 3 years the Federal Government has been committed to the policy of encouraging the development of safe and sanitary homes for persons of low income. General agreement has been reached that this line of activity promotes the creation of useful employment opportunities for capital and labor and at the same time meliorates living conditions that are conducive to ill health, crime, and other social evils. But while these objectives have been agreed upon, the undertakings designed to effectuate them have thus far been confused with extraneous matters, such as the administration of unemployment relief and the extension of credit assistance to persons who normally can supply themselves with decent living quarters. This confusion has worked to the disadvantage of those sections of our population who are dependent upon more or less permanent public aid for the improvement of their living conditions; and it has also been unfair to private enterprise, which is entitled to preempt the field which it can serve well and to know the exact limitations of the field which the Government is directly touching upon.

Mr. President, I should now refer briefly to the provisions of the bill. It provides for grants and loans, for low-rent housing and slum clearance, to municipalities, to States, or to public housing bodies.

Second, it provides that any such grant, not exceeding 45 percent of the development cost, may be made in a lump sum or by payment in the shape of annuities. Loans up to the amount of the balance needed for the development may be made.

Third, public housing societies may lease projects which have been built by the Federal Government.

Fourth, demonstration projects, with the approval of the President and the localities, may be constructed.

Fifth, a five-man independent board is to be created, the members of which are to be appointed by the President and confirmed by the Senate.

There is authorized to be appropriated the sum of $10,000,000. In addition the Housing Authority is authorized to issue bonds, not to exceed $150,000,000 for each of the next 3 succeeding years, to be used primarily for making loans to the housing authorities throughout the country, when applied for, for the purpose of constructing low-rent housing and clearing the slums.

The bill also authorizes that the grants, instead of being capital grants, paid in a lump sum, may be spread over a period of not more than 60 years, upon an equal annuity basis.

The threat of competition with private industry is not involved in the proposed legislation because the bill is limited to the construction of homes by public housing authorities; there is no subsidy to be paid to any private industry, individual, or organization involved. We have a very explicit definition of the low-income group.

Mr. COUZENS. Mr. President——

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from New York yield to the Senator from Michigan?

Mr. WAGNER. I yield.

Mr. COUZENS. I was waiting for the Senator to come to this point. What is the definition of a "family of low income"?

Mr. WAGNER. The definition has been supplied by the committee, namely, that no family can become an occupant of one of the houses proposed to be erected where it earns more than six times the amount of rent which it is required to pay.

Mr. COUZENS. Let me ask the Senator what the legal definition of a family is.

Mr. WAGNER. It means at least a man and wife, I suppose. I thought it was pretty well established what a family is.

Mr. COUZENS. I am not seeking to be technical. I know the Senator from New York is a great lawyer, and I should like to have him tell me what the legal definition of a family is, because many references are made to it. The first amendment we come to is found on page 4, and it refers to families. I am unable to find any definition of what constitutes a family.

Mr. WAGNER. A family is composed of the husband and wife and children living together, or, perhaps, in a case where the mother and father are dead, where sisters and brothers are living together. I do not think any difficulty will arise by reason of that question. If it needs clarification, of course, we can supply it.

Mr. COUZENS. I can visualize a family consisting of a widowed mother and her children living together and having a substantial income. I can also visualize a family consisting of a widower and his children, and that together they may have a very substantial income. Are the incomes of the father and the children, or the mother and the children, and perhaps the incomes of the third generation, all to be combined in arriving at what is a low-income family?

Mr. WAGNER. The incomes of those who are living together are to be combined in determining the income of the family.

Mr. COUZENS. The incomes of all are to be combined, even though there may be uncles and aunts and so forth, so long as they are living together?

Mr. WAGNER. Yes; if they are living together. There is no doubt about that. Otherwise they might indulge in subterfuges and become applicants when they should not do so.

Mr. COUZENS. That is the reason why I wished to have defined for the RECORD what was included in the family.

Mr. WAGNER. I think the answer to the Senator's question will clear up that matter. With his usual precise mind, the Senator has raised a question which has not been raised before; but I am glad the Senator raised it, so that thereafter there will be no misunderstanding as to what was intended.

I wish to place emphasis upon one phase of the subject right here, because of the apprehension with respect to this proposed legislation regarding the Government competing with private industry. There were a number of witnesses before the committee. One of them was Mr. Louis J. Horowitz, who was the head of Thompson & Starrett, which has constructed some of the largest buildings in the world, including the Woolworth Building in New York. He is regarded as an authority in matters of construction. He has given the particular subject we are discussing great study from the standpoint of its social implications. Being a very high-type citizen, he devotes a great deal of time to helping better the conditions of his fellow men.

He voiced the opinion, which is practically unanimous, that if we are to take care of these unfortunate persons of low income—and 40 percent of our families earn less than a thousand dollars a year—if we are to do something to bring them out of the slums, to give them a better place in which to live, and remove the breeding places of crime and disease, it cannot be done unless some Government aid is given to supply the difference between what they can afford to pay in rent and what is required if they are to have decent homes with the ordinary sanitary facilities.

There is no longer any controversy about that matter in this country. So the whole question comes down to this: Are we willing to do it? Speaking of the subject from the social standpoint—and I shall come to the economic point of view in a minute—speaking merely from the social point of view, and that involves the question of economics, are we not better off by eliminating the slums, and thus reducing crime materially? I am not talking theory. I am talking about actual experience in every instance where the same type of work has been undertaken. Do we desire to have less prisons; do we desire to have less hospitals; do we desire to have less crime among the persons who are compelled to live in the slum areas which induce crime and disease, by eliminating these awful conditions, even at the cost of a contribution by the Government? Or are we to continue to let persons live in such areas and then, after crimes

have been committed, put them in prison and keep building prisons and hospitals and providing appropriations for investigators—a matter we discussed a moment ago—to detect crime? Should we not rather go right to the root of the matter, where the crime and disease are bred, and remove the cause?

To me it is simply the same thing as asking people to live in a swamp, and then, after they get typhoid, building a hospital and putting them in the hospital. Why not remove the swamp and let the people live in decent surroundings? Then we shall not have any typhoid, and we shall not need hospitals to take care of people.

One of the witnesses who appeared before the committee represented the largest trust company in the South. He told the committee that he wished its members to understand that he was there as a matter of self-interest. He said his large trust company owns a great deal of real estate, a considerable amount of it in the city of Louisville, where he resides. He said, "We have made a study of this whole subject, and we have also inquired into the crimes committed in the slum areas, the diseases arising in those areas; and they have spread because the people living there go around and come in contact with other people. We are large taxpayers in the city of Louisville and some other cities; and we have discovered that if we could remove those people from the slums, and give them decent quarters in which to live, it would be a financially advantageous thing for the Government to do, because it would save money to the municipalities and, indeed, to the Federal Government." He had accurate statistics on the percentage of crime that starts in the slum areas, the diseases originating there, and what those slum areas cost the communities in the way of fire protection and police protection and other costs. He said, "As a mere matter of economics it is a wise thing for the Government to provide better quarters for these people until they themselves are in position to pay a higher rent."

I know what the Senator from Michigan [Mr. COUZENS] has in mind. If I may speak for him, the Senator thinks I am going about this matter in the wrong way. What the Senator from Michigan thinks we ought to do is to provide an increase of wages for people, so that they may have more money with which to buy better clothes and better food. I agree with the Senator 100 percent. Have I stated his position correctly?

Mr. COUZENS. The Senator previously made the statement that 40 percent of our people gainfully employed worked for a thousand dollars per year or less. I wonder if the Senator's bill—and I am in sympathy with its intent—is going to induce employers to keep their wages down and to draw upon the Federal Government for subsidies in the form that the bill carries. In other words, so long as we continue to subsidize employers, or shop owners, or what not, we shall find that they will continue and continue to demand subsidies. If it is true that 40 percent of our people are living on incomes below a thousand dollars per year, I suspect that when employers find they can get all the help they want for those having incomes below $1,000, that the Government will subsidize them, the employers will let us continue to subsidize them indefinitely.

Mr. WAGNER. Of course the Senator knows that I am in sympathy with his aspirations. In my whole career here I have fathered legislation the fundamental purpose of which was to lift up the underprivileged and build for them a better economic life. However, that is a very difficult thing to do. We are confronted with the courts. See the situation that confronts us today. The legislature in New York State attempted to do a very simple thing in that direction.

It tried to provide a minimum wage for the underprivileged, so as to prevent the exploitation of women and children in industry. They were being paid, as the investigation showed, a mere pittance. They were being exploited. Matters came to the point where the State government felt it had to do something to protect those unfortunate, exploited people. What happened? The United States Supreme Court said, "You cannot do it."

I am not now questioning the Supreme Court's decision. I do not agree with it, but that does not matter. I am simply talking about the implications of that decision and the results of it. It means, as I interpret the decision, that both the Federal Government and the State government are absolutely powerless, under our fundamental law today, to provide for any legislation, not to fix all wages but merely to provide a minimum for women and children in industry. Labor has struggled for I do not know how many years to try to better its condition by obtaining a higher wage. The only way in which labor has obtained it thus far has been through its own organization. A very small percentage of labor is today organized. It has not always had the aid of legislative bodies to protect it in its efforts and in the rights of its members as free men to organize for the purpose of bargaining collectively.

Mr. COUZENS. Mr. President, will the Senator yield at that point?

Mr. WAGNER. Yes.

Mr. COUZENS. I should like to say, in addition to what I said before, that if the employers are not going to pay adequate wages to the underprivileged families, and are going to make it necessary for the Government to provide housing facilities, it, of course, has an obvious result, and that is they will pay the bill, anyway. So, if they do not approach it in a legitimate way by letting the employee have his own freedom in the selection of homes and the expenditure of money, it looks as though the Federal Government would have to take it out of the pockets of the employers in order to provide and maintain decent homes.

Mr. WAGNER. I think the Senator is right in the final analysis; but we cannot abandon the people living in these terrible slum areas. I have some figures showing the extent to which people in the United States are underhoused. Of course, the ideal situation would be a fairer distribution of the income of the United States so the low-income families could be lifted up somewhat. We have the resources with which to do it. Then legislation of this character would not be needed at all. However, this proposed legislation provides, at least, that, so far as the workers who are employed upon the projects are concerned, they are to be paid the prevailing rate of wage. Therefore so far as this particular measure is concerned, we are carrying out the idealism of the Senator from Michigan.

Mr. President, I should like to say a word, if I may, as to the economic implications of this proposed legislation. I think we are definitely on our way to recovery. Most of the industries have practically recovered, and many of them are even in a more prosperous station than they were during the so-called prosperous days of 1929. I read the other day of an industry located in the State of Michigan, the General Motors industry, for which the month of May was the most prosperous month ever known in the history of that organization. That looks as though some of the industries are well on their way to recovery, if they have not actually recovered; but the construction industry has lagged behind. Even today there are practically 70 percent unemployed in the construction industry. So this proposed legislation has also the objective of attempting to help an industry which is still in a depressed state; and by igniting this fuse of construction for families of the low-income group, I think we are going to start a very stabilized boom in the construction industry, and thus reemploy a great many of the workers who for 4 long years have been treading the sidewalks seeking employment.

Mr. President, I was going to compare industrial activity with construction activity, beginning with the year 1930 and ending in 1936, to show how the construction industry is still in a depressed state, and how it has suffered throughout the depression and will need some stimulant such as this proposed legislation seeks to provide.

In March 1930 industrial activity was 106 and construction activity was 102.

In 1931 industrial activity was 89, while construction activity was 77.

In 1932 industrial activity was 68, while construction activity was 26.

In 1933 industrial activity was 60, while construction activity was 14. Just think of that decrease in 1933, a year we will not soon forget.

In 1934 industrial activity was 87; construction activity 33.

In 1935 industrial activity rose to 91, and construction activity fell to 26.

In 1936 industrial activity went up to 97, almost normal, and construction activity rose to 47, but still more than 50 percent below normal.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. VANDENBERG. I am not familiar with the details of the proposed legislation, and I only ask the question for information. The Senator is speaking about the effect of this proposed legislation upon housing activities in business. Will he comment for me on the statement in a letter of the National Lumber Dealers' Association, which, of course, has an ax to grind in respect to it:

> The mere suggestion that the Federal Government is going to provide grants and subsidies for home building has a retarding effect on the home-building program?

Is the Senator familiar with this letter?

Mr. WAGNER. Yes; I have seen a copy of it.

Mr. VANDENBERG. Is it the Senator's opinion that this viewpoint is wrong in connection with the proposed legislation?

Mr. WAGNER. I think it is, because I think they have a misunderstanding of the matter. This proposed legislation is limited to the construction of homes for what are called the low-income group, people whom private industry, as I tried to demonstrate a moment ago, cannot care for now by providing homes. I am not speaking of palatial homes, but just homes with the ordinary sanitary facilities. The rents which they are able to pay, because of their low income, are so small that no private project under private ownership can possibly provide housing at a profit.

By the way, every industrial country in the world except ours has undertaken a program of this character. There are two types of construction—one for the low-income group, which is undertaken entirely by the Government in some countries, and in others merely by a Government subsidy to the local authorities. It has been conceded that as to that group we must decide either to keep them in the slums and cause them to remain there, or provide better housing conditions for them. Of course, the injustice of their being required through no fault of their own to live in the slums is apparent, as is also the unwisdom of maintaining these breeding places for crime and disease.

As to type of construction, there is no competition with private industry, and we were most careful in drafting the legislation to see to it that private industry is not competed with by limiting the program to a class of people that private industry today cannot serve, namely, those of the low-income group. I think the letter to which the Senator from Michigan has referred contemplates the general construction activities of the country and subsidies to private individuals. There is no such thing involved in this particular proposed legislation.

Mr. President, my explanation is somewhat disjointed because I have not prepared anything to say.

Mr. POPE. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. POPE. I would be interested if the Senator would make a brief statement as to what has been accomplished in other countries to carry out the objective. Have their laws worked out satisfactorily? Have they accomplished what they set out to do?

Mr. WAGNER. Absolutely, and I think it is generally conceded by students of this subject that England's recovery is due largely to the construction activities of the Government. I heard Mr. Baldwin say over the radio that he regarded as the greatest achievement of his administration the building program and the clearing of the slums, because with that has come the elimination of crime and disease. I am glad the Senator from Idaho mentioned that point. Also Germany, France, Belgium, Holland, and Austria have entered upon such programs. Austria has one of the finest housing developments for its working people, and it has been a great aid not only from a social standpoint but also from an economic standpoint.

Let me say to the Senate that in England, speaking only of a particular slum area where there have been a great deal of disease and crime, the results accomplished have been ascertained as accurately as a determination by mathematics. They made a test in this particular area because they cleared the slums and then put the same people back in the same neighborhood. In 3 years tuberculosis was reduced in that area from four per thousand to one per thousand, and juvenile delinquency, which had flourished in that area, practically disappeared. I am not now talking about conjecture or making predictions; that was an actual experience.

I listened to Mr. Herbert Morrison, who was a member of Parliament in Great Britain and also chairman of the housing committee of the London Board of Council, as I believe it is called. He had charge of housing. He told a most interesting and instructive story of the great rehabilitation of the working people of England, of those who were formerly compelled to live in the slums, and the difference that came about in the condition of those families. He said that, more than all the other factors put together, the rehabilitation work has brought on recovery in England. He said there is no unemployment in the construction industry in England today.

Another interesting feature is that while the labor government, when it was in control, began the building program of low-cost housing for those of low incomes, as well as other projects, when the so-called conservative or coalition government came into power it enlarged upon the program, and now it is one of its very greatest achievements. From every standpoint, from the standpoint of giving better homes to the people as well as from the economic standpoint, it has been a great contribution to English civilization.

I have been asked about the cost. So far as the clearing of the slums and providing homes for the low-income group is concerned, that is to be done by the Government. It is to be done in about the way here proposed. Part of the money is to be loaned by the Government to the local authorities for the purpose of aiding them, and part of it is to be a grant to them because it cannot possibly be done otherwise for the reason that the people living in the slums have such very low incomes.

To show the interest in this type of legislation permit me to read briefly from a speech which I delivered in the Senate some days ago on this very subject. The figures all come from researches made by authentic bodies. I then said:

> With respect to home construction, while the depression naturally created an emergency situation, I desire to emphasize above all that adequate and decent housing involves the remedy of a long-term need. Even before the depression came, 11,000,000 families, meaning approximately 45,000,000 people, were living under conditions that did not protect their health and safety. Countless thousands among these were quartered not like twentieth century freemen but like medieval serfs.
>
> These bad housing conditions have been neither exclusively urban nor exclusively rural. The real property inventory of 1934, covering 2,400,000 family units in 64 representative cities, and conducted by the Department of Commerce, found that almost one-fifth of them were either definitely bad, though not beyond repair, or totally unfit for human occupation. In a survey of rural housing just last year, it was discovered that in over half of the American States four out of five of the rural homes had no running water and three out of four neither gas nor electricity.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Michigan?

Mr. VANDENBERG. May I ask the Senator a question at that point?

Mr. WAGNER. Certainly.

Mr. VANDENBERG. To what extent are the resources provided in the bill going to meet the sum total of the problem?

Mr. WAGNER. The Senator has asked a very embarrassing question. The proposed resources do not meet the required sum total. It is a very inadequate and very modest beginning. As we begin with the program which involves loans of $150,000,000 in the first year, and an appropriation for annuity payments of only $1,000,000, we are merely going to scratch the surface, but I am hopeful that the situation will be so exposed and the necessity for this type of governmental activity made so clear that, as in England, a fuze will be ignited and the construction industry so stimulated that the Congress, as did the Parliament of England, will expand the program until it becomes the most important governmental activity of this character that has ever been undertaken. That is the proportion it reached in England.

Mr. VANDENBERG. Is there a figure available which indicates the sum total of the demand and need?

Mr. WAGNER. Yes; there is, but I would not dare mention it to the Senator because he would be able to fight the bill as so entirely inadequate that the figure ought to be expanded. It is much greater than is possible under the pending legislation. However, in matters of this kind legislators hesitate to undertake a movement which has not previously been undertaken. We have to begin on a rather small scale. If I could have my way, more money would be expended in this way rather than in some other way.

Mr. VANDENBERG. My only point is that surely we are under obligation to treat alike all our citizenship in respect to this necessity. If we once set the precedent of dealing with a segment of population, it seems to me we are committed to the final program, and so I was wondering upon what, in the long view, we are embarking.

Mr. WAGNER. Of course, we can undertake only so much as is possible under the proposed appropriation, but we are proposing to set up in this measure standards of various kinds. One of the things we are providing is that the project shall conform to the general program formulated for the purpose of distributing the benefits of the measure as widely as possible throughout the United States consistent with the needs of the several States and their political subdivisions. There is no other way of beginning a movement of this kind. We must leave something to the future. If it is fundamentally sound, if it is a worthy undertaking to clear the slums, as I contend it is, from the standpoint of our own safety as well as from the purely social standpoint, then we must begin somewhere, and we must rely upon the housing authorities to carry on the plan judiciously and fairly and to distribute the benefits as fairly and completely as possible with the means at their command. There is no reason for not beginning this very worthy project.

Mr. VANDENBERG. I quite agree, and I am not arguing with the Senator that we must not creep before we walk; but still I am wondering if there is not some figure the Senator can give me which will encompass the sum total of the challenge which sooner or later must be met if we embark at all upon this method of Government financing of home building.

Mr. WAGNER. Of course, the problem will be reduced as conditions in the country get better. I look for prosperous times. I look for employers to enlarge in some form the distribution of the profits of their particular industry. As wages go up the need for governmental assistance will be reduced.

I might say that the bill, so as not to run counter to some pronouncements by the court in litigation involving low-cost housing, sets up very definite standards. Accordingly, in my opinion, the criticism which the court in the recent case in the District of Columbia made with reference to the activities of the Rural Resettlement Administration cannot be directed against this bill, because it provides definite standards.

Mr. President, I think I have rather fully discussed the objectives and purposes of the measure. There is another paragraph of the report which I should like to read. From page 6 of the report I read from the testimony submitted to the committee with reference to the question of crime and disease. I think it might be well to read that for the information of the Senate. I read from the report of the committee on page 6:

> The committee does not believe it necessary to labor the universally accepted truth that substandard housing conditions aggravate disease, crime, and immorality. The following selected statements, made before the committee, are typical of testimony from all parts of the country:
>
> Mr. Langdon Post, chairman of the New York City Housing Authority, said:
>
> "Death from tuberculosis in the old-law tenements is 220 percent higher than it is in the new"—

Just think of that—

> "at the same time death from spinal meningitis is 247 percent higher in the old-law tenements than in the new; deaths from all causes are 87 percent higher in the old-law tenements than in the new. From these figures it can readily be seen that it is not just poverty which causes this, but it is the conditions in which the people live."
>
> The Honorable Neville Miller, mayor of Louisville, Ky., said:
>
> "In studying it (the slum problem) from the question of tuberculosis, there is in the city as a whole 1 case to every 463 people; in district no. 1 (one of the four slum districts) there is 1 case to every 226; and in the four (slum) districts as a whole there is 1 case to every 156 people as compared to 1 case for every 463 in the city as a whole."
>
> Mr. John C. De Holl, chairman of the Housing Authority of Birmingham, Ala., said:
>
> "Tuberculosis has spread over the entire city, but it is heavily congested in the 22 blighted areas. Typhoid fever, enteritis, and diphtheria exist throughout the city, but from our study we find these contagious diseases exist the heaviest in our blighted areas. The social diseases, regardless of race, class, or social status, are located in every section of the city, but are heaviest in our blighted areas."

Here is a statement from Mr. Ernest J. Bohn, who is a member of the Cleveland City Council, and, by the way, a man who is really an authority upon this subject. I think he is as distinguished an authority as we have in this country upon the question of housing. Mr. Bohn says:

> "I think all of us recognize the great social loss, the great social cost of the maintenance of our slums; but let me point out these figures in this area (of Cleveland) where only 2½ percent of our people live, that that is where 21 percent of our murders are committed; 26 percent of our houses of prostitution are in this area; 6.8 percent of all boy delinquency arises in this area; 2½ percent of the people furnish 6.8 percent of the delinquency."
>
> Mr. Post testified on this point:
>
> "Juvenile delinquency is 100-percent higher in the slum areas than in the nonslum areas, and those figures would be much higher if we could confine them to the old-law tenements, but in those figures we only have the general area, and any area has a certain amount of good housing which would offset to some extent the figures in the old-law tenements."

And so on. I could quote from a number of other authorities along the same line, all furnishing conclusive evidence as a result of a factual survey and not mere conjecture.

Mr. VANDENBERG. Mr. President, may I ask the Senator a further question?

Mr. WAGNER. Yes.

Mr. VANDENBERG. I notice that within 3 years this measure may involve the issuance of $450,000,000 of bonds which are to be fully guaranteed by the Government as to both principal and interest. Is there any report from the Treasury Department as to the effect of this burden upon the public credit in any aspect?

Mr. WAGNER. There is not any estimate.

Mr. VANDENBERG. Is there a report from the Treasury as to the possible effect of this operation upon the fiscal policy of the Government?

Mr. WAGNER. No; although I have consulted the Treasury Department with reference to the proposed legislation.

Mr. VANDENBERG. Does the Senator mean that the Treasury Department favors it?

Mr. WAGNER. Let me say to the Senator that these are loans, not grants. The grants are to be made out of appropriations made by Congress each year. These are loans to be made to local housing authorities at a reasonable rate of interest and to be repaid. This is not a proposal to give anything to the municipalities. These are loans.

Mr. VANDENBERG. Does the Senator think it would be an operation rather well calculated to repay the loans?

Mr. WAGNER. Oh, absolutely. As a matter of fact, I look forward to private investment in these municipal projects, because with a 45-percent grant I am sure a large part of the cost of the project will be invested in by private banking institutions. As a matter of fact, I myself have already received some assurances of that kind, that the private banking institutions would regard this as a good investment and would purchase bonds. When we consider the great service to humanity we shall render here, as well as the great service we shall render to the country, in the long run, I think this is a very small amount of money to expend for that great humanitarian purpose.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. HASTINGS. The Senator has just said that banks and other institutions would purchase these bonds.

Mr. WAGNER. The bonds of the municipal housing authorities; I feel very confident they will.

Mr. HASTINGS. Are they to be guaranteed by the Government?

Mr. WAGNER. Oh, no. I am now speaking of the bonds to be issued by the housing authorities created by the States. They have the right to issue bonds for the purpose of securing the funds with which to construct these homes.

Mr. HASTINGS. Are there now any such State housing authorities?

Mr. WAGNER. Oh, yes; there are about 21, I think, around the country today.

Unless some Senator has some questions to ask, I think that is all I care to say. Unfortunately, my statement has been a rather disjointed one; but I spoke as the thoughts came to me.

Mr. VANDENBERG. Mr. President, may I ask the Senator one further question?

Mr. WAGNER. Certainly.

Mr. VANDENBERG. In the letter to which I referred it was suggested that there are now 35 different Federal agencies dealing with one phase or another of housing. I know of no one more familiar with that subject than the Senator from New York. What is his comment upon that statement?

Mr. WAGNER. I do not know whether or not that statement is accurate. There are a number of such agencies; but this is an entirely different proposal. With the exception of a bureau in the Department of the Interior, there is not now any agency which deals with the subject of slum clearance. This subject is separate and distinct from all the other activities. For instance, the Federal Housing Authority deals only with insuring loans made by private institutions to private individuals who are undertaking building construction. As the Senator well knows, the Home Owners' Loan Corporation deals only with loans to owners of homes who are threatened with foreclosure. None of the other agencies deal with this particular subject. This is a slum-clearance program put upon a permanent basis, and it is a decentralized program. In other words, it is the housing authorities that are to do the initiating and then are to make application to the Federal Government for this aid; and, of course, they must comply with certain standards before the money may be loaned.

Mr. VANDENBERG. Mr. President, if the Senator will permit me, I should like to ask just one further question.

Mr. WAGNER. Certainly; I will answer it if I can.

Mr. VANDENBERG. Referring to page 17 of the bill, section 10, dealing with demonstration projects, does that section contemplate anything in the nature of the resettlement projects, for example, such as are now being undertaken?

Mr. WAGNER. No. In the first place, I doubt whether many of those projects will be undertaken. Even where they are, the consent must come from the local authorities. It was assumed that perhaps some localities may desire this sort of slum clearance, and they may not have advanced their laws sufficiently to create a housing authority and may want a demonstration project. I think that section is very well guarded.

Mr. VANDENBERG. There seems to be no limit upon the extent to which demonstration projects may be undertaken, subject to the approval of the President. Is that so?

Mr. WAGNER. Yes; except, as I say, that the consent of the local authorities is required. I think it is one of the minor provisions of the bill, but I should not like to see it altogether eliminated.

Mr. VANDENBERG. I should not think the consent of the local authorities would be any limitation, because usually there is ample consent for any Federal expenditure at any time it can be obtained. I think the Senator will agree to that.

Mr. WAGNER. I do not wish to get into a political discussion with the Senator.

Mr. VANDENBERG. Oh, I did not intend that to be political.

Mr. WAGNER. This matter so transcends partisanship that I desire to discuss it from the standpoint of the unfortunate persons we are trying to serve, and also from the standpoint of helping an industry that is still in the depression. It is the view of persons skilled in the industry that the enactment of this legislation will furnish sufficient stimulus to result in putting back to work in the construction industry, directly or indirectly, three or four million persons.

Mr. VANDENBERG. I am sure the Senator from New York knows I have not attempted to inject politics into the situation.

Mr. HASTINGS. Mr. President, I am sorry I do not know more about this subject. Will the Senator from New York explain briefly the operation of one of these State housing laws? Is there one in New York, to take that State as an example?

Mr. WAGNER. There is one in New York.

Mr. HASTINGS. Will the Senator explain how it operates?

Mr. WAGNER. As I say, there are 21 housing laws spread around the country. I can get a list of them if desired. What particular explanation does the Senator wish?

Mr. HASTINGS. I wish to know what the Senator from New York means by a housing authority.

Mr. WAGNER. It is an authority created by the law of the State of New York, like the laws of the 20 other States that have housing authorities, which authorize the various authorities to undertake slum-clearance or housing for the low-income group.

The State housing authorities are given general powers such as those set out in this very measure. They are authorized to proceed to ascertain where the slums are and undertake some such projects as those proposed in the pending measure. New York has undertaken one project which has been completed, a very small one, which is working admirably and is a fine illustration of the difference made in a family after a decent home is afforded, for instance, in the looks of the children and the mother and in the absolute banishing of crime and juvenile delinquency and sickness. It is a fitting illustration of what can be done.

Mr. HASTINGS. Does the authority build the houses and then rent them?

Mr. WAGNER. And manages them, because it is a public housing authority. Of course, the people affected cannot afford to pay the rent required for decent quarters if the enterprise is to be run by private industry merely for profit. Therefore, as I said a little while ago, Government aid is needed; and it is universally agreed, even by the most conservative in the country, that so far as housing for the low-income group is concerned some Government aid is required. I will say for many of my conservative friends that they not only do not oppose but they have approved the spending of money for this purpose because they regard it as a worthy purpose.

Mr. HASTINGS. How does the housing authority determine the persons who ought to be permitted to occupy the houses provided at a small rental?

Mr. WAGNER. We have a definition of a family of low income, because that is very important, so that these enterprises will not compete with private industry. It is provided that if a family earns more than six times the amount of the rent it pays it cannot become an occupant of one of the houses provided, because it would not be what we would class as a family of low income.

Mr. HASTINGS. Mr. President, I do not know just what the program is, whether there is any opposition to the bill at all or not, but I have not had an opportunity to read the report or even to finish reading the bill, and I should certainly be opposed to the matter being disposed of today. I should like to have it go over until at least tomorrow, so that we can have an opportunity to study the speech made by the Senator from New York, all of which I have not been able to hear because I was engaged in a conference.

Mr. WAGNER. Mr. President, I shall at this time oppose postponing final action upon the bill until tomorrow. We are getting toward the close of the session, the bill has been upon the calendar a long time, there has been a report on it which goes into the most detailed information concerning the proposed legislation, and I think it would be very unfortunate if we should delay consideration. It would mean that it could not be enacted at this session of the Congress.

Mr. McNARY. Mr. President, I had intended, before the remarks of the Senator from Delaware, to ask the Senator from New York, who has the bill in charge, whether at the conclusion of his statement we might not recess until tomorrow at 12 o'clock. A number of Senators have spoken to me about the matter, some of whom are absent from the city, others of whom are attending conferences today, who have said that they would like to have opportunity to study the bill further, the read the report, and to read the able speech made by the Senator from New York.

Mr. President, this is an important bill, one of that class of bills which should not be considered and acted upon the very same day. It is a simple request that is made, the usual request, that after the statement concerning a bill of this importance has been made, the bill be laid aside temporarily—and I am merely asking that it go over until tomorrow—in order that those who are absent, and those who are now occupied in conferences, may have opportunity to study the bill further.

The Senator will recall that we were in recess last week, some of the Senators were not in the city at all during that time, and no Senator has had opportunity to keep up with all the work. I think the Senator from New York would gain time by acting reasonably, as I know he always desires to do, and allowing us to lay the pending measure aside until tomorrow, at which time everyone will be prepared to go forward in the consideration of the bill and reach a conclusion as early as possible.

Mr. WAGNER. Mr. President, the Senator is always so courteous to me that I find it very difficult to say "no." Could we in some way either limit debate or agree on a time for a vote, so that some final decision can be reached by the Senate in reference to the legislation at some time tomorrow? Otherwise, as the Senator knows, it will be useless for me to hope to have the bill passed by both Houses.

Mr. McNARY. Mr. President, I do not think it is possible at this time to enter into an agreement for a specific time for a vote, even for a limitation of debate. I think the Senator might well be assured, from his experience during the number of years he has been here and his observation of the practice which has been followed, that we will go along with the bill as expeditiously as possible, and I think he can rest assured that if he will wait until tomorrow, the bill can be further studied, his excellent speech can be read with care, and it is probable that we will reach a vote some time soon, so that there will be sufficient time for him to get consideration of the bill in the House of Representatives, if it is so desired by the Members of the House.

Mr. WAGNER. Very well, Mr. President. I shall cheerfully accede to the request of the Senator from Oregon.

I ask that there be printed at this point in the RECORD a statement issued today by Federal Housing Administrator Stewart McDonald.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL HOUSING ADMINISTRATION,
Washington, D. C., June 8, 1936.

Federal Housing Administrator Stewart McDonald today issued the following statement:

"My attention has been called to reports that the Federal Housing Administration is hostile to the Wagner bill, now pending in the Senate. Such reports are quite contrary to the truth. There is no conflict whatever between the Housing Administration's program and the program of low-cost housing and slum clearance contemplated in the bill reported to the Senate last week.

"The Housing Administration has from the very beginning recognized the need of governmental assistance, as provided by the Wagner bill, in relieving slum conditions and their attendant evils.

"The Wagner bill is intended to take care of people to whom the advantages of the National Housing Act and other home-financing plans are not available. It will not interfere in any way with private enterprise in the home-building industry.

"I hope the Wagner bill will be passed."

Mr. VANDENBERG. Mr. President, if I may have the attention of the Senator from New York a moment, I should like to put into the RECORD the letter from which I have been reading at various times, so as to invite his comment on it tomorrow. I do not present it on my own authority, I know nothing about the arguments, but it does present a persuasive counter viewpoint respecting the proposed legislation. I ask that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL LUMBER DEALERS ASSOCIATION,
Washington, D. C., June 12, 1936.

Subject: Wagner housing bill undesirable and unnecessary.

Hon. ARTHUR H. VANDENBERG,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: Circulars reaching this office from those advocating the passage of the Wagner housing bill and requesting the sending of chain telegrams to Senators and Congressmen demanding passage at this session of Congress indicate that pressure is being put on to influence the adoption of this measure.

Speaking for the organized retail lumber industry in the United States, with an affiliated membership of 23,000 lumber dealers, may I sincerely ask that you pause in your deliberations before you hurriedly adopt further legislation that is going to interfere with the private building of homes. Allegations will be made to you that the Wagner housing bill will not interfere with private enterprise, and that it has the support of private enterprise. May I say to you that the Wagner housing bill has already interfered with private enterprise, because it has in many cases in our industry already killed prospects we had for home building. The publicity given to this measure in the newspapers has erroneously given the impression to prospective home builders that the Government is going to provide 45-percent grants and 60-year loans to any individual who wants to build a home and as a result, contractors who previously had been planning with our dealers to build houses are now holding up their plans until they can see what Congress is going to do. The mere suggestion that the Federal Government is going to provide grants and subsidies for home building has a retarding effect on the home-building program.

Everyone in the country knows that to date private building has been progressing rapidly until we find it at the point today where in many locations it is difficult to get skilled labor, such as carpenters, plasterers, etc. We find in other places that the Government housing activities, such as the Resettlement and P. W. A. projects, have entered the picture to such a degree that they are attracting this type of labor from private building, and the situation in some cities has become acute. The Federal Government at the present time has injected itself into the housing picture through at least 35 different Federal agencies, and we beg of you, therefore, not to set up more Government agencies to lead people to believe that they can get homes through the Government by 45-percent grants and 60-year loans. The problem in housing today is the erection of low-cost houses for those in the lower-income brackets. Fully 75 percent of the demand for housing today comes from people who have jobs and who are earning in the neighborhood of $75 to $100 per month, and want and can pay for a home costing around two or three thousand dollars, depending on location. Our industry is building thousands of these homes throughout the United States, and they are being financed through private initiative and financing, with payments running as low as $15 to $17 per month. If Congress will just let us alone, we will build the homes for these people and they will be financed in an orderly way without a further drain upon the Federal funds and without interference with private building.

It is probably the desire of the proponents of this legislation to secure the aid of the Federal Government in improving housing

conditions in the large municipalities. Is it not desirable that the poorer classes in our smaller towns be given like treatment by the Federal Government if we have ample funds for such purposes? No Federal Government can provide homes for all of its citizens, and past experience of the Federal Government's participation in vast housing developments has resulted in tremendous waste and failures. All we have to do is to look at some of the Resettlement projects which have attempted the solution of the housing problem to see the tremendous waste of Government money and destruction of private business which would have gone ahead in those communities where citizens were led to believe they could expect help from the Federal Government.

Very truly yours,

FRANK CARNAHAN, *Secretary.*

ORDER FOR RECESS

Mr. ROBINSON. Mr. President, I ask unanimous consent that when the Senate completes its labors today it take a recess until 12 noon tomorrow.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. DIETERICH, from the Committee on the Judiciary, reported favorably the nomination of Vincent L. Leibell, of New York, to be a United States district judge, southern district of New York, vice Francis A. Winslow, resigned.

Mr. McGILL, from the Committee on the Judiciary, reported favorably the nomination of Frank C. Blackford, of New York, to be United States marshal for the western district of New York, vice Joseph Fritsch, Jr., term expired.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of John C. Lehr, of Michigan, to be United States attorney, eastern district of Michigan, vice Gregory H. Frederick, term expired.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. FLETCHER, from the Committee on Banking and Currency, reported favorably the following nominations:

Chester C. Davis, of Maryland, to be a member of the Board of Governors of the Federal Reserve System for the unexpired portion of the term of 8 years from February 1, 1936; and

Emil Schram, of Illinois, to be a member of the board of directors of the Reconstruction Finance Corporation for the unexpired term of 2 years from January 22, 1936, vice Hubert D. Stephens, resigned.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the first nomination in order on the calendar will be stated.

ATTORNEY GENERAL OF PUERTO RICO

The legislative clerk read the nomination of Benigno Fernandez Garcia to be attorney general of Puerto Rico.

Mr. CLARK. Mr. President, I ask to have this nomination passed over. I have not had opportunity to examine into it.

The PRESIDENT pro tempore. Without objection, the nomination will be passed over.

WORKS PROGRESS ADMINISTRATION

The legislative clerk read the nomination of Don Abel, of Washington, to be State administrator for Washington.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

PUBLIC WORKS ADMINISTRATION

The legislative clerk read the nomination of Harold J. Lockwood, of New Hampshire, to be State director in Maine, New Hampshire, and Vermont.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William J. Maguire, of Rhode Island, to be State director in Rhode Island.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. ROBINSON. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess pursuant to the order heretofore entered.

The motion was agreed to; and (at 3 o'clock and 45 minutes p. m.) the Senate, under the order previously entered, took a recess until tomorrow, Tuesday, June 16, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15, 1936

UNITED STATES DISTRICT JUDGES

John W. Clancy, of New York, to be United States district judge for the southern district of New York, to fill an existing vacancy.

Samuel Mandelbaum, of New York, to be a United States district judge for the southern district of New York, to fill an existing vacancy.

POSTMASTER

IOWA

Robert Edwin Liston to be postmaster at State Center, Iowa, in place of Wynoma Bower. Incumbent's commission expired March 29, 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15, 1936

WORKS PROGRESS ADMINISTRATION

Don Abel to be State administrator of the Works Progress Administration for Washington.

PUBLIC WORKS ADMINISTRATION

Harold J. Lockwood to be State director of the Public Works Administration in Maine, New Hampshire, and Vermont.

William J. Maguire to be State director of the Public Works Administration in Rhode Island.

POSTMASTERS

CONNECTICUT

Leo A. Legros, Baltic.
John F. Fields, Fitchville.

GEORGIA

Floyd M. Carter, Rockingham.
James C. Ross, Surrency.

IDAHO

Gladys A. Johnson, Prichard.

INDIANA

Mary Rutledge, Beech Grove.
Edward Bracher, Boonville.
Ruth M. Huddleston, Brownsburg.

Willard F. Edmonson, Clayton.
Bertha Higgins, Danville.
William Simms, Waveland.

IOWA

Charles H. Ward, Castana.
Ora F. Ward, Dallas Center.
Glen Vauthrin, Melbourne.
Edgar V. Pohlman, Melvin.
Oliver Van Syoc, Milo.
Harold H. Johnson, Mondamin.
George J. Mettlin, Russell.
Anthony J. Salland, Sibley.

LOUISIANA

Lawrence S. Bourgeois, Schriever.

MAINE

George C. Robinson, Westbrook.

MARYLAND

Francis E. Thomas, Centerville.
James F. Quinn, Lonaconing.
Mattie Grace Rambo, Sudlersville.

MASSACHUSETTS

James R. Delaney, Dedham.
Mae E. McLaughlin, Onset.
Raymond T. Mulvaney, Shrewsbury.

MICHIGAN

Joseph L. Winslow, Alma.
Stanley J. Risk, Muskegon.

MISSOURI

Jesse F. Stevenson, Lees Summit.

NEBRASKA

George M. Gaskill, Albion.
Justin Clay Douthitt, Beatrice.
Joe R. Brown, Ceresco.
Helen M. Gilmore, Hay Springs.
Bertha E. Busch, Howell.
George E. Minshall, Lodgepole.
Frank D. Conley, Madison.
Given G. Reber, Naper.
George P. Miller, Papillion.
Arthur E. Leclair, Randolph.
Leonard L. Rook, Stratton.
Sterling E. Tabor, Superior.
Leora E. Bowley, Taylor.
Harry E. Christensen, Valparaiso.
Floyd A. Garrett, Whitman.

NEW JERSEY

Leo S. Swanwick, West New York.
J. Field Garretson, Zarephath.

NEW YORK

Warren Scott, Canajoharie.
George Leigh Dye, Cuba.
Hazel Markle, Minnewaska.
William F. Parker, Jr., Watervliet.

NORTH CAROLINA

William E. Baldwin, Dunn.
Mitchell R. Ingram, Taylorsville.
Charles Fred Moseley, Warrenton.

OHIO

Mahara D. Barns, Wilmington.

OKLAHOMA

William F. Hughes, Bokchito.
James W. Blair, Clayton.
Buford E. Stone, Manchester.
Blanche Zoellner, Mountain View.
Eloise L. McKenzie, Wilson.

SOUTH CAROLINA

Amelia B. Blackmon, Orangeburg.

SOUTH DAKOTA

Joseph E. Kurka, Custer.
Charles P. Corcoran, Miller.
Eugene L. Bangs, Rapid City.

VIRGINIA

Benjamin Harrison, Boyce.
Alexander H. Cave, Madison.
Samuel R. Gault, Scottsville.

WEST VIRGINIA

Maurice C. Carpenter, Reedy.

WISCONSIN

Alice S. Port, Amberg.
Nellie Drew, Footville.
John A. Brannan, Gratiot.
John J. Brogan, Jr., Green Bay.
Frank J. Mader, Gresham.
Clarence L. Peck, Kennan.
Thor C. Gran, Menomonee Falls.
John A. Fleissner, Milwaukee.
Effie M. Jewell, Mindoro.
Mary E. Meade, Montreal.
Fred W. Krohn, Mount Hope.
Russell N. Fuller, Osseo.
James Oliver Luce, Platteville.
Thomas M. Crawford, Readstown.
Fred V. Stephan, Shullsburg.
Leonard W. LaBerge, Stetsonville.
John Schippers, Twin Lakes.
Thomas A. Wiora, Wild Rose.

WYOMING

James B. Harston, Cowley.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 15, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Heavenly Father, we praise Thee for all this common life can give and for all the blessings it bestows. Open our eyes to know Thy marvelous works and to understand the things out of Thy law. Grant that we may seek knowledge to make us wise and thoughtful as become the sons of God and servants of the Republic. We beseech Thee, O Lord, to give ear unto our words and consider our meditation. Let Thy goodness and mercy be with our President, our Speaker, and the Congress. Compass us about as with a shield. Brighten the windows of our spirits and open the doors of our hearts. Blessed Lord, may we pass this day in gladness, peace, and in brotherly cooperation. When the evening shadows deepen gather us to the folds of Thy embrace. Through Christ. Amen.

The Journal of the proceedings of Monday, June 8, 1936, was read and approved.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1937

A conference report and statement on the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes (Rept. No. 2963), were filed.

REPUBLICAN NATIONAL CONVENTION

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks by printing an address delivered by my colleague, Mr. SNELL, at the Cleveland convention. [Applause.]

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address:

ADDRESS OF HON. BERTRAND H. SNELL, OF NEW YORK, BEFORE THE REPUBLICAN NATIONAL CONVENTION, CLEVELAND, OHIO, JUNE 10, 1936

This convention will nominate a man to lead a new crusade—a crusade to restore to the American people their Constitution and their liberties.

This is not a merely partisan convention. The people are weary of too much partisanship. They call for those who believe alike to stand together.

Let us here resolve to sink all differences, reconcile all opinions, moderate all ambitions, and unite all energies in the supreme task of restoring the Government to the people. This year the Republican Party is not contending against the Democratic Party as such. It offers to lead America against the unconstitutional dictatorship—yes; the arrogant individualism of Franklin Delano Roosevelt.

Deceived and bewildered, the masses look to us for an honest answer to their question, "Can we be sure that we shall be safer, happier—we and our children—by returning the Republican Party to power?" If we give them the bread of sincerity and truth, they will reward us with their trust. If we give them the dead stone of meaningless political phrases and empty promises, they will abandon us to defeat. They call on us to turn our backs on the past and to lead them to a better future. Republicans, we will win in November if we prove to them that we deserve to win.

ROOSEVELT FAILURES

For nearly 4 years America has floundered in the grotesque failures of the New Deal.

The institutions of our Government have been debauched by a greedy partisanship.

The living ideals of America, sanctified by the blood of patriots and hallowed by the allegiance of generations, have been purposely warped and molded to the spirit and form of alien political philosophies—philosophies fundamentally in conflict with the aspirations of this Nation and destructive of the very principles of freedom under law.

Four years ago I said to this convention, "The Nation has been safe when the Republican Party has been in control of the Government. It has never been safe when Republicans were not on guard."

And, oh, how the last 4 years have driven home that truth to a dismayed people.

In these 4 years every home has felt the heavy burden of the New Deal's planned extravagance.

Today every dollar of our currency advertises the shame of its debasement.

Every cent of additional taxes serves but to increase the reckless power of the New Deal spoilers and wasters.

Every dollar added to our national debt is a new burden upon the back of youth.

Already the New Deal has cost us the progress and prosperity of a generation.

Let us here begin our march to sanity and to safety.

APPEAL TO CONSTITUTIONAL DEMOCRATS

When the victory is won we shall give America a Government high above the plane of party politics. Let us make that ringing declaration at the very outset.

We shall need in executive positions the services of constitutional Democrats and Republicans alike.

MESSAGE TO YOUTH

We shall need especially the energy and the idealism of youth.

Youth—the clear-eyed, eager young men and women of America—is there any thoughtful person within the sound of my voice whose heart does not go out to them?

Where is their hope?

To what can they look forward?

The reply comes from the gloomy sepulcher of New Dealism, from the head of its National Youth Administration, Mr. Aubrey Williams. I quote:

We know that a vast, overwhelming majority of the children born in the last 25 years will never rise above a hand-to-mouth existence; that all their steps, from the cradle to the grave, will be dogged by poverty, sickness, and insecurity—professorial and intellectual honesty demand that you tell your pupils that 70 percent of our people must live below the standard of decency—that millions now unemployed will never find jobs again.

Thus, by the New Deal's own admission, its entrenchment in office means the end of youth's opportunity in America.

With all the power of a burning conviction, we disavow that shameful counsel of defeat.

To youth in the cities and towns we say: "You shall have jobs instead of the dole. For we shall not harass industry. We shall encourage industry to plan and expand in order that it may create more jobs, and produce more wealth so that there may be more to be distributed."

To youth on the farms we say: "You shall have a balance between the price of the goods you sell and the price of the goods you buy. But there will be no swarm of meddlers to boss you around and tell you how to run your business."

To all youth we say: "You shall not have laid upon your shoulders a crushing burden of taxation. You shall not see your savings and your life insurance policies made worthless by mounting Government deficits and the destruction of Government credit, as happened in post-war Germany. You shall not have the heavy hand of dictatorship laid upon your schools, your churches, and your homes. Religious and racial minorities shall be safe in the shelter of an unweakened Constitution.

"Come forth from the sepulcher of defeat and the dole. This way lies life, and hope, and opportunity!"

APPEAL TO WOMEN

To the women of America we speak with a special earnestness. You, even better than men, feel the remorseless pinch of rising living costs. To you we pledge ourselves against a continuation of the fantastic New Deal theory that the more you are forced to pay the more you will be able to buy. But our ultimate appeal to women is upon far higher ground. Woman, as the protector of the home and the defender of childhood, is forever the Nation's first champion of sound and honest government. We enlist the cooperation of American womanhood in instilling in our children the very foundation and cornerstone upon which rests the security of civilization—the sacredness of a promise.

How shall you teach your children—at home, at school, in the church—that a promise is an inviolable thing, when the Government of the United States and its Chief Executive treat their solemn pledges as mere scraps of paper?

BROKEN PROMISES

Standing on the steps of the Capitol on March 4, 1933, Franklin Delano Roosevelt laid his hand on the Holy Scriptures and, within the hearing of all America, repeated after the Chief Justice:

I, Franklin Delano Roosevelt, do solemnly swear that I will faithfully execute the office of President of the United States, and will, to the best of my ability, preserve, protect, and defend the Constitution of the United States, so help me God.

Two years went by. On July 5, 1935, writing to SAMUEL B. HILL, of the House Ways and Means Committee, to force the passage of a New Deal bill, President Franklin Delano Roosevelt said:

I hope your committee will not permit doubt as to constitutionality, however reasonable, to block the suggested legislation.

The Republican Party, like every other party, is made up of fallible human beings. It has made mistakes; it is not without blame. But thank God no Republican President has ever so violated his constitutional oath by calling upon the members of his party in Congress to violate theirs! This is not a partisan issue; it is a moral issue. We do not denounce it as Republicans, but as Americans we bow our heads in shame and sorrow.

DEMOCRATIC PLEDGES OF 1932

I wish this speech of mine to be free of traditional political denunciation. But it is the duty of the party in opposition to report to the people on how the party in power has conducted their Government. I shall make no charges, manufacture no maledictions. Out of their own mouths comes their condemnation.

Here are the promises—from the Democratic platform:

We advocate an immediate and drastic reduction in Government expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagances to accomplish a saving of not less than 25 percent in the cost of Federal Government * * *.

We favor maintenance of the national credit by a Federal budget annually balanced on the basis of accurate executive estimates within revenues * * *.

And these are not all. Here are some more Democratic promises of 1932:

We advocate a sound currency to be preserved at all hazards.

We advocate a competitive tariff for revenue, with a fact-finding tariff commission free from executive interference.

We advocate strengthening and impartial enforcement of antitrust laws. * * *

An international economic conference designed to restore international trade and facilitate exchange.

In that same platform the Democratic Party demanded—

The removal of Government from all fields of private enterprise. * * *

We condemn * * * the unsound policy of restricting agricultural products to the demands of domestic markets.

We condemn the improper and excessive use of money in political activities.

Finally, that entire platform was sealed with this solemn pledge:

We believe that a party platform is a covenant with the people to be faithfully kept by the party when entrusted with power. * * *

You will recall that Candidate Roosevelt flew to Chicago to accept that platform 100 percent.

But in fulfillment of all these solemn pledges we find today Federal spending at almost double the 1932 rate.

In fulfillment of the pledge of sound currency it has been made today a criminal offense for any citizen of the United States to be in possession of monetary gold. Under the New Deal every session of Congress has had before it—and has approved in one or both Houses in one form or another—a Democratic printing-press money bill. And never, for so long as one single week since March 1933, have the American people been out of the shadow of cataclysmic inflation!

Instead of a competitive tariff we have the bewildering jargon of a series of reciprocal tariff treaties recklessly throwing open the great American market to the products of low-cost farms and factories in every foreign land.

Instead of restored international trade and stable exchange, we see foreign trade gasping on the gallows—victim of a reciprocal economic lynching—and world exchange of goods fallen into utter chaos.

In fulfillment of its pledge to strengthen and enforce the antitrust laws, the New Deal, 3 months after inauguration, gave the world the bobtailed Blue Eagle, with the outright suspension of all the antitrust statutes.

In fulfillment of their pledge to limit Government competition in all fields of private enterprise, the New Deal pump primers have flooded Treasury funds by the hundreds of millions into a whole alphabet of new enterprises directly in competition with private endeavor.

Their pledge against restricting agricultural production to the demands of the domestic market, the New Dealers honored with the fantastic and unconstitutional A. A. A.—conceived as a policy of shameful destruction and dedicated to the proposition that the way to achieve the more abundant life is to plow under the land of plenty.

In fulfillment of its pledge against the excessive use of money in political activities, the New Deal has set up in Washington the most gigantic Treasury-financed political machine in the history of our Republic.

With reckless abandon and cruel cynicism it has diverted relief funds to the advancement of its partisan cause—all for the perpetuation of the Roosevelt administration.

Yes; broken promises are the very warp and woof of New Dealism.

Broken promises have all but disrupted the orderly processes of constitutional government, setting up in their stead a vast and burdensome bureaucracy, ruling by capricious and hysterical Executive orders.

Free competition has been throttled and honest enterprise intimidated; thrift, frugality, and industry have been mocked by reckless Government squandering of the taxpayers' hard-earned dollars. All the great primary driving forces of American life, all our deepest national impulses for prosperity and progress, have been sacrificed for the sentimental glamor of the bureaucratic boondoggle.

ROOSEVELT PLEDGES OF 1932

Turn from the platform to the candidate. Here are the words of Candidate Roosevelt spoken at Pittsburgh, Pa., October 19, 1932:

Taxes are paid in the sweat of every man who labors, because they are a burden on production and can be paid only by production.

And again, in the same speech:

Our workers may never see a tax bill, but they pay in deductions from wages, in increased cost of what they buy, or (as now) in broad cessation of employment.

Nor is that all. Candidate Roosevelt felt very keenly that Federal taxes under the Republican administration were too high. Excessive taxes, he explained—and I quote his own words—

Are reflected in idle factories, tax-sold farms, and hence, in herds of hungry tramping the streets and seeking jobs in vain.

RECKLESS SQUANDERING

These solemn Democratic warnings were broadcast to tens of millions at a time when the expenditures of the Federal Government were running approximately $4,000,000,000 a year—and all under one budget!

Since the New Deal economizers took over the Treasury, Federal expenditures have averaged a little more than $7,500,000,000 a year—under two budgets!

Listen again to Candidate Roosevelt at Pittsburgh on the subject of deficits. He explained it all in language very simple and very, very clear—language that a child might understand. Again, I quote a Pittsburgh promise:

Now the credit of the family depends chiefly on whether that family is living within its income. And this is so of the Nation. If the Nation is living within its income, its credit is good.

If, in some crisis, it lives beyond its income for a year or two it can usually borrow temporarily on reasonable terms.

But, if, like a spendthrift, it throws discretion to the winds, is willing to make no sacrifice at all in the spending, extends its taxing to the limit of the people's power to pay and continues to pile up deficits, it is on the road to bankruptcy.

Now I submit to the American people that that is the grandest Pittsburgher of them all.

On the road to bankruptcy were we?

When that statement was made in the 1932 campaign the Federal debt was $11,000,000,000 less than it is today, and it was $15,000,000,000 less than the national debt will be next January, when the New Dealers complete the Roosevelt economy program.

Turn to Sioux City, Iowa, where Candidate Roosevelt made another stirring economy speech on September 29, 1932. Said he:

I shall use this position of high responsibility to discuss up and down the country, in all seasons, at all times, the duty of reducing taxes. * * * This I pledge you; and nothing I have said in this campaign transcends in importance this covenent with the taxpayers of this country.

A "covenant", mind you!—a covenant with the workers of this country. And how has the covenant been fulfilled? Month in and month out for more than 3 years these happy Budget balancers have spent $2 from the Treasury for every $1 of Federal income.

They tell us now: "We planned it that way!"

They may have planned it all, but 3 years of reckless squandering and political boondoggling have not provided jobs for the 11,000,000 unemployed.

They may have planned it all, but after 3 years of planned economy there are more than 20,000,000 citizens on relief!

Such is the economic morass from which the Republican Party is now called to rescue America.

SOUND RECOVERY RETARDED

These 3 long years have demonstrated beyond all question that America cannot squander her way back to sound and sustained prosperity.

They have demonstrated again and again that solid recovery cannot begin until Federal finances are put in order.

There must be an end of Federal squandering.

There must be a return to sanity in Federal fiscal management.

That is the great decision the American electorate will make next November.

CONSTITUTIONAL LIBERTIES VIOLATED

What a fantastic scheme of life we have been living!

What a pattern has been set for the American people!

What a tangle of confused purposes and befogged vision!

This administration has given us the sorry spectacle of a struggling manufacturer thrown into jail in York, Pa., for the violation of an Executive order—of a farmer penalized for having sold his hogs without the proper certificate from Washington—of the persecuted pants presser in New Jersey arraigned and convicted for the humble pursuit of his trade.

No other administration has worked so ingeniously and deliberately to inflame the destructive spirit of class conflict among us.

It has made freedom of speech a hollow mockery by its shameful treatment of General Hagood, an Army general, who dared to speak his mind on the question of New Deal "stage money."

It has violated the constitutional right of every citizen to be secure in his personal effects and his papers, and has substituted for ordered liberty a strong-arm regime of snooping, persecution, and crack-down.

PATTERNS IN DICTATORSHIP

But overshadowing all these grave assaults upon the liberties of the people is the President's personal affection for a Government-dictated collectivist order.

He runs the true course of the dictator. Having seduced the legislative branch by billions in "pork barrel" patronage, he now casts a calculating eye upon the judiciary, and by advice to Congress and sneer and jibe seeks to usurp the last bulwark of the citizen against unbridled autocracy!

And when the damage has been done—when business is bludgeoned and bleeding, when all trade is burdened by excessive taxation and incompetent bureaucratic regulation—the greatest prestidigitator of the age steps forward with a new magic—a "breathing spell."

Can this be America, where citizens live and breathe only by the gracious consent of an ambitious ruler?

ORDERLY PROGRESS UNDER LAW

Against this demoralizing reign of irresponsible incompetence I hear today America's earnest prayer for deliverance.

The voice of all our people calls us not merely to oppose another political party as in the past, but rather to resist the encroachments of an alien system of capricious personal government.

Shall we measure up to this patriotic duly before us?

I believe we shall. We shall resolve again "that this Nation, under God, shall have a new birth of freedom."

We rely upon the great heart and common sense of the American people to swing the Nation back on the true course of its great destiny—the course that experience has shown, leads to higher and higher standards of living for all—a course which, until this recent national lunacy was imposed upon us, has been for more than a century, the envy and the hope of all the peoples of the world.

This precious light of American freedom must not fail!

This convention beckons America forward—forward in the paths of orderly progress under law.

Republicanism remains today what its great heritage has made it through the years—a political force which personifies the deeply rooted American instinct for law and order, for true social security and the square deal, for a practical and workable system of government which drives inexorably to the great living ideal of all government—the maximum of social cooperation consistent with the faithful preservation of the just liberties of all the people.

Here alone lies the true path of orderly progress.

To that end does the Republican Party pledge its faith.

We are here—as George Washington said at the Constitutional Convention—"to raise a standard to which the brave and patriotic may repair. The event is in the hands of God."

If we hold any lesser conception of our duty we shall be unworthy of the great obligation that confronts us.

But we will not prove unworthy!

In our words and in our actions the sons and daughters of America will find an answer to their hope. We shall speak to their hearts and their consciences, and we shall win.

ONE HUNDREDTH ANNIVERSARY OF THE ADMISSION OF ARKANSAS TO THE UNION

Mr. TERRY. Mr. Speaker, today is the one hundredth anniversary of the admission of the State of Arkansas into the Union. I ask unanimous consent to extend my remarks and include therein an address delivered by President Roosevelt at Little Rock on June 10 at the celebration of the one hundredth anniversary of the admission of the State.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TERRY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of President Franklin Delano Roosevelt, delivered at the Centennial Stadium, Little Rock, Ark., on June 10, 1936, in connection with the celebration of the one hundredth anniversary of the admission of the State of Arkansas into the Union.

Mr. Speaker, 100 years ago today Arkansas was admitted into the Union. By an act passed by the first session of the Twenty-second Congress and signed by President Andrew Jackson on June 15, 1836, Arkansas became the twenty-fifth of the sovereign States.

Hernando De Soto was the first white man to place foot upon the soil of what was afterward to become Arkansas. In 1541 he landed at a point near what is now Helena, in the eastern part of the State, on the bank of the Mississippi River, and remained about 1 year. He is said to have described the country as "a fair and pleasant land." Later the territory was claimed for France by La Salle, who took possession of all the country "watered by the Mississippi and its tributaries." The first settlement was made by Lt. Henri de Tonti, a follower of La Salle, near the junction of the Arkansas River with the Mississippi. This settlement was made in 1686.

Later, in 1763, France ceded the territory to Spain, in whose possession it remained for 37 years, when in 1800 it was repossessed by Napoleon Bonaparte through a secret treaty with Spain. Three years later the territory passed into the possession of the United States under the purchase of the Louisiana Territory made by Thomas Jefferson.

During the War with Mexico, in 1846, Arkansans played a prominent part, and in the War between the States Arkansas' sword was raised in behalf of the Confederacy. After the war, in common with all other Southern States, it went through the pangs of reconstruction days, and since that time has gradually forged ahead along with its sister States in the Union.

The citizens of Arkansas are now engaged in celebrating their State's centennial, and the exercises are being held in every county in the State and not concentrated at any one point. It has not been the desire of the people to put on "a

big show" but rather to impress its own citizens and those who may visit within its borders with the things of historical interest in the State and the opportunities that its varied resources offer for the future.

Last week President Roosevelt visited in Arkansas and officially opened the centennial program, which will continue from now until December 15. The President visited Hot Springs National Park, whose celebrated springs are internationally known. He also attended religious services at the Methodist Church at Rockport, Ark., which was built more than 100 years ago. In the afternoon he motored to Little Rock, the capital of the State, and addressed more than 40,000 citizens of the State at the centennial stadium. The address delivered by President Roosevelt contains much of contemporary and historical interest, and I am including it in the extension of my remarks.

THE PRESIDENT'S ADDRESS

For me this has been a glorious day. While I have been in the State of Arkansas before this, my visits have been too much like those of a bird of passage, and this is the first chance I have had to see the State at closer range, and especially to enjoy the generosity, the kindness, and the courtesy of true Arkansas hospitality.

I have seen your parks; I have seen the beauty of your mountains and rivers. Arkansas can claim every warrant for the name "wonder State." It is doubly a privilege to meet you face to face and to join with you in the celebration of the one hundredth anniversary of the admission of this State into the Union.

Possibly our citizens who live in the Original Thirteen States along the Atlantic seaboard may have the natural idea that white men first became acquainted with their part of the country and that the territory lying west of the Mississippi is all very new.

I am certain that it is not generally realized that Hernando de Soto, the tireless Spanish explorer, set foot in what is now Arkansas as early as 1541, more than half a century before the founding of Jamestown and New Amsterdam and Plymouth; nor the fact the French explorers, Marquette and Joliet, coming southward from Canada, saw this country when the civilization of the Atlantic seaboard was still in its infancy.

Nor have they sufficiently been told that the first settlement under the flag of France was made under the direction of de Tonti at Arkansas Post as far back as 1686.

RECALLS LOUISIANA PURCHASE

First, under the flag of France, the young settlement passed to the flag of Spain, to be recovered by Napoleon for France in 1800, and finally brought under our own American flag by the Louisiana Purchase in 1803.

That Louisiana Purchase has always had a special significance for me. I am interested in it for family reasons, because Robert R. Livingston, our Minister to France, negotiated the purchase by direction of President Thomas Jefferson—and I must admit that he drove a very shrewd bargain.

I am also interested because President Jefferson, seeing the complexities which the Emperor Napoleon faced in a coalition of hostile European powers, had the courage to act for the benefit of the United States without the full and unanimous approval of every member of the legal profession.

He was told by some of his closest advisers and friends that the Constitution of the United States contained no clause authorizing him to purchase or acquire additional territory, and that because specific authority did not exist under that great charter of government none could be exercised.

Jefferson replied that there were certain inherent qualities of sovereignty which could not be separated from a federal government, if such a federal government was permanently to endure; furthermore, if he delayed, the Emperor of the French might change his mind and the great territory west of the Mississippi be lost forever to American expansion.

NO ONE APPEALED TO COURT

He and Robert R. Livingston put the treaty through; the next Congress appropriated the money; nobody carried the case to the Supreme Court; and, as a result, Louisiana and Arkansas and Missouri and Iowa and Minnesota and Kansas and Montana and North Dakota and South Dakota and the larger portions of Wyoming and Colorado and Nebraska and Oklahoma fly the Stars and Stripes today.

The hardy pioneers who peopled Arkansas and laid the foundations for statehood here and throughout the vast new domain west of the Alleghenies brought about a veritable renaissance of the principle of free government upon which this Republic was founded.

I have not the time, nor is it necessary, to follow the fascinating story in detail down to the admission of Arkansas into the Union only a few days less than 100 years ago.

That year of attainment of statehood by Arkansas is an important one in American history, not so much because it was marked by a Presidential election but because 1836 was the last full year of the Presidency of Andrew Jackson.

It is not without the greatest historical significance that Arkansas was received into the Union in 1836. Jackson's great work for the country was approaching completion. He was in the full tide of his remarkable powers and in the exercise of an extraordinary influence upon the minds and opinions of the mass of his countrymen.

JACKSON HELD DEMOCRATIC PIONEER

When Arkansas became a State our National Government was not quite 50 years old. Charles Carroll of Carrollton, the last surviving signer of the Declaration of Independence, had been dead only 4 years. But 6 years had passed since Webster had delivered the reply to Hayne. Men who had followed Washington through the Revolution were to be found in every community, and the manners and modes of the pioneer period were the order of American life.

Andrew Jackson, the contemporary and counselor of the Arkansas pioneers of 1836, made his home across the Mississippi in the neighboring State of Tennessee, and was known to the Arkansans of that day as a fellow frontiersman who had carried into the Presidency those neighborly instincts of the frontier which made possible the first truly democratic administration in our history.

The older I grow and the more I read history the more I reflect upon the influence of the men and events of one generation upon the life and thought of the generations that follow.

A hundred years have passed since Arkansas attained statehood in that last year of Jackson's Presidency, but throughout this century our American political life has flowed with the vigor of a living stream because the sturdy hand of Andrew Jackson deflected its course from the stagnant marshes of a seaboard oligarchy into the channels of pure American democracy.

HOLDS NO GROUP CAN CONTROL

Prior to Jackson's day it may be said without danger of exaggeration that the leadership of the Nation was, with rare exceptions, in the hands of men who by birth or education belonged to a comparatively small group—for the reason we have not far to seek.

Universal education was not yet fully established; communication difficulties prevented the dissemination of news except in the larger communities and along the main avenues of transportation; the very ballot was in many States limited to those with special property qualifications.

The wave of popular acclaim that swept Andrew Jackson into his high office was the result of the recognition by the people of the United States that the era of a truer democracy in their national life was at hand. I need not describe the dismay that the election of Jackson excited—and honestly excited—in the hearts of the hitherto elect or the widespread apprehension that it aroused among the so-called "guardiana groups" of the Republic.

Groups such as these have never wholly disappeared from American political life, but it will never be possible for any length of time for any group of the American people, either by reason of wealth or learning or inheritance or economic power, to retain any mandate, any permanent authority, to arrogate to itself the political control of American public life.

LAYS NEW IDEAL TO PIONEERS

This heritage we owe to Jacksonian democracy—the American doctrine that entrusts the general welfare to no one group or class, but dedicates itself to the end that the American people shall not be thwarted in their high purpose to remain the custodians of their own destiny.

The frontier spirit which brought men into the Arkansas wilderness, and later was to carry them ever further in their conquest of the West, inspired in the hearts and minds and souls of those men a new ideal of our national democracy.

Perhaps it would be more exact to say that the frontier spirit caused a rebirth of the earlier ideal of free government. To this changed ideal the neighborly contacts of the frontier contributed in liberal measure. The rugged pioneers helped to fashion the new national spirit. The men who tamed the wilderness hereabouts were part of a new movement in our American life.

It was indeed a critical moment in American history when in our early national period the dauntless and intrepid pioneers strode across the Alleghenies to establish new commonwealths like Arkansas. In that hard life of the frontier, where the personal qualities of the men and not the inheritance of caste or of property were the measure of worth, true democratic government was given its greatest impetus.

HOLDS SIMPLE LIFE GONE

In the early days of the Republic—those days when Arkansas became a State—our life was simple. There was little need of formal arrangements, or of government interest or action, to insure the social and economic well-being of the American people. In the life of the pioneer, sympathy and kindly help, ready cooperation in the accidents and emergencies of the frontier life, were the spontaneous manifestations of the American spirit. Without them the conquest of a continent could never have been made.

Today that life is gone. Its simplicity has vanished and we are each and all of us parts of a social civilization which ever tends to greater complexity. Latterly, the imperiled well-being, the very existence of large numbers of our people, have called for measures of organized government assistance which the more spontaneous and personal promptings of a pioneer generosity could never alone have obtained.

Our country is indeed passing through a period which is urgently in need of ardent protectors of the rights of the common man. Mechanization of industry and mass production have put

unparalleled power in the hands of the few. No small part of our problem today is to bring the fruits of this mechanization to the whole people.

The measure of the need has been the measure of the organization necessary to meet it. The human sympathy of our people would have tolerated nothing less. Common sense will tolerate nothing more.

SEES CONSTITUTION ESSENTIAL

Self-government we must and shall maintain. Let me put it thus, in a way which every man and woman can understand: Local government must continue to act with full freedom in matters which are primarily of local concern; county government must retain the functions which logically belong to the county unit; State government must and shall retain State sovereignty over all those activities of government which effectively and efficiently can be met by the States.

Let us analyze a little further, however. Why was a State government set up in Arkansas? The answer is that the colonization of this area had reached the point where individual settlements needed a uniformity of ordinances and laws. They needed a central body to govern in respect to those things which had grown beyond the scope of town government or county government.

In the same way the Federal Union itself was organized under a constitution because, in the days following the Revolution, it was discovered that a mere federation of States was such a loose organization, with constant conflicts between the 13 States themselves, that a constitution and a national organization to take care of government beyond State lines was a necessity.

The Constitution provided the best instrument ever devised for the continuation of these fundamental principles. Under its broad purposes we can and intend to march forward, believing, as the overwhelming majority of Americans believe, that it is intended to meet and fit the amazing physical, economic, and social requirements that confront us in this generation.

SEES SECTIONAL LINES ERASED

Beneath one of the symbolical figures which guard the entrance to our great new Archives Building in Washington is inscribed this quotation from Shakespeare's Tempest: "What is past is prologue."

Times change, but man's basic problems remain the same. He must seek a new approach to their solution when old approaches fail him.

The roar of the airplane has replaced the rumble of the covered wagon, and the frontiers of a continent are spanned in less time than it took to cross an Arkansas county in those century-old days. It is idle for us now, as it was for the flatterers of King Canute, to ignore the facts of physics or the economic and social consequences of applied science.

These problems, with growing intensity, now flow past all sectional limitations and extend over the vast breadth of our whole domain.

Prices, wages, hours of labor, conditions of employment, social security—in short, enjoyment by all men of their constitutional guaranties of life, liberty, and the pursuit of happiness—these questions, so delicate in their economic balance that any change in their status is reflected with the speed of light from Maine to California, we are commencing to solve.

The new approach to these problems may not be immediately discernible; but organization to meet human suffering can never be predicated on the relaxation of human effort.

DEMANDS EQUALITY OF OPPORTUNITY

Whether it be in the crowded tenements of the great cities or on many of the farm lands of the Nation, we know that there dwell millions of our fellow human beings who suffer from the kind of poverty that spells undernourishment and underprivilege.

If local government, if State government, after exerting every reasonable effort, is unable to better their conditions, to raise or restore their purchasing power, then surely it would take a foolish and short-sighted man to say that it is no concern of the National Government itself.

We know that equality of individual ability has never existed and never will, but we insist that equality of opportunity still must be sought. We know that equality of local justice is, alas, not yet an established fact; this also is a goal we must and do seek.

If we seek to know what human effort can do in the face of adversity, we shall ever find inspiration and guidance in the achievement of the American pioneers, not merely those who founded the Nation but those who extended its boundaries from ocean to ocean, of whom the first Arkansans were the prototype.

Arkansas has given many distinguished men to the Nation; but, my friends, I want to tell you very simply and from the heart that in the meeting of our difficult problems of today no man deserves greater credit for loyal devotion to a great cause than my old friend and associate, Senator ROBINSON, of Arkansas.

SAYS FRONTIER LEFT IMPRINT

May I repeat the historical maxim, "What is past is prologue." Its meaning is not obscure. Out of the story of mankind's long struggle to govern himself we should learn lessons which will guide us in solving the problems which beset us today.

The frontier, as we have been recalling it in this rapid survey of the planting of new States, has forever passed, but it has left a permanent imprint upon our political life and our social outlook.

The western frontier from Jackson's time and the admission of Arkansas a hundred years ago, down to the admission of the last States within recent memory, produced a constant renaissance of the principle of free government.

The liberal tendencies of those who for nearly a century we have called our western statesmen, have been sometimes too little understood in the older, more conservative East. It was the frontier and its spirit of self-reliance which ever kept alive the principles of democracy and countered the opposing tendency to set up a social caste based upon wealth or education or family or financial power.

We still find inspiration for the work before us in the old spirit which meant achievement through self-reliance—a willingness to lend a hand to the fellow down in his luck through no fault of his own. Upon those principles our democracy was reborn a century ago; upon those principles alone will it endure.

FEDERAL DEPOSIT INCORPORATION LAW

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPENCE. Mr. Speaker, I am sure we now almost unanimously agree, irrespective of party, the Federal deposit incorporation law has been most constructive and its splendid results have been demonstrated day by day since its enactment. It will be interesting to know the views of Governor Landon of Kansas, Republican nominee for President, on the important principle of guaranty of bank deposits.

In his speech delivered for him by Henry W. Koeneke, bank commissioner of Kansas, before the State bank division of the American Bankers' Association at the seventeenth annual meeting, held in Chicago, Ill., on September 6, 1933, and published in the Commercial and Financial Chronicle bank-division section in its issue of September 23, 1933, he said:

THE NECESSITY OF A STRONG STATE BANKING SYSTEM WITHOUT A DEPOSIT GUARANTY

(By Alf. M. Landon, Governor of Kansas—Read by Henry W. Koeneke, bank commissioner of Kansas, Topeka)

HENRY W. KOENEKE: Mr. Chairman, ladies, and gentlemen, the Governor asked me to express to those present and to the officers of this division his sincere regret in not being able to appear and deliver this address himself. He stated to me that he was more keenly disappointed than probably anyone here. With your indulgence and patience, I shall attempt to read his address.

Mr. Koeneke then read the address of Governor Landon, as follows:

"Chairman, friends, State bankers of America, the invitation to speak to the State bankers of the American Bankers' Association was a pleasure to accept. When urgent matters within my own State made it necessary to cancel this engagement I was probably more keenly disappointed than anyone.

"Each one of you, as a State banker, must inevitably be interested primarily in one thing—and that is the bank guaranty. There is little need to use time in introductory remarks. I am ready, as all of you are, to plunge into one matter that is foremost in all our minds.

"There is nothing particularly new in the features of the Glass-Steagall banking bill that relate to the guaranty of bank deposits. Deposit guaranty has been tried by eight States, and in every case has proven to be a complete failure. In Kansas it failed to pay the depositors of the banks who, we are warranted in assuming, relied, at least to some extent, on the guarantee of the State when they deposited their money. In our State it failed to the miserable tune of $7,000,000. In Iowa the fund is now $17,000,000 in the red.

"All of these States have paid dearly for experimentation with the fallacious principle of guaranteeing bank deposits. These experiences should be sufficient to prove that the principle is wrong, the cost prohibitive and leads to one inevitable end, namely, bankruptcy. There is no excuse whatever for trying it again, and I quote from Senator GLASS' own speech on inflation—changing but one word—using guaranty for bank deposits instead of inflation, in which he cites so pertinently the value of experience.

" 'The history of guaranty for bank deposits has been recited. Bacon, the wisest philosopher since Christ, the author of the inductive system, from which we have drawn all of our inventions, valued experience.

" 'Patrick Henry, the great advocate of human liberty, said that his feet were lighted by the lamp of experience.

" 'Yet here today we are flying right in the face of human experience, rejecting it all.'

"I believe Senator GLASS recognized this fact when he said in a speech on the Senate floor in a discussion of his bill, that it was too costly for the Government of the United States to stand behind and guarantee the deposits of the customers of the banks of the Federal Reserve System. By the same token, if it is too costly for the greatest financial power in the world, the Government of

the United States, in my judgment it is also too costly for the banks of this country.

"What hope can there be that a guaranty of the deposits of the member banks of the Federal Reserve System will be any more efficacious, workable, and satisfactory to either the banks or their customers than the guaranty systems attempted by the different States for the State banks?

"Can it be said that the national banks are any more free from the use of unwise and selfish political influence than the State banks? Can it be said that their examination is any more efficient than the different State banking systems? The answer is found in the long list of national banks whose doors are closed.

"I realize that interested parties have often given the impression that the national system excelled the State systems in efficiency, but I do not think a careful examination of records will reveal a foundation for such a theory. I do not believe there is anything in the management of the Federal Reserve System to warrant this assumption and on which to predicate the expectation that the guaranty principle will work for member banks of the Federal Reserve when it did not for the State bank.

"Bank commissioners, comptrollers of the currency, and bank examiners, both National and State, too often have been—under both Republican and Democratic administrations—political appointees and their jobs, to too great an extent, spoils to be dispensed for the political benefit of the party or clique in power. In May the American Banker published the account of removal of a chief national-bank examiner of Chicago for that district, and charged that it was done at the demand of the Democratic and Republican Senators from Indiana, Michigan, Iowa, and Wisconsin.

"Senator GLASS himself, in a speech made on the Senate floor, charged that the Federal Reserve System has been 'the door mat of the Treasury'; that it had been subjected to the influence of whatever administration was in power. In a speech on the inflation bill he said, 'I object to the first section of the bill because, as I said yesterday, it creates the Federal Reserve Bank System into a servile agency of the Treasury Department.'

"Let us examine some of the arguments that have been used in favor of the bank-guaranty plan contained in the Glass bill. It has been said that it will force the banks to cooperate more closely to prevent unsound banking. I think CARTER GLASS himself has used that argument. Is he ignorant of the fact that that argument was used in Kansas a quarter of a century ago? Is he unaware of the fact that events proved conclusively in Kansas that the argument is not worth wasting breath on?

"One more point: The bankers, who are to be assessed to establish a fund to guarantee the deposits of their customers, do not have a single thing to say about what banks they shall or shall not guarantee There is no place in either the national or the States system where the bankers themselves, as individuals, can have anything to say about their business.

"As Governor, I have to name the members of the drug board from a list elected and submitted to me by the State association of druggists. The same thing is true of the dental board, the undertakers, and the farmers, but nowhere do the bankers have any opportunity of expressing themselves as to who shall pass on the man that they will have to guarantee.

"Is there anything in the Glass bill that will utilize the wide knowledge of the successful bankers now in the business, in order to keep dishonest and imprudent men forever out of the banking business? Not a word; not a suggestion is made therein which would give the bankers, whose stockholders have to pay the enormous losses that are bound to come in the natural course of events; nor a word or a weapon or a means or a method of protecting themselves.

"I don't want to bore you gentlemen with statistics, but I do want to give you two figures to remember. The total capital, surplus, and undivided profits of all of the banks in the United States averaged for the year ended July 1, 1929, in a statement prepared by R. N. Sims, secretary-treasurer of the National Association of Supervisors of State Banks, is given at $5,573,901,340. During the depression years—1929, 1930, 1931, and 1932—the deposits of failed banks were $3,355,863,000. In other words, the deposits in the failed banks, which would have had to be paid off had a guaranty plan been in effect, were 60 percent of the total capitalization of all of the banks in the United States at the height of the boom. (The latter figures of deposits of failed banks is from the 1932 report of the Comptroller of the Currency.) The capitalization available for assessment to pay off these depositors would have been reduced by the amount of the capitalization of the banks that failed, as, of course, that capital was wiped out. These figures are not immediately available.

"I am aware that the guaranty plan provided for in the Glass bill provides for a substantial capital for the corporation which is to guarantee the deposits, but I know from 25 years of experience and from the dictates of common sense that the capital of that corporation will not be a drop in the bucket, and part of that capital comes out of the network of the banks that operate under the plan. I am aware that it is planned for this corporation to borrow money with which to pay losses; I am aware that there would be recoveries from the assets of the failed banks, but experience in eight States that tried bank guaranty will convince any reasonable person that it cannot work. These experiences show convincingly that the operation of any guaranty plan which gains its resources from a levy on the capital of the good banks will wipe out that capital in a very, very few years.

"Bank failures have been numerous, and the State banks of Kansas, as well as other surrounding States, have been laboring to get out from under the burden of ill-fated guaranty laws passed following the panic of 1907. They have been paying for the misdirected efforts and misguided judgment of a small minority of their fellow bankers. Ask any State banker of Kansas, Nebraska, or Oklahoma what he thinks of deposit guaranty and he will tell you in no uncertain terms. It is definitely the wrong way to approach bank reform.

"The future of the American people lies to a considerable extent in the hands of the men in this room insofar as you represent the State banking system. There is no question in my mind but that the guaranty of bank deposits is a greater blow to the ultimate welfare of the American people than the wildest inflation of the currency could possibly be. Certainly no currency inflation could be more completely destructive and devastating to a people than it was in Germany, but the German people and the German resources are still there. After the holocaust of an incredible inflation such as no one believes President Roosevelt even contemplates was over the German people had a bank structure to turn to as a keystone of the arch of such economic stability as they have been able to rebuild.

"In my judgment the guaranty of bank deposits, if carried out in this country to its logical conclusion, will completely destroy the entire banking system of the Nation. That destruction must inevitably be accompanied or followed by the most extreme inflation of the currency. When the final day of reckoning comes there will be no financial structure whatsoever to which to turn or on which to rely as a fulcrum for whatever lever statesmen may devise to begin the great task of reconstruction.

"Senator CARTER GLASS, who, in spite of his present advocacy of bank guaranty, is one of the most sincere opponents of that policy that I know of anywhere in the world, said in his speech delivered at the Democratic Convention in Chicago, as quoted in the New York Times of June 30, 1932:

" 'A guaranty plank in our platform would create anxiety, would cause disturbances within our ranks, and would raise up opposition to our party in November, which I regard as entirely unnecessary. The guaranty of bank deposits has been tried in a number of States and resulted invariably in confusion and disaster to the financial structure of those States, and if our party, when returned to power, should incorporate such a scheme in the Federal organization we would drive the strongest member banks from the Federal Reserve System. These strong banks should not be assessed to pay a premium for mismanagement.'

"Senator GLASS was right when he said the guaranty of bank deposits would create anxiety. It has done that very thing. It has dried up what little credit there has been, for both the National and State banker are preparing to meet their changed situation when the law goes into operation. I have a letter from a banker in Louisiana, from which I quote:

" 'We have been running banks for 25 years and have always met every demand. No depositor has ever lost a cent. We went through the national holiday. Opened 100 percent and have gained around 30 percent in deposits since, in spite of practically all the bigger banks around us totally restricted and the press carrying everything that could be found to be a detriment to a State bank. This convinces us that if you run a bank right and let the people know it and keep their confidence that you need no guaranty of deposits. We think this guaranty feature is doing more to keep the banks upset and retard recovery than anything else. Take us, for instance. We have plenty of cash. Not borrowing. Never have, and we could be making loans and functioning in a normal manner; but until it is decided what we have to do we are holding cash and Government bonds and assuring ourselves that we cannot be forced to close by a run precipitated by the press propaganda criticizing banks and leading the people to distrust banks in general. We know others are doing the same thing.'

"The American people have had a difficult time trying to develop a satisfactory banking system, and today, by reason of unhappy events of the last few months, together with the shocking revelations of manipulators of great wealth, the banking system of this country has lost what freedom and, to some extent at least, the confidence of the public it heretofore possessed.

"I would be out of place were I to advise you as to whether or not you should withdraw from the Federal Reserve System in order to protect the investment of capital entrusted to you by your shareholders and depositors to the best of your ability.

"Senator CARTER GLASS prophesied that the stronger banks of the country would leave the Federal Reserve System if bank guaranty were adopted. I wonder if the Senator explored all the possibilities of the things that might occur if an attempt were made to force bank guaranty, which in its present form is nothing but a capital levy on the stockholders of well-managed banks to pay the losses of poorly managed banks.

"I have wondered that if bank guaranty is forced on the strong banks of the country would they not reduce their capital to the lowest possible amount in order to come out from under the threat of a capital levy. Such a plan would further endanger the depositors; but as trustees for your shareholders are you not bound to consider such a course, and would you not be justified in doing so, with the depositor given the protection of deposit guaranty for whatever it might be worth?

"Until recent times I have felt rather sure than there should be a unified system of banking throughout the United States, provided that such a system did not mean that it was economically impossible for a little bank to exist in the villages and near the farms, where so many millions of our people live and need intelligent bank service. But now I believe the State banking systems may prove, after all, to be our greatest salvation.

"One thing is certain, gentlemen—in this particular I can speak better for Kansas than for the Nation as a whole: Great as has been the hardship resulting from the losses of bank failures in Kansas today, there would not be a Kansas worth speaking of had there never been a State system of banking.

"I do not believe our country is old enough; I do not believe it is densely enough populated or highly enough developed that we can yet afford to crush out of existence the little bank. I do not believe we can afford to adopt a system that will restrict bank development of the more unsettled portions of the country that would result from the abolishment of our State banking system.

"I have no word of advice to give you as to what course you should pursue individually, except that I advise you to do your duty as you find it to be, just as precisely and as honestly and as courageously as you possibly can. Perhaps the time has come when all the little banks should be crushed out of existence. Perhaps the time has come when unification of the American banking system should be required, regardless of the cost. Perhaps I am all wrong in all of my conclusions, and selfish and unwise political influence will not hereafter to any important degree be given any consideration by a Comptroller of the Currency and a Secretary of the Treasury, or a man who desires to get a job as a national bank examiner through political friends. Perhaps I am totally in error in thinking that Mr. Farley, the Postmaster General and political manager of the Democratic Party, has no other thought in his mind but to eliminate politics in every way, shape, and form from the administration of the banking system of this country. But I do want to tell you gentlemen this:

"Some of the most conservative bankers in Kansas—heads of some of our largest national banks—have asked me if they could get State charters quickly if they should decide they want them. I have been glad to assure them, and I am glad to have you or anybody else interested know what my answer is: If their banks are good and clean and liquid they can get State charters very quickly.

"I do not make this offer in an effort to influence any national bank to surrender its national charter and join the State banking system. This is what I said to bankers whom I could name, who are the heads of some of our best and largest national banks.

"The responsibility of deciding what shall be done if the tragedy of bank guaranty should actually be reenacted on a national scale lies, thank God, with you and not with me.

"The next significant chapter in American banking history will be written by the bankers of the country when they decide, in the light of their trusteeship to both stockholders and the public, what their course will be if Congress refuses to repeal the section of the Glass bill guaranteeing bank deposits.

"I am wondering if Senator GLASS was correct when he said 'The adoption of this guaranty plan is going to drive the strongest member banks from the Federal Reserve System.' Therefore, if the State banks organize to break this erroneous principle of the bank guaranty, they will be doing a real service. The hands of the national bankers may be tied.

"The American people, as I have said, are not afraid of experiments. They dare to make radical changes in their ideas. They are not frightened when they make mistakes, but unhesitatingly drop erroneous policies and programs whenever they fail and adopt new ones. Because this is true, and because the severities of this depression prove this to be an epoch when revisions of ideas and purposes must be made, I have suggested a legislative program to Kansas that, if adopted, will, in the opinion of the bankers who have studied it, give Kansas the soundest and strongest State banking supervision in America.

"My thought is that if our banking ills are ever to be corrected, we must get a new conception of banking, both on the part of bankers and public officials. Compared to the central purpose, all other banking reforms are a waste of time. Do that one thing and the details of needed alterations in our banking system will take care of themselves.

"I cannot escape these conclusions. First, that this country needs, paramount with anything else, a banking system that makes the earnings and savings of the people safe. We have not had the highest possible degree of safety.

"Second, it is financial suicide to have a unified system of banking until we can be absolutely certain that that system will be free from partisan political and selfish financial group or clique domination—a system set up on sound banking principles without regard to the day-to-day or year-to-year exigencies of governmental finance.

"This country has not had the right kind of financial leadership. The day of accounting for our financial stewardship has come. You men here today, representing our great American banking system, filled with a desire to reawaken public confidence in the trusteeship of the savings of American people, must face the challenge honestly and fearlessly. We all realize that the great bulk of bankers, from the village cashier to the head of our largest institutions, are honest and conservative. The difficulty has been that a few strong men, unscrupulous and with a total absence of the moral responsibility of a banker toward his depositors, have gone promotion crazy, seeking big profits by taking the banking business into the speculative investment field. The house has tumbled down on this practice, and because of our complicated economic situation the effect has been to demoralize otherwise sound financial institutions.

"For the first one-third of our national history this country was largely dominated by agriculturalists. For the second one-third it was largely dominated by industrialists—great builders and developers of railroads. For the last one-third, to a large extent, by financiers. You, and all independent bankers in this country, are going to pay, and pay dearly, for the unwise banking practices that have permitted the Insulls and others free rein. The innocent will suffer with the guilty. These manipulators of great wealth, elevated to places of responsibility in our great financial institutions, have sponsored huge bond issues in our industrial and utility fields; plucked out their paper profits of excessive bonds or stocks and financed the entire load by subsequent sales of securities to the public. The overloading by the greedy and unscrupulous lords of financial juggling has been too heavy for honest business to carry, dividends have stopped, and our banking system is facing loss of confidence because in too many cases bankers were involved in the profit-taking manipulations.

"Nor are the skirts of all country bankers clean. A country banker who takes a commission from a promoter on stocks peddled to his depositors is a first cousin to the city banker who sells the bonds and keeps the stock.

"The present situation cannot be corrected by freak legislation or false and unsound assurance to the people, such as a gesture toward a guaranty of deposits. The real remedy lies in a quick return to honest, sound, and conservative banking principles, entirely freed from unwise and selfish political influence. You bankers must have the courage to fight the modern menace of security manipulation, even if it means the temporary loss of vast accounts. When bankers quit placing a premium on obtaining the accounts of modern Robin Hoods who seek to rake off millions of unearned profits for stock by financing and as directing heads of industrial promotion or utility operation, we will have traveled a long way on the road of regaining public confidence. Stocks acquired at a dollar a share or less in return for service supposedly rendered draw as much dividend as similar stocks sold on the public market, and in the end the result of the whole will be collapse, as every banker knows. It is time for bankers to have the courage to warn their depositors against such investments.

"I believe it is a safe assertion to say that the American public cannot be swindled in a wholesale way if our bankers will return to their old-fashioned responsibility of warning and cautioning John and Jim against investments that are not based on physical value as well as earning capacity. Physical value without earning capacity offers no return. Earning power without physical value is as treacherous as quicksand. From bitter experience we have found that such earnings too often have been based on intricate and complicated refinancing and an unnatural temporary business expansion.

"I believe our American bankers are individually facing this situation frankly. But it is difficult for one banker to become the old-fashioned town financial adviser and have another catering to groups offering higher returns on investments. It is necessary to face this problem collectively and the banker who deviates from his clear path of duty should be ostracized from banking organizations. Place a premium of respectability on old-fashioned honesty and American public confidence will be yours, as it was of old.

"As I see the situation, the Government's first part in sound banking is to permit the building of a strong central banking organization, nationally or in the States, and to free the banking system from shifting political conditions. A change in our political administration should not mean a change in our banking-system heads. Such men should come from banking service and remain as bankers and not as political guessers. This is a constructive change.

"In line with these views I have offered a banking bill to the Kansas Legislature. With the detail of the bill I will not bore you and for those details I hold no particular brief. I hope they jar the bankers of my State enough that they will at least make some intelligent suggestions about legislation. For, make no mistake, the public is not going to be satisfied with conditions as they are and have been. The banker who is satisfied with the system as is will find that if he does not help make a constructive and sound program one will be written for him. Guarantee of deposits did not come on us all at once. It came in response to the dissatisfaction of the people with the present conduct by the bankers of the banks of this country. It will not be repealed in a hurry.

"Slight as is my regard for this and some of the other provisions of the Glass-Steagall bill, I must say in its defense that it probably would not have been passed had the bankers offered a sound and constructive legislative program in an attempt to solve our unsatisfactory banking situation. As I have said, I will not go into detail with reference to the proposed new Kansas banking bill except to say that it creates a banking board with seven members, and the broadest possible powers are given the board. The board must name the bonds which banks may buy and the out-of-State correspondents which they may have. The board is to supervise personnel and policies, and determine capitalization,

as well as conduct the auditing and evaluation of assets, that has so stupidly been considered adequate supervision in the past.

"The first board is appointed by the Governor, and the majority must be bankers. Terms are for 4 years, and the board nominates a number of persons from whom the Governor must appoint their successors, thus giving us a continuity of personnel and banking policy which in time should have a very vital effect on the building up of a strong State banking system. The board can remove any officer or any director of any bank. Protection to the State against abuses of the power given the board lies in the fact that any legislature can amend or repeal the law. For the details of this bill, let me repeat, I hold no particular brief. For the principle that the supervision of banks in Kansas must in the future be so managed that they will not fail by the dozens, I will do battle.

"In effect, in this country we sing the praise of regulation and then shrink from legislating the regulatory board all the power and teeth necessary to do a good job. Either the principle of regulation should be abandoned or the necessary power should be provided to do the job. The legislature meets every 2 years, and is the answer, I repeat to those who fear this power, for if it is unwisely or negligently or selfishly handled with ulterior motive the legislature can correct the abuses.

"In my mind there will never come a time when existing conditions will erase the necessity for independent country banks, correctly operated. Any measure, whether it be National or State, that attempts to stamp out State banks and State banking systems is doing a direct injustice to the people themselves. I do not view this as a fight involving the bankers alone. I believe that it is to the interests of the people to see that, in Kansas, State banks continue to exist and function properly, offering the credit facilities and other services which they have been offering since the pioneer days when Kansas was but a Territory.

"In the face of the Banking Act of 1933 the perpetuation of State banking rests with the State bankers. Obviously, the solution resolves itself down to the creation of sufficient public confidence in State-supervised institutions so that the Federal deposit guaranty, in competitive cases, will cease to be a deciding factor.

"At the present time it is a well-known fact that national banks, operating of necessity in line with the policy of the Federal Reserve Board in Washington, cannot possibly take care of the many legitimate credit needs of our small-town businessmen, our wheat farmers, and our cattlemen. The Federal Reserve Board frowns on cattle loans, loans on farm machinery, loans on stocks of merchandise, loans on personal integrity—loans of every character, in other words, that are based on local security. This type of credit is a type that must be maintained if Kansas and Kansas people are going to continue to prosper and to progress as they have in the past. Unquestionably, it is safe to assume that the same principle applies to all of the country's great agricultural States and rural areas.

"The proper regulations, effectively enforced, for the purpose of building up our State banking system, offer the State banker an opportunity to take advantage of the mistake made through the guaranty feature of the Banking Act of 1933. It will be necessary to first reform the Federal Reserve before attempting to unify the banking systems of the country. The law as it now stands is placing the 'cart before the horse.'

"Talk about guaranteeing bank deposits is but political salve to a wound that needs a business caustic. The principle of guaranty is not the answer, because relaxing of vigilance on the part of bank officers is the inevitable psychological effect.

"The guaranty of bank deposits is the start of a vicious circle that is ruinous to depositor and stockholder alike. When five sound banks must pay the loss of one rotten one the drain on the five necessarily impairs the strength of the five. One of them breaks under the strain and the remaining four are weakened by the added strain, and so on. In Kansas and Nebraska many sound banks crumpled under the strain of repeated assessments; if the losses of the guaranty fund had been paid in full, no one knows whether any bank would have remained open. Even a fish cannot live indefinitely by nibbling at its own tail."

Mr. Speaker, it is evident if Governor Landon had been President during the banking crisis of 1933 there would have been no Federal deposit insurance law. All his experience was opposed to such a law. Kansas had tried the insurance of bank deposits and had failed. Therefore, says the Governor, at all times and in all places it must be a failure. To attempt any such experiment would be flying in the face of all experience.

Bacon the philosopher, the author of the inductive system, valued experience. Patrick Henry said he had no lamp to guide his feet but experience, and Governor Landon was guided by the experience of Kansas and Iowa. That experience was conclusive to him. The Federal insurance of bank deposits was beyond the narrow compass of his economic philosophy. We naturally wonder what he would have done in the great banking crisis which his party caused and which President Roosevelt and the Congress met so promptly, so courageously, and so successfully.

The SPEAKER. The time of the gentleman from Kentucky [Mr. SPENCE] has expired.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that I may incorporate the speech in full in my extension of remarks.

The SPEAKER. Is there objection?

There was no objection.

RECOVERY AND TAXATION

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, all economic students have agreed, and the new Congress convening in 1933 found, that it was the fall of values, prices, and wages, taking away or reducing the earnings of the people and destroying their buying and consuming power that caused the panic or depression. And all economic students have likewise agreed and the new Congress in 1933 likewise found that a recovery from the panic required a rise of values, prices, and wages as necessary to restore earnings and income and the buying and consuming power of the people.

ONLY SURPLUS EARNINGS IS CONSUMING POWER

It is only surplus earnings or income over taxes, debts, and fixed charges which constitutes and measures the power of the people to buy, take, or consume the products of farm, factory, mill, and workshop, the failure or destruction of which paralyzed industry and brought the panic upon the country. And any policy of increasing taxes which reduces the surplus income further destroys or impairs the buying and consuming power of the people and retards, slows down, postpones, or makes recovery impossible of attainment.

RECOVERY CALLS FOR A DIFFERENT POLICY OF TAXATION

This brings us face to face with a different policy of taxation, even more vital, necessary, and imperative than the principle of the ability to pay, than the equal burden of taxes—a different and discriminating policy to be observed under a program for economic recovery.

It is evident that tax reduction upon the common masses of the people has the same effect upon their income for use as buying and consuming power as increasing wages or restoring employment. But it is plain that a policy of taxation that encroaches upon or reduces the surplus of earnings or income over taxes, debts, and fixed charges to the extent of the amount increased will hinder, defeat, or delay the program of recovery and postpone the realization of relief.

TAX REDUCTION THE SAME IN EFFECT AS A RISE OF WAGES OR RESTORATION OF EMPLOYMENT

Under this principle, tax reduction becomes as vital and necessary for recovery as a rise of wages or restoration of employment and makes an increase of taxes upon such common consuming power as a loss of employment or fall of wages. It is for this reason that a different policy of taxation must be observed and adhered to as a part of a recovery plan. And without such policy followed, recovery is menaced and jeopardized and normal prosperity hindered and delayed.

This policy of taxation compels a discrimination between one class of taxpayers with little or no surplus income over taxes, debts, and fixed charges, and another class of taxpayers with ample surplus earnings and income not needed or used as consuming power.

TWO CLASSES OF TAXPAYERS

There are two general classes of taxpayers: First, the many, the masses, the multitude, who take earnings and income barely sufficient, or generally insufficient, to pay taxes, interest, and fixed charges and to buy, take, and consume the necessaries, the conveniences, and comforts of life which industry produces. If more taxes are taken from this class, the less earnings and income will remain as a surplus and as buying and consuming power. And they can buy, take,

and consume less of the products of industry. Industry will languish and stagnate for want of sufficient consumption.

The other class of taxpayers includes the certain special few who take earnings and income from industry far in excess of taxes and fixed charges, and which leave a large surplus over, far in excess of their needs and requirements to buy and consume the necessaries of life and what industry produces. Increasing taxes upon this class, the certain special few, will not affect or impair or reduce their buying and consuming power below their needs and requirements to live, because the certain special few do not have the stomachs to eat the food, do not have the bodies to wear the clothes, do not have the lives to live up production, do not have the capacity to consume what industry produces, equal to their surplus earnings and income.

A SALES TAX

A sales tax is not a tax levied upon the principle of ability to pay; it is a tax levied upon the necessities of life, and it cannot be borne by the middle classes while burdened by the payment of other taxes. Another and additional tax levied now upon the middle classes of the people, another property direct or indirect tax, another sales transaction or income tax, would be the straw to break the camel's back and would be killing the goose that laid the golden egg.

There is no tax plan or system more complex, confusing, and less understood in the minds of the people of the country than sales or transaction taxes, and which can more plausibly be urged not only upon the confiding and unsuspecting people but upon many honest leaders of men.

A sales or transaction tax is a tax so mixed, mingled, and confused, so hidden, covered, and concealed in the increased price of the vital necessities of life, that a galling, burdensome tribute can be levied upon and collected from the people without the knowledge of a tax imposed, and while the people are left groaning from its crushing weight. A sales or transaction tax is not only a tax in gross violation of the principle of the ability to pay and every policy of just taxation, but its most vicious part and effect is the exemption of the rich from their just burdens of the Government.

A TAX UPON THE VITAL NECESSARIES OF LIFE

A sales or transaction tax is a tax upon the vital necessaries of life required by the common masses to live. It is, in fact, a tax upon the right of the many, the masses, to live, and reduces their earnings and income by the amount of the tax imposed. It is for this reason alone that a sales or transaction tax is invariably and always urged upon Congress by those who represent the great fortunes, and whenever new or additional taxes are proposed, and who seek to protect great wealth and riches from the payment of an equitable share of the tax burden.

It is for these reasons that increasing taxes upon the vital necessaries of life used by the common masses of the people operate to reduce their surplus earnings and still further destroy or impair their power to buy, take, and consume the products of farm, factory, mill, and workshop. And of all taxes levied or imposed under any principle or policy of taxation, a sales tax, whether gross or net sales tax, is a tax upon and reduces consumption and will even more reduce surplus earnings and retard, delay, and postpone the progress of economic recovery.

WHAT BLANTON'S 12 COUNTIES, SEVENTEENTH DISTRICT, HAVE RECEIVED FROM GOVERNMENT SINCE 1933

Mr. BLANTON. Mr. Speaker, on the 21st of May I received permission to extend my own remarks with some quoted data in the RECORD, but I only had time this morning to get them ready. I ask leave to date them today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman whether they contain any extraneous matter outside of the things that he has prepared himself?

Mr. BLANTON. They are the same remarks that the gentleman from Pennsylvania questioned me about at that time, to embrace certain quoted data.

Mr. RICH. And that was to be not more than two pages?

Mr. BLANTON. The quoted data was four pages. I received permission then, on May 21, to insert four pages of excerpts.

Mr. RICH. That is quite a lot to insert in the CONGRESSIONAL RECORD.

Mr. BLANTON. That is what the gentleman said at that time, but I deem it necessary. My request now is that I may date same today instead of May 21.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[From RECORD of May 21, 1936]

EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I was going to prefer a request for a special order, but the majority leader does not want any more special orders today and I will conform to his desire. So I ask unanimous consent to extend my own remarks and to embrace some data illustrative of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BLANTON]?

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like to know how much data the gentleman is going to put into the RECORD?

Mr. BLANTON. It will be such data as is needed to be illustrative of my speech.

Mr. RICH. About how many pages of the RECORD will it take?

Mr. BLANTON. The data I will quote will consume only about three or four pages.

Mr. RICH. That is a good many pages.

Mr. BANKHEAD. Mr. Speaker, the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BLANTON]?

There was no objection.

Mr. BLANTON. Mr. Speaker, this has been a most strenuous session. It has flayed the nerves of everyone. During this Seventy-fourth Congress 11 of our colleagues in the House, including our beloved Speaker, and 5 Senators have prematurely passed away, largely caused through nerve-wracking overwork. It has been most trying and exacting on us all.

Before we convened last January I spent much of December helping to hold hearings here in Washington on appropriation bills. I worked Christmas, New Year's, Sundays, holidays, and until midnight in my office every night to attend to my official duties and to keep up with the growing demands of my big district.

I have not belonged to any club, or played any golf, or attended any game of baseball, or gone to any races or to any of the other numerous entertainments in and around nearby Washington that are a constant attraction. I did not have time to see Walter Johnson throw the dollar across the Rappahannock. I have worked, worked, worked, denying myself all pleasures.

HAVE SACRIFICED PERSONAL INTERESTS

I have been so busy, Mr. Speaker, I have not had time to think of a campaign for reelection. I have assumed that if I would stay on the job, and would actively and conscientiously perform my work well, my constituents would take care of me on election day. I have diligently worked with but a single purpose, and that was to be of some real, lasting benefit to my constituents and my country. I have shirked no responsibility.

ACTIVE UNDERMINING ENEMIES AT WORK

Appointing postmasters is purely an executive function of the President. It is no part of the duties of a Congressman. But because the President's shoulders have been overburdened with serious affairs of state, he has had Democratic Congressmen to nominate "temporary" postmasters "to act" until the postmaster is chosen through the "regular civil-service examination." He did not expect us to nominate a political enemy. When he makes an appointment he holds no election but appoints one of his friends. He expected me to select one of my friends.

THOSE DISAPPOINTED TURN AGAINST YOU

All the applicants cannot be appointed. Only one is chosen. With a few worthy exceptions, the balance become enemies. No matter how fair you are, or what you have done for them in the past, or the trouble you go to in giving their application just consideration, most of the unsuccessful ones never forgive you, and will spend their time and money trying to defeat you, and would support anyone against you. You select one, no matter how fairly, and most of the other 39 applicants immediately become your everlasting enemies.

QUALIFICATIONS FOR OFFICE NOT CONSIDERED

I have learned recently that disappointed applicants are now scouring my district against me, abusing and vilifying me. In the last campaign they were singing my praises. They eulogized me then and said I was most worthy and well qualified. Now they bemean me. Now they and their relatives condemn me. Qualifications as a Congressman are ignored. Experience is not considered. Ability to serve legislatively is brushed aside. The welfare of the district is forgotten. Their uppermost thought is, "He nominated another, punish him." They do not remember the Biblical injunction, "Vengeance is mine, saith the Lord; I will repay"; but adopt the slogan, "Get BLANTON!" "Down him!" "Away with him!"

TEN TO FORTY APPLICANTS FOR EACH POSTMASTERSHIP

Numerous applicants, mostly my supporters, made the selection a most difficult problem. I could nominate only one. It was almost impossible to choose between them, select one, and turn the balance down, with all well qualified. My Abilene office was full of constituents daily to see me on official duties. During the past 2 years I have given all of my time to my constituents. I have done no private business. I had many offers of law business, but refused every case. I had time only for my congressional duties.

TWO METHODS OF SELECTING TEMPORARY POSTMASTERS

When I could arrange to leave the office I would hold elections. When my numerous appointments with constituents living far distant from Abilene prevented my leaving to hold elections, I would submit the matter to a committee of local friends who were unrelated to the applicants, and have them choose the temporary postmaster. I pursued that method at Albany, where my committee of 10 high-standing citizens were unanimous in their selection.

NOT AN ELECTION, BUT PREFERENCE OF FRIENDS

The President selects thousands of appointees for numerous offices. None are elected. The President does not elect but selects them. In acting for the President in nominating a temporary postmaster I am not required to hold an election. I am asked to make a selection. Since my supporters, however, are responsible for my being in office, and if it had not been for their votes I would not have to nominate temporary postmasters, I have felt that where I could arrange to get away from my office that long, that I should allow my supporters in each town who were patrons of the office, to express their preference in making the selection. Every farmer who lives in my district knows beyond doubt that I am his loyal friend, that I respect him, appreciate him, and will do just as much for him as any man living in a town or city, but he does not vote when a mayor is selected. He does not vote when city aldermen are selected. He does not vote when city school trustees are selected. The postmaster serves only the town. The people living in the country are served by rural carriers. In Moran the county lines of three other counties are within 3 miles of the post office. Rural routes go twenty-odd miles over into adjoining counties of Callahan, Eastland, and Stephens. At Cross Plains it is only a few miles over into the counties of Eastland, Brown, and Coleman, and rural lines from Cross Plains post office extends about 20 miles into counties not in my district.

INVITATIONS EXTENDED ONLY TO PATRONS OF POST OFFICE

For the above reasons, when asking my supporters to meet me, the notice I would put in the newspaper would request "my friends living in the town"—that is, within, say, the city limits of Cross Plains or Moran, who were patrons of the post office there—to meet me and express their preference for temporary postmaster. I held no mass meeting. I merely called my friends together, who were patrons.

In fairness to all applicants, there had to be some rule. If one citizen out of the town living on a rural route were allowed to vote, all rural route citizens likewise would be entitled to vote. Hence, but for the rule there would be hundreds of citizens not in my district, and not my constituents, living in Brown and Coleman Counties, voted for a postmaster for Cross Plains. From the post office in Mineral Wells, rural routes went many miles into the counties of Parker, Tarrant, and Archer, not in my district.

FAIR AND SQUARE TO EVERYBODY

In every election I made it plain that only a "temporary" postmaster was selected, to act only until the postmaster could be appointed by the President through "a regular civil-service examination." In every case I had the applicants themselves choose the tellers, usually three local ministers, who counted every ballot, and themselves announced the results. I counted no ballots myself. No one kin to me counted any ballots. My friends would vote until one applicant received a majority of the votes. After an applicant received a majority, in every case his or her election was made unanimous by those present.

SOME TEMPORARY POSTMASTERS FAILED ON EXAMINATION

In several instances the one selected as temporary acting postmaster failed on the civil-service examination and did not get on the eligible list, and the civil-service eligible was appointed postmaster.

CIVIL-SERVICE RULES CONTROLLED ABSOLUTELY

I helped to pass the law that gives every ex-service man a 10-percent advantage as an applicant for all positions. I have seen to it that every applicant who was an ex-service man was given a 10-percent advantage in his civil-service ratings. A World War veteran at Mineral Wells who stood first on the civil-service list on examination won out over the temporary postmaster who had been selected in an election and who is a splendid gentleman and well qualified.

The acting postmaster at Blackwell lost out. The acting postmaster at Gorman was unsuccessful. I have seen to it that all rules of the United States Civil Service Commission, which itself is most active and zealous in upholding strictly all of its regulations, and all of the rules and regulations of the Post Office Department, have been strictly complied with and adhered to with respect to every appointment, and that every applicant was allowed to take the civil-service examination and given an equal chance to get on the eligible list. There were 22 applicants took the civil-service examination for one postmastership. No civil-service rule has been violated in any case.

ORGANIZING THE DISGRUNTLES

During my enforced absence here, nearly 2,000 miles away from home, attending to my official duties, my Eastland opponent has spent several months trying to organize every disappointed applicant for postmaster in the district against me. He appealed to one he could not organize. Mrs. Eva M. Wilson, a splendid woman at Hamlin, tied Mr. Bonner there for first place on the first ballot and was defeated only a few votes by him on the second ballot. Yet she is not disgruntled. The following is her reply:

HAMLIN, TEX., *April 28, 1936.*

Judge C. L. GARRETT,
Eastland, Tex.

DEAR SIR: I hasten to reply to your letter of the 27th, because I do not wish to be misunderstood or misjudged for a moment.

I am a friend and supporter of our present Congressman, Hon. THOMAS L. BLANTON. I do not agree with you that his method of selecting postmasters was undemocratic; really, it was the most democratic plan that could have been employed. Of course, since it was the prerogative of the Congressman to recommend applicants, he would naturally want his friends to vote their choice if he were using this plan.

I certainly am not a disgruntled applicant, and it is unthinkable that I would withdraw my support—not that it amounts to

much—on account of not having secured the appointment of postmaster here.

Judge BLANTON has honesty and courage, industry and seniority, and his friends are confident that he will be reelected by a large majority.

Yours very respectfully,

Mrs. E. M. WILSON.

A VERY HIGH CLASS LOSING APPLICANT AT MORAN

MY DEAR MR. BLANTON: Mr. Meredith and I, and many other friends, like you better because we know you were fair in dealing with the post-office appointment. We feel we know you better, and realize more than before your value in Congress, and we will do our part in keeping you where you are as long as you will condescend to accept.

I am, sincerely, your friend,

SARAH MEREDITH.

From the letter of an Eastland friend, I quote:

A former aspirant for postmaster here, Mrs. C. C. Robey, who formerly was your enthusiastic friend until Jones got the appointment, worked hard for 2 weeks organizing a Garrett for Congress Club. Her efforts to take over the county convention were promptly vetoed. She led her followers to the other courtroom and they are working now to pull off a big Garrett blow-out on May 18, when Garrett is to announce his platform.

From the letter of another Eastland friend, I quote:

Your old friend, Si Perkins, who entertained you in his home during the last campaign, is mad because he was turned down and Frank was appointed postmaster. He has a petition at his lumberyard getting signers for Garrett. He furnished some of the lumber and shingles to provide seats for about 2,000 expected at Garrett's opening campaign speech in front of the courthouse on the 18th. But the "expected crowd" didn't materialize. It looked like rain, so they went up in the ninety-first courtroom. The meeting was a flop. Garrett's manager is J. W. Cockrill, who runs the newspaper at Gorman, and who was so badly beaten for the legislalature in the last primary. The entire time was devoted to personal attacks on you, which disgusted many there. Garrett's speech was pitiful. He had no platform. He had not one constructive proposal to offer. He mentioned just one thing he favored, and I wrote it down. He said: "I strongly favor a liberal and adequate old-age pension, preferably paid by the Federal Government, and though some of my best and closest friends advocate the Townsend plan, I have not found my way clear to run on it."

Clyde knew that you had helped to pass in Congress a law providing that if Texas would pay $15 the United States would pay $15, or as much of same as Texas would pay, which would give a person 65 years old $30 per month, and would give an aged man and wife $60 per month, but that the Texas Legislature had not provided the money, and because of Texas' failure to do its part some of the aged people will not get their full pension authorized by Congress. That is the reason Clyde said he preferred it all paid by the Federal Government, when he knew that was impossible. The politicians at Abilene, whom you have defeated for district judge and Congress, are Clyde's spiritual advisors, and they got him to straddle the fence on the Townsend plan, as they could see its downfall coming. So the Townsendites are going to back a man from De Leon. They don't like the way Clyde treated them. He drew up their petitions for their Fort Worth lawyer last November, which were circulated over the county, and after they were signed Clyde sent them to Washington and then laid down on them. Please send me a copy of the letter Clyde wrote you about it last January. Some of the audience were amused when Clyde said he didn't want them to consider it his "opening speech", which he will make at Sweetwater.

The letter said friend wanted a copy of is as follows:

C. L. (CLYDE) GARRETT,
COUNTY JUDGE, EASTLAND COUNTY,

HON. THOMAS L. BLANTON, *Eastland, Tex., January 21, 1935.*
Washington, D. C.

DEAR JUDGE: Sometime during the month of November an attorney from Fort Worth came to this county and made several talks favoring the Townsend old-age-pension plan and urged our people to secure all signatures possible to petitions urging you, Senators CONNALLY and SHEPPARD, to support the plan. I drew up a dozen or more petitions, and they were circulated over the county, and some 3,000 signatures were secured on them, and at the request of this attorney I mailed them on January 9 to Senator CONNALLY and requested him to call your attention to receipt of them.

As I stated to Senator CONNALLY in writing him, I cannot say that I am altogether sold on the Townsend plan, for there are several features about it which I do not like. * * *

With best wishes and kind personal regards, I am,

Yours very sincerely,

C. L. GARRETT, *County Judge.*

It was well known that in January 1935 I made the first speech in Congress against the Townsend plan, asserting that it was a scheme to get a large sum of money out of aged people, who could little afford to lose it, and that the plan was impossible, was unconstitutional, was misleading the aged people, and a fraud upon their rights. We now have the proof before Congress that Dr. Townsend told his man Clements that there was "millions in it" for them, and they have admitted that they have taken over $1,250,000 from the pockets of the aged poor people of the United States without a possible chance to give them anything whatever in return for it.

From the letter of a prominent citizen of Ranger, I quote:

I think Clyde Garrett is to blame for fooling the old people of Eastland County. If he hadn't fallen for Townsend's Fort Worth attorney, and hadn't drawn up the dozen or more petitions that were circulated over Eastland County that Clyde says secured 3,000 signatures, and if Clyde hadn't let that Fort Worth attorney use him in sending those petitions to Senator CONNALLY, the old people of Eastland County would not have been defrauded out of their money. When Clyde wrote you on January 21, 1935, he was then trying to hedge politically, as he had learned of the unanswerable speech you had made against the Townsend plan, and he realized that he had "pulled a boner." Then Clyde threw them over and deserted the Townsendites. I never could understand how Congressman MCGROARTY could support Dr. Townsend or introduce a bill for his Townsend plan or act for Dr. Townsend in Congress. I would like for you to mail me another copy of the letter MCGROARTY wrote you in 1935.

The following is the letter referred to:

WASHINGTON, D. C., *February 3, 1935.*

HON. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: I learn with deep regret indeed that rumors have reached you to the effect that I am engaged in efforts to undermine you in your district, with the avowed purpose of defeating you in the next election.

The rumors are utterly without foundation. I have never made such efforts and would not be guilty of them. In the first place, it would be an impertinence on my part, and certainly it would not be to my credit.

From my observation of you in the House of Representatives since I became a Member of that historic body I am free to say that your district is most effectively represented by you. All of your colleagues and mine whom I have met regard you as one of the most useful men in the Congress of the United States, which is my own opinion of you.

I do not hesitate to say that, in my judgment, your defeat in your district at the next election, or any succeeding election, would be a serious loss not only to your constituents but to the Nation itself.

Please accept the expression of my high esteem and good will.

Faithfully yours,

JOHN STEPHEN MCGROARTY.

That was written by one who knew I was fighting hard to defeat his Townsend bill.

A friend from Callahan County writes:

When you refused to appoint Roy Kendrick temporary postmaster at Clyde you made him hot as a wolf. He has been campaigning the county against you. He influenced a resolution signed by H. W. Ross, Jr., who that day had just been made county chairman, succeeding your friend Jackson, who resigned. Said resolution falsely states that you ignored civil-service rules, and a lot of other lies about your appointing acting postmasters, and your enemies are going to publish it in all the newspapers.

From a loyal Cisco friend I quote:

Oscar Lyerla, of Flatwood, has just been appointed county chairman in Conner's place. His first official act was signing a statement as county chairman asserting that you would call a mass meeting and then refuse to allow 75 percent of the post-office patrons to vote, and that when you selected a postmaster you entirely evaded and ignored the civil-service law requiring the postmaster to be selected from the three who made the highest grades on examination. This is going to react against Clyde Garrett, for Eastland County people won't stand for such an injustice, as many know this resolution is not true. In the first place, you did not call a general mass meeting, but only your supporters, and fully 95 percent of the ones who came voted. In the second place, you did not evade or ignore civil-service rules, as you were selecting only a temporary postmaster, and the postmaster was chosen from the eligible list of the three highest examined, who were certified by the Civil Service. Garrett and his friends are arranging to print Lyerla's resolution in all the papers in your district.

Another good friend writes:

Judge, I hope you won't think there is no gratitude in Eastland County. After you have given us three new post-office buildings—at Cisco, Eastland, and Ranger—and the great consideration you have shown our county in the enormous amount of Federal money expended here, I am ashamed that a bunch of disappointed applicants for postmaster would conspire together in trying to defeat you. I am a strong lifelong friend of Clyde Garrett. I have voted for him every time he has run for office, and he has been holding county offices here ever since he was grown. He won't get my vote this time, because I think he has overstepped himself. He is deliberately giving up the office the people gave him and is trying to take away from you the one the people gave you. He has gotten

so fat, lazy, and indifferent holding county offices all of his life that in Washington he wouldn't be worth a cent to the people, even if he were qualified, which he is not. All of us neighbors of his realize full well that he is not congressional timber. Clyde has a disappointing awakening coming to him on July 25. He can then reduce his hat band several inches.

I quote from another friend:

Illustrative of the falsehoods being disseminated against you by one of Clyde Garrett's supporters named L. R. Pearson, who is a lawyer at Ranger, I enclose you clippings from several newspapers in your district where said Pearson falsely asserted that you are in favor of canceling all of the foreign debts, when all of us know that you have made a consistent, uncompromising fight against canceling same. You will note also that at this late date, after you have been in Congress 20 years, Pearson and Garrett are trying to criticize your record as a district judge, when all of us who served on your grand juries and your petit juries know that you made the best district judge we ever had. In the last few days I have heard numerous old-timers say they have often wished they had you back on the bench to preserve order and expedite business.

THE BRASS-BAND MOTORCADE TO SWEETWATER

From a much-appreciated letter I quote:

I will vote for you in the July primary for the first time. I accompanied Oscar Chastain and his brass-band motorcade through your district in July 1934, and in each town we stopped they claimed Chastain would carry Eastland County solidly. The election was an eye opener to me, for you got a majority over Chastain in every voting precinct in Eastland County.

I attended Clyde Garrett's brass band motorcade rally at Sweetwater on the night of Friday, May 29, and heard your enemies make the same claim about carrying Eastland County solidly that I heard Chastain's friend make, and I remembered what happened to Chastain. I hoped Garrett would offer something constructive. The entire meeting was a mudslinging affair. Not a speaker ever told one thing that Garrett could or would accomplish if elected. All of them used their time attacking you. Verily Garrett was surrounded with character assassins, and most of the people present were thoroughly ashamed and disgusted.

We expected Garrett to announce his platform, as this was advertised as his opening speech. Garrett disappointed even his best friends. He offered no platform of any kind. His whole speech was an attack on you. He gave you credit for having an enormous lot of power, for he said you had removed Postmaster Shields before his 4-year term had expired. He also asserted that Mrs. Thelma Howard Bowen is a Republican. Please send me facts about these two assertions. I took down one thing Garrett said about his indebtedness, and I quote it word for word. Garrett said: "Some 5 or 6 years ago it was reported in my home county that I took bankruptcy. I had lost money; I owed $82,000; I called my creditors together and turned over everything to them, including my Eastland home, and I moved my family to my farm some mile and a half in the country." I happen to know that the reason Clyde Garrett kept his farm was because of its acreage, exempt from debts under the law and its possible oil value under it. I don't understand how any man still in debt can be spending so much money on a campaign. Where do you suppose he is getting it? Garrett owed a lot of money if he owed $82,000.

THE REPUBLICAN AND DEMOCRATIC POSTMASTERS AT SWEETWATER

The Republican postmaster, Mr. Dan Shields, took charge of the Sweetwater post office on March 31, 1931. He held it more than 4 full years. President Roosevelt was inaugurated on March 4, 1933. Instead of removing Shields immediately, as Republicans invariably do, he allowed Shields to remain postmaster until May 1, 1935, so that Shields held it from March 31, 1931, to May 1, 1935, more than 4 years.

PRESENT POSTMASTER WAS COMMENDED BY PRESIDENT WILSON

I wonder how many ladies in my district have a letter written to them by Mrs. Woodrow Wilson thanking them for selling a painting and donating it to President Wilson's campaign in 1912. I wonder how many have a letter from President Woodrow Wilson himself, written in 1912. The present Democratic postmaster, Mrs. Thelma Howard Bowen, is the proud possessor of such letters. Before her marriage she was Miss Thelma Howard. I quote the following from the Sweetwater Daily Reporter of April 10, 1935:

I have in my files a copy of a letter which in 1912 Mrs. Woodrow Wilson wrote Thelma Howard, then a little girl, addressing her as "My dear little friend", and thanking her for her action in selling a painting and sending the President the money as her contribution to the Democratic national campaign. She made an additional contribution in Woodrow Wilson's campaign fund, for in my files is a copy of the following letter written to her just after the election by President Woodrow Wilson, to wit:

TRENTON, N. J., *November 15, 1912.*

Miss THELMA HOWARD,
Sweetwater, Tex.

MY DEAR LITTLE FRIEND: I cannot tell you what gratification that it gives me that you should think of me. Your letter has given me a great deal of genuine pleasure, and I hope that as the years go on you will continue to feel that I am the sort of man you would like to support and keep as your friend.

Cordially and faithfully yours,

WOODROW WILSON.

The following will show how this present postmaster, Mrs. Thelma Howard Bowen, gave her money, her time, and her efforts in doing everything that it was possible for one woman to do in helping Franklin D. Roosevelt to be elected President in 1932, and no one has any just right to criticize President Roosevelt for appointing her:

ABILENE, TEX., *October 18, 1932.*

Mrs. THELMA HOWARD BOWEN,
Box No. 786, Sweetwater, Tex.

DEAR MRS. BOWEN: As national Democratic campaign chairman for the Seventeenth Congressional District of Texas, I am appointing you as cochairman for Nolan County, to work with the Democratic county chairman as organizer for your county. We do this in recognition of the valuable services you have already rendered our cause, and we know that you will render some very efficient and valuable work for the Democratic Party between now and the November election. Mrs. John Perry, of Sweetwater, Tex., is a member of the executive committee for the Seventeenth Congressional District, and I would suggest that you get in touch with her and render her all assistance possible in the organization of Nolan County. It is the purpose of our executive committee to organize every precinct in every county, and for that purpose a woman's committee composed of a cochairman and two other members has been deemed advisable. I would suggest that you select two other workers to work with you as members of your committee and furnish me with the names of the coworkers.

Assuring you that we will appreciate any service that you can give us and with best regards,

Yours truly,

R. W. HAYNIE, *Chairman.*

An Erath County friend writes:

Hardin spoke to 4,000 people at the Stephenville barbecue at 11 a. m. May 30. Clyde Garrett spoke that afternoon on the courthouse lawn and, while a record crowd was in town, only about 150 people heard him. He presented no platform, but his entire speech was attacks on you. He disgusted his hearers. He had a man with him passing out cards showing that Garrett had held county offices practically all of his life. He said he would come back and bring some friends with him.

A splendid citizen who used to serve on my Eastland juries writes:

I enclose you a picture of a sign with "Garrett for Congress" placed over our courthouse door. What lawful right has Garrett to do this? I also enclose you a newspaper clipping showing that J. B. Hart, who was employed on January 26 as "assistant to county judge" at a salary of $75 per month, has had his salary increased to $100 per month, with increase dated back to begin April 15. Who ever heard of a "county judge assistant" before? That is something new. We taxpayers are paying for the time Garrett is absent campaigning over the district. I am glad you are on the job in Washington attending to your duties, so that we taxpayers don't have to pay for an "assistant Congressman." Clyde Garrett has had some pictures made with him coming down the Capitol steps at Washington and of his Sunday-school class, and has been trying to get the newspapers to publish them. He will learn that it is much easier to walk down the Capitol steps than to walk up. I believe also he will learn that it doesn't pay to try to mix religion with politics. He has been trying to get invitations to preach in pulpits and to speak in prayer meetings.

A friend from Fisher County a few weeks ago wrote:

Clyde Garrett filled the pulpit twice last Sunday. If he is trying to be elected on religion, there would be a hundred preachers in your district better qualified. I agree that a man in Congress ought to be religious, but he needs some other qualifications.

A few weeks ago a friend in De Leon wrote:

Clyde Garrett came to De Leon Thursday night and made a talk before the men's Bible class group.

A Sweetwater friend writes me:

Garrett gathered no moss here. The people expected a dignified discussion but heard only abuse and mudslinging. Garrett admitted that 5 years ago he owed $82,000 and turned over to his creditors all of his property except his farm. I guess it had potential oil value—why he picked it as exempt from debts. If he could get in debt $82,000 in Eastland, I am afraid to send him to Washington.

REFUSED TO ANSWER CONSTITUENTS

From Sweetwater, dated June 3, Mr. John F. Toland, whose address is 131 Alamo Street, writes:

When Mr. Clyde Garrett announced for Congress I wrote him on February 16, asking him to advise me whether or not he was supporting the Townsend plan. Mr. Garrett did not answer. On April 10 I wrote him another letter, asking for his Townsend

views, and this one he also ignored. When he spoke here last Friday night I found out why he ignored my letter. He is riding the fence. A man who straddles the fence before going to Congress will straddle it after getting there.

SECOND BRASS-BAND MOTORCADE

I have just received the following report:

The motorcade trip to Stephenville this afternoon was a complete failure, notwithstanding Garrett carried a brass band, a lady tap dancer, a lady poem reader, and his gang of boosters; very small crowds everywhere; those present showed disappointment and little interest, many leaving at each place before meeting was over. If Garrett went unaccompanied, he could not attract any attention anywhere. One man remarked, "Clyde couldn't get recognition in Washington, because he couldn't carry his brass band, tap dancer, and poem reader with him." It is becoming amusing about his "opening speech." He claims that he hasn't yet made it.

Another Eastland County friend writes:

Clyde Garrett and his "promoters" are becoming very active and are spending lots of money. Where it is coming from no one knows, as Garrett is broke. It must be outside money from somewhere. Clyde now has a new car, with complete sound amplifier equipment, and a large supply of numerous kinds of cards, posters, hat bands, stickers, and every kind of expensive campaign material imaginable. Somebody is furnishing him plenty of money. He has employed an expert newspaper man to advertise him.

You will learn of many ingrates when you get home. Your friend, R. E. Sikes, whom you put in a good job, is working overtime for Garrett. Tom Overbey, E. E. Wood, and V. V. Cooper to whom you were unusually kind, and had them appointed to handle the farm census, the main office of which you established at Eastland, are all fighting against you for Garrett.

Before July 25 comes I want you to furnish the people a statement showing all of the money you have caused to be expended in your district during the past 2 years. I know that it must be an immense sum. It will be an answer to the false charge your enemies are making that you haven't accomplished much.

Another letter just received advises:

Clyde Garrett is arranging to take his brass band and tap dancing side show accouterments on a trip to Moran, Albany, Lueders, Avoca, Stamford, Hamlin, and Fisher County. He is spending money like he was a millionaire. When 6 years ago Garrett owed $82,000 and had to give his property over to his creditors we cannot find out who is financing him.

Dr. Townsend's organizers have raised a big campaign fund to spend against you, but they have another candidate and wouldn't spend any of it on Clyde, as he double-crossed them, and they have had enough of him. While I heard that Hopson's eastern holding companies are spending money against you, because you voted for President Roosevelt's utility bill, I believe that none of the local utility companies in your district are unfriendly toward you, and I don't think they are fighting you.

Clyde Garrett has not yet announced a platform and has not yet made a single constructive proposal, but he and his henchmen are devoting all of their time in attacking and mudslinging you. The people generally are becoming disgusted with him and his malicious method of campaigning.

Mr. Speaker, I have many scores of letters similar to the ones I have quoted. I am nearly 2,000 miles away from my district. It is not fair or just that others should finance campaigns against me and then have their candidate in my absence misrepresent my record and the facts. I am a part of this Democratic administration, and the things for which I am being attacked are a part of the business of said Democratic administration which it has sanctioned and approved, and in its defense I have the right to give the facts as they exist and not allow anyone to mislead my constituents by misrepresentations.

HAVE STOOD AGAINST WASTE AND EXTRAVAGANCE

No man in Congress will deny that I have uncompromisingly fought against all waste and all extravagance, and all will admit that I have fought always for a balanced Budget. When I am unjustly attacked I have the right to let my constituents know what those in authority here say about my work. Congressman CLARENCE CANNON, of Missouri, who is the chairman of the committee that handles appropriations for the Department of Agriculture, who is the author of the Revised Rules and Precedents in 12 volumes, who is one of the greatest parliamentarians who has ever served in the House of Representatives, and who will be parliamentarian for the National Democratic Convention at Philadelphia, said the following (CONGRESSIONAL RECORD):

Mr. CANNON. Mr. Chairman, no reference to the personnel of this Congress would be complete without mention of the other of the two brilliant Texans to whom I have just referred. It has been my privilege to serve in various capacities on the floor of this House for 23 years this month. In that time I have observed no Member who has rendered abler or more conscientious service than the gentleman from Texas, Judge BLANTON. In the legislation which he has supported, in the legislation which he has opposed, and especially in the vast sums of money which he has saved the Federal Treasury, no Member of the House in the last quarter of a century has surpassed the wise and courageous and resourceful gentleman from Texas [THOMAS L. BLANTON]. [Applause.] And speaking in behalf of the people of my State—and expressing, I am certain, the sentiments of those of every other State in the Union—I desire to thank the citizens of the Seventeenth District of Texas for sending Judge BLANTON here and keeping him here all these years. His services to the House and to the country have been invaluable. [Applause.]

STATEMENT OF HON. CRANDAL MACKEY, FORMERLY COMMONWEALTH ATTORNEY OF VIRGINIA

BLANTON has blocked more bad legislation than any other Member. Nothing escapes his vision.

He has put through more good legislation than any other Member.

BLANTON is always in his seat when Congress opens. He is always first to arrive at a committee meeting, and always knows, to the greatest detail, every matter that comes up for consideration.

There is no man in Congress more familiar with parliamentary laws, practices, and procedure, and BLANTON uses this knowledge often with surprising results. BLANTON knows more ways for obstructing and defeating bad legislation than any Member of the House. His achievements along that line would fill a big book. He is the terror of the Treasury raider.

With BLANTON everything is open and aboveboard. With him candor is the courage of the soul. To know him is to hold him in the highest esteem and respect. Few men in public life are as unselfishly working for the good of others. His example is exalting and inspiring to those who seek honesty and purity in public and private life. His influence in Congress has steadily grown until he is now one of its most powerful leaders.

WHAT BLANTON'S WORK HAS MEANT TO HIS DISTRICT

As requested by my constituent, I am going to mention some of the things I have secured for my district.

POST-OFFICE BUILDINGS

I have had new post-office buildings constructed at Sweetwater, Coleman, Cisco, Abilene, and Breckenridge. I have secured a new post-office building for Eastland, with site purchased, and contracts now being let for construction. I got obstacles removed that were holding back a building for Stephenville, which Congressman LANHAM had gotten authorized, and have had that new post-office building constructed at Stephenville. I have had appropriated the money for a site and new post-office building at Ranger, with all preliminaries cleared, and construction on the Ranger building is to be started this summer as soon as site is purchased. I have had Hamilton approved for a new post-office building and placed next in line to receive same. No other congressional district in the United States has received more buildings than mine.

SOLDIERS' BONUS

This was not a bonus, but adjusted pay. For fighting in foreign trenches our American soldiers received only $33 per month, while some men who stayed at home and worked in shipyards got as high as $33 per day. I helped to pass the law to adjust the soldier's pay, called the bonus, and allowed him an extra $1 per day for home service and $1.25 per day for foreign service. I helped to pass the law allowing him to borrow one-half of his certificate. I helped WRIGHT PATMAN to pass the law to pay these certificates, so that the soldiers would get the benefit of them before they died. I helped to pass the bill three times over the President's veto. We paid everybody else after the war in cash except the soldier. I voted to give him his rights.

Gen. Frank T. Hines, Administrator of Veterans' Affairs, has just furnished me with the following amounts that have been paid to World War and Spanish-American War veterans in my district by counties.

CALLAHAN COUNTY

World War Veterans and their dependents in Callahan County have received on loans and bonds $330,237, on certificates matured by death $21,878, on adjusted-service and dependent pay $4,565, on compensation and emergency officers' retired pay $264,697, on military and naval insurance $166,727, and to Spanish-American War veterans $62,648, making a total paid in Callahan County of $850,752.

COMANCHE COUNTY

World War veterans and their dependents in Comanche County have received on loans and bonds $466,882, on certificates matured by death $30,931, on adjusted-service and dependent pay $6,454, on compensation and emergency officers' retired pay $374,223, on military and naval insurance $235,715; and to Spanish-American War veterans $88,571; making a total paid in Comanche County of $1,202,776.

EASTLAND COUNTY

World War veterans and their dependents in Eastland County have received on loans and bonds $868,490, on certificates matured by death $57,538, on adjusted-service and dependent pay $12,005, on compensation and emergency officers' retired pay $696,126, on military and naval insurance $438,475; and to Spanish-American War veterans $164,759; making a total paid in Eastland County of $2,237,393.

ERATH COUNTY

World War veterans and their dependents in Erath County have received on loans and bonds $526,358, on certificates matured by death $34,871; on adjusted-service and dependent pay $7,276, on compensation and emergency officers' retired pay $421,895, on military and naval insurance $265,743; and to Spanish-American War veterans $99,854; making a total paid in Erath County of $1,355,997.

FISHER COUNTY

World War veterans and their dependents in Fisher County have received on loans and bonds $351,203, on certificates matured by death $23,267, on adjusted-service and dependent pay $4,855, on compensation and emergency officers' retired pay $281,502, on military and naval insurance $177,312; and to Spanish-American War veterans $66,626; making a total paid in Fisher County of $904,765.

HAMILTON COUNTY

World War veterans and their dependents in Hamilton County have received on loans and bonds $347,188, on certificates matured by death $23,001, on adjusted-service and dependent pay $4,799, on compensation and emergency officers' retired pay $278,284, on military and naval insurance $175,285; and to Spanish-American War veterans $65,864; making a total paid in Hamilton County of $894,421.

JONES COUNTY

World War veterans and their dependents in Jones County have received on loans and bonds $616,463; on certificates matured by death, $40,841; on adjusted-service and dependent pay, $8,522; on compensation and emergency officers' retired pay, $494,118; on military and naval insurance, $311,234; and to Spanish-American War veterans, $116,947, making a total paid in Jones County of $1,588,125.

NOLAN COUNTY

World War veterans and their dependents in Nolan County have received on loans and bonds $502,121; on certificates matured by death, $33,266; on adjusted-service and dependent pay, $6,941; on compensation and emergency officers' retired pay, $402,469; on military and naval insurance, $253,506; and to Spanish-American War veterans, $95,256, making a total paid in Nolan County of $1,293,559.

PALO PINTO COUNTY

World War veterans and their dependents in Palo Pinto County have received on loans and bonds $446,215; on certificates matured by death, $29,562; on adjusted-service and dependent pay, $6,168; on compensation and emergency officers' retired pay, $357,657; on military and naval insurance, $225,281; and to Spanish-American War veterans, $84,650, making a total paid in Palo Pinto County of $1,149,533.

SHACKELFORD COUNTY

World War veterans and their dependents in Shackelford County have received on loans and bonds $173,668; on certificates matured by death, $11,506; on adjusted-service and dependent pay, $2,401; on compensation and emergency officers' retired pay, $139,201; on military and naval insurance, $87,680; and to Spanish-American War veterans, $32,946, making a total paid in Shackelford County of $447,402.

STEPHENS COUNTY

World War veterans and their dependents in Stephens County have received on loans and bonds, $425,696; on certificates matured by death, $28,203; on adjusted-service and dependent pay, $5,885; on compensation and emergency officers' retired pay, $341,210; on military and naval insurance, $214,921; and to Spanish-American War veterans, $80,757; making a total paid in Stephens County of $1,096,672.

TAYLOR COUNTY

World War veterans and their dependents in Taylor County have received on loans and bonds, $1,031,156; on certificates matured by death, $68,315; on adjusted-service and dependent pay, $14,254; on compensation and emergency officers' retired pay, $826,509; on military and naval insurance, $520,600; and to Spanish-American War veterans, $195,617; making a total paid in Taylor County of $2,656,451.

GOOD ROADS MEAN EVERYTHING TO FARMERS

Every citizen of my district knows of the tremendous amount of Federal money I have secured for the highways in the counties of my district since March 1917. I have just secured from the Bureau of Public Roads the following data showing what has been done in my district only during the past 2 years:

Summary, by counties, of highway and grade-crossing projects programed since July 1, 1933, as of May 31, 1936

County	Estimated total cost	Federal funds	Miles
Callahan	$50,688	$50,379	7.7
Comanche	498,237	340,362	39.8
Eastland	323,400	320,464	18.6
Erath	368,749	324,812	34.8
Fisher	275,456	267,532	17.5
Hamilton	120,883	118,064	9.4
Jones	57,713	54,864	17.8
Nolan	174,522	174,514	10.5
Palo Pinto	229,427	211,739	15.8
Shackelford	24,643	23,561	3.3
Stephens	61,589	61,589	6.0
Taylor	477,333	427,044	17.8
Total	2,662,640	2,374,924	199.0

Highway and grade crossings May 31, 1936

	Estimated total cost	Federal funds	Miles
Programed, plans not yet approved	$317,064	$228,564	19.2
Plans approved, not under construction	344,533	329,511	29.6
Under construction	728,381	643,460	39.5
Completed	1,272,662	1,173,389	110.7
Total	2,662,640	2,374,924	199.0

LOANS TO HOME OWNERS

Up to May 7, 1936, loans to home owners in Texas had saved 44,343 families from being dispossessed of their homes. My office data furnished me by the Home Owners' Loan Corporation only covers the period up to January 2, 1936, and the following loans had been made in my 12 counties up to that date:

Loans closed

County	Number	Amount
Callahan	51	$73,355
Comanche	15	15,560
Eastland	125	203,179
Erath	40	60,505
Fisher	16	28,889
Hamilton	8	8,276
Jones	90	170,632
Nolan	165	349,547
Palo Pinto	52	96,163
Shackelford	15	21,406
Stephens	27	34,522
Taylor	463	1,073,217

LOANS BY THE RECONSTRUCTION FINANCE CORPORATION

Mr. Speaker, loans timely made by the Reconstruction Finance Corporation saved many banks from closing, saved and reopened many closed banks, saved many building and loan associations in which people had their savings of many years tied up, and prevented many mortgage-loan companies from failing, which would have meant disaster to many people. I have secured from Hon. Jesse H. Jones, Chairman,

authentic data respecting the amount of loans made in the counties of my district from February 2, 1932, to May 27, 1936. I am proud of the fact that Hamilton County is one of the very few in the entire United States which did not have a single loan made to it. I show now what my other counties received:

CALLAHAN COUNTY

Loans under section 5, authorized $25,500, disbursed $18,895.97; on assets of closed banks, authorized $11,000, disbursed $11,000; on preferred stocks, authorized $25,000, disbursed $24,875; purchasing capital notes, authorized $37,500, disbursed $12,500.

COMANCHE COUNTY

Loans under section 5, authorized $40,000, disbursed $40,000; on preferred stocks, authorized $25,000, disbursed $25,000; purchasing capital notes, authorized $35,000, disbursed $10,000.

EASTLAND COUNTY

Loans under section 5 authorized $361,015.43, disbursed $340,935.42; industrial or commercial business, authorized $8,000; on preferred stocks, authorized $25,000, disbursed $25,000; purchasing capital notes, authorized $58,000, disbursed $28,000.

ERATH COUNTY

Purchases of capital notes: Authorized $15,000, disbursed $15,000.

FISHER COUNTY

Loans under section 5: Authorized $67,574.45, disbursed $66,861.50; on preferred stocks, authorized $20,000; disbursed $20,000; purchasing capital notes, authorized $15,000, disbursed $15,000.

JONES COUNTY

Loans under section 5: Authorized $176,000, disbursed $176,000; on preferred stocks, authorized $100,000, disbursed $75,000; purchasing capital notes, authorized $25,000.

NOLAN COUNTY

Loans under section 5: Authorized $130,000, disbursed $85,730.25; purchasing capital notes, authorized $100,000, disbursed $100,000.

PALO PINTO COUNTY

Subscriptions for preferred stock: Authorized $25,000, disbursed $25,000.

SHACKELFORD COUNTY

Loans under section 5: Authorized $34,000, disbursed $33,694.43.

STEPHENS COUNTY

Subscriptions for preferred stocks: Authorized $75,000, disbursed $75,000.

TAYLOR COUNTY

Loans under section 5: Authorized $130,500, disbursed $129,924.25; on preferred stocks, authorized $200,000, disbursed $100,000; purchasing capital notes, authorized $25,000, disbursed $25,000.

HELP FROM FEDERAL HOUSING

Mr. Speaker, I have secured from Hon. Stewart McDonald, Administrator, the amount of activities of the Federal Housing Administration in the 12 counties of my district, which I show, as follows:

County	Modernization notes insured through Apr. 30, 1936		Mortgages accepted for insurance through Mar. 31, 1936	
	Number	Amount	Number	Amount
Callahan	30	$7,361.26		
Comanche	57	30,145.84	1	$1,200
Eastland	303	70,655.39	2	2,338
Erath	81	31,367.82		
Fisher	17	3,804.00		
Hamilton	69	44,477.97	3	6,990
Jones	57	19,636.94		
Nolan	160	36,972.91	2	5,400
Palo Pinto	83	32,060.97	3	6,950
Shackelford	18	9,742.00		
Stephens	130	27,629.39		
Taylor	102	36,899.19	7	17,895
Total	1,107	350,753.68	18	40,773

I have secured, Mr. Speaker, from Hon. Lyndon B. Johnson, State director, the amount of funds expended by the National Youth Administration in my district, which I show by counties:

June 1935 to June 1936

County	High-school aid	College aid		Work projects	Total
		Institution	Amount		
Callahan	$1,254			$1,349	$2,603
Comanche	918			1,200	2,118
Eastland	4,588	Randolph Junior	$1,350	2,494	10,457
		Ranger Junior	2,025		
			3,375		
Erath	2,244	John Tarleton Agricultural	11,475	464	14,183
Fisher	1,170			720	1,890
Hamilton	2,424			1,047	3,471
Jones	2,280			628	2,908
Nolan	2,646			4,050	6,696
Palo Pinto	2,946			1,852	4,798
Shackelford	972			220	1,192
Stephens	1,620			678	2,298
Taylor	5,130	Abilene Christian	9,315	2,986	31,966
		Hardin-Simmons	8,100		
		McMurry	6,210		
		Graduate (Hardin-Simmons)	225		
			23,850		
Total	28,192		38,700	17,688	84,580

FEDERAL RELIEF IN MY 12 COUNTIES

Mr. Speaker, I have secured from Hon. Harry Hopkins the amounts expended for Federal relief in my district from April 1933 to December 1935, which I show by counties: Callahan County, $155,620; Comanche County, $122,122; Eastland County, $591,223; Erath County, $230,588; Fisher County, $186,706; Hamilton County, $141,616; Jones County, $177,524; Nolan County, $222,879; Palo Pinto County, $298,703; Shackelford County, $66,487; Stephens County, $152,181; and Taylor County, $502,623.

CIVIL WORKS EXPENDITURES IN MY DISTRICT

I have secured, Mr. Speaker, the following amounts of Federal funds for Civil Works projects in my district: Callahan County, $48,504.23; Comanche County, $70,827.45; Eastland County, $223,428.49; Erath County, $106,531.77; Fisher County, $54,725.71; Hamilton County, $66,355.67; Jones County, $46,232.95; Nolan County, $133,829.42; Palo Pinto County, $145,397.08; Shackelford County, $47,143.76; Stephens County, $89,918.50; Taylor County, $204,770.45. It will be noted, Mr. Speaker, that while Jones County received the least for public works, it received $1,430,000 to its farmers on agricultural payments, which was far more than any other county in my district received.

WORKS PROGRESS EXPENDITURES

The approved cost, Mr. Speaker, to be paid for by Federal funds for projects in my district, furnished by the Works Progress Administration, are: Callahan County, $71,796; Comanche County, $48,960; Eastland County, $253,868; Erath County, $201,214; Fisher County, $69,434; Hamilton County, $60,207; Jones County, $83,003; Nolan County, $141,554; Palo Pinto County, $296,846; Shackelford County, $28,996; Stephens County, $67,005; Taylor County, $213,453.

ALLOTTED UNDER N. I. R. A.

The following Federal projects have been allotted under N. I. R. A.: Callahan County, $51,500; Comanche County, $14,346; Eastland County, $26,000; Erath County, $114,048; Fisher County, $61,553; Hamilton County, $29,039; Jones County, $13,917; Palo Pinto County, $37,000; Shackelford County, $26,000; Taylor County, $63,500. There is now under construction an allotment of $62,600 to Erath County, and there has been completed an allotment of $79,200 to Stephens County.

FOR NON-FEDERAL PROJECTS

There has been allotted by N. I. R. A. and E. R. A. on non-Federal projects through February 1936 to Callahan County $45,454; Comanche County, $5,727; Erath County,

$109,091; Jones County, $242,727; Nolan County, $335,154; Palo Pinto County, $226,203; Shackelford County, $33,909; Taylor County, $7,363.

ASSISTANCE BY RESETTLEMENT ADMINISTRATION

I have had verified, Mr. Speaker, by Hon. R. G. Tugwell, Administrator, the amounts of loans, grants, and adjustments made in my district by his Resettlement Administration, and I give the correct amounts by counties:

Total loans by Resettlement Administration (as of May 11, 1936)

County	Number of farmers to whom loans have been made	Amount of approved loans	Unpaid balance
Callahan	345	$78,964.16	$34,000.19
Comanche	189	54,259.77	19,313.94
Eastland	340	149,424.15	51,725.76
Erath	275	75,919.74	26,471.43
Fisher	207	85,761.17	28,829.69
Hamilton	115	40,802.89	13,680.48
Jones	143	55,935.59	19,165.57
Nolan	192	46,673.85	18,467.61
Palo Pinto	124	49,003.35	13,629.78
Shackelford	27	8,087.07	3,287.60
Stephens	44	11,854.99	4,685.27
Taylor	165	55,454.59	21,057.28
Total	2,200	712,141.32	254,314.60

Total grants (as of May 11, 1936)

County	Number of farmers to whom grants have been made	Amount of grants made
Callahan	167	$9,667.00
Comanche	118	6,387.00
Eastland	236	14,060.75
Erath	130	6,853.00
Fisher	65	3,775.00
Hamilton	119	5,735.00
Jones	57	2,919.00
Nolan	111	6,426.00
Palo Pinto	34	2,575.00
Shackelford	32	1,870.00
Stephens	26	1,386.00
Taylor	95	4,958.00
Total	1,199	66,611.75

Total farm-debt-adjustment cases (as of May 1, 1936)

County	Total number of cases	Cases adjusted	Original indebtedness	Debt reduction	Taxes paid	Number of acres affected
Callahan	11	9	$36,434	$10,614	$658	1,071
Comanche	15	1	1,400			266
Eastland	16	14	4,574	2,039		1,072
Erath	40	28	66,020	19,053	3,390	5,844
Fisher	22	11	30,525	90	2,991	1,945
Hamilton	11					
Jones	18	8	33,765	2,240		1,430
Nolan	15	5	20,745	20	631	692
Palo Pinto	5	3	406		56	150
Shackelford	9	2	7,385	1,693	222	369
Stephens	2					
Taylor	30	18	53,142	8,168	3,143	5,046
Total	193	99	244,396	43,917	11,091	17,885

AGRICULTURAL HELP TO FARMERS IN MY DISTRICT

I have secured, Mr. Speaker, from Hon. Henry A. Wallace, Secretary of Agriculture, the amount of rental and benefit payments made to farmers in my district on cotton, wheat, corn-hogs, and peanuts, and to stockmen on cattle, sheep, and goats to March 31, 1936, which I give by counties, namely:

CALLAHAN COUNTY

Payments on cotton, $257,920; wheat, $22,231.63; corn-hogs, $18,687.12; peanuts, $7,677.24; cattle, $125,758; sheep, $4,068; goats, $410.20; total in Callahan County, $436,215.89.

COMANCHE COUNTY

Payments on cotton, $265,833.64; wheat, $22,482.58; corn-hogs, $55,379.91; peanuts, $66,305.36; cattle, $130,504; sheep, $11,016; goats, $3,649.80; total in Comanche County, $555,171.29.

EASTLAND COUNTY

Payments on cotton, $116,957.06; corn-hogs, $37,566.12; peanuts, $51,503.98; cattle, $128,940; sheep, $106; goats, $450; total in Eastland County, $335,523.96.

ERATH COUNTY

Payments on cotton, $287,614.21; corn-hogs, $28,293.90; peanuts, $12,335.34; cattle, $146,220; sheep, $6,526; goats, $1,218; total in Erath County, $482,207.45.

FISHER COUNTY

Payments on cotton, $954,097.55; corn-hogs, $13,275.53; cattle, $103,478; sheep, $4,922; total in Fisher County, $1,075,773.08.

HAMILTON COUNTY

Payments on cotton, $304,834.14; wheat, $4,122.47; corn-hogs, $13,909.79; cattle, $101,859; sheep, $10,808; goats, $2,219; total in Hamilton County, $437,752.40.

JONES COUNTY

Payments on cotton, $1,317,770.82; wheat, $11,830.50; corn-hogs, $24,199.56; peanuts, $2,630.60; cattle, $71,423; sheep, $2,154; total in Jones County, $1,430,008.48.

NOLAN COUNTY

Payments on cotton, $483,080.61; wheat, $5,746.40; corn-hogs, $7,520.81; cattle, $108,658; sheep, $31,900; goats, $4,041.80; total in Nolan County, $640,947.62.

PALO PINTO COUNTY

Payments on cotton, $79,799.37; wheat, $4,349.18; corn-hogs, $29,797.53; peanuts, $796.14; cattle, $92,861; sheep, $1,118; goats, $399; total in Palo Pinto County, $209,120.22.

SHACKELFORD COUNTY

Payments on cotton, $77,784.25; wheat, $8,545.33; corn-hogs, $4,778.90; cattle, $82,035; sheep, $5,662; total in Shackelford County, $178,805.48.

STEPHENS COUNTY

Payments on cotton, $33,337.81; wheat, $12,637.08; corn-hogs, $11,540.13; peanuts, $1,408.20; cattle, $81,773; sheep, $2,814; total in Stephens County, $143,510.22.

TAYLOR COUNTY

Payments on cotton, $874,203.32; wheat, $16,736.09; corn-hogs, $28,038.45; cattle, $144,150; sheep, $11,534; goats, $1,103.20; total in Taylor County, $1,075,765.06.

EMERGENCY CROP AND DROUGHT LOANS TO FARMERS

Mr. Speaker, I have had Gov. W. I. Myers give me the correct amounts that have been loaned to farmers in my district between January 1, 1933, and September 30, 1935, and I show same by counties: Callahan County crop and feed loans to 659 farmers $45,925, drought loans to 67 farmers $4,887; Comanche County crop and feed loans to 847 farmers $64,675, drought loans to 448 farmers $49,032; Eastland County crop and feed loans to 1,137 farmers $84,245, drought loans to 182 farmers $12,167; Erath County crop and feed loans to 346 farmers $22,809, drought loans to 861 farmers $82,499; Fisher County crop and feed loans to 1,056 farmers $145,832, drought loans to 430 farmers $46,446; Hamilton County crop and feed loans to 217 farmers $19,190, drought loans to 363 farmers $39,508; Jones County crop and feed loans to 781 farmers $92,310, drought loans to 206 farmers $18,457; Nolan County crop and feed loans to 545 farmers $66,260, drought loans to 234 farmers $61,630; Palo Pinto County crop and feed loans to 121 farmers $7,275, drought loans to 81 farmers $6,796; Shackelford County crop and feed loans to 124 farmers $10,625, drought loans to 24 farmers $1,698; Stephens County crop and feed loans to 383 farmers $28,410, drought loans to 36 farmers $3,295; Taylor County crop and feed loans to 33 farmers $34,040, drought loans to 95 farmers $10,465. Mr. Speaker, I feel sure the farmers of my district appreciate this timely help from the Government.

SOIL CONSERVATION

In demonstration work the Soil Conservation Service has expended $117,764.64 on farms in my district. During the coming year I have been promised a C. C. C. camp for Fort Griffin, to improve the park there; a camp for Cisco, to improve their lake park; and a camp for Comanche County, which I am hoping to have located at De Leon.

SPLENDID WORK DONE BY C. C. C. CAMPS

The camp at Mineral Wells, the one at Stephenville, the one at Buffalo Gap, and the one at Sweetwater have all done splendid work. I have not been able to get the amounts of Federal funds expended on these camps, but it amounts to quite a large sum.

ADMINISTERED BY PRESIDENT OF THE UNITED STATES

All of the money spent under all of the foregoing activities were administered by the President of the United States as the Chief Executive of the Nation. He selected his own agents, who employed every official. He wanted to keep the matter out of politics, hence selected his own agents and employees. Congressmen had nothing whatever to do with selecting employees. All of us realize that there have been waste and extravagance. It is the result of men in whom the President placed confidence not being loyal to him. The President had to depend upon the advice of Governors and of high party officials in the States in selecting his personnel, and with such a large army of employees it is but natural that there was waste.

MUST GET BACK TO NORMALCY

We must get back to normal conditions, quit spending money, and balance the Budget. As one member of the Committee on Appropriations, I pledge my best efforts in the next Congress, should I be reelected, of fighting against all wasteful money spending, and balancing the Budget. While I did not agree with much of the spending that has gone on during the past 3 years, I did see to it that my constituents in my 12 counties received their fair share of all money expended.

THE LATE ROBERT M. LA FOLLETTE

Mr. WITHROW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered on June 14, 1936, at the grave of the late Senator Robert M. LaFollette, at Madison, Wis., by by colleague the gentleman from Wisconsin [Mr. SAUTHOFF].

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WITHROW. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered June 14, 1936, at the grave of the late Robert M. La Follette, at Madison, Wis., by Representative HARRY SAUTHOFF, of the Second Congressional District of Wisconsin:

Mr. Chairman, ladies, and gentlemen, I deem it a real privilege and an honor to have been chosen to speak on this occasion. I do so with no hope of adding anything of value to what has gone before, but with a profound feeling of gratitude that I should be permitted to render service, however humble, to this cause. I appreciate that any mere words of mine are rather futile to adequately express the great life to which we here do reverence and the noble cause to which this man dedicated that life. The subject of our meeting and all that he stood for merits our attention, and that attention should be devoted to remembrance of him and his cause for the older generation and instruction and inspiration for the younger generation. Nothing we can do here will add one single solitary thing to him or the great progressive principles, but in assembling here and paying this tribute and in recalling the great cause for which he fought all through his eventful life we do honor to ourselves.

EARLY YEARS

Eighty years ago today our departed friend was born in the humblest of surroundings, of sturdy pioneer stock, reared on a farm at a time when farmers were truly "hewers of wood and drawers of water." At an early age he knew what it was to trudge through the rain and the snow and the wintry blasts to district school, to saw and split wood, to haul water, to care for the stock, and do the thousand and one chores which are necessary on a farm. He knew what it was to plant the seed, hopes, and aspirations of a growing crop, and the joy and satisfaction of a harvest realized. He knew the dire necessity of poverty, the scarcity of money, and the self-denial of deprivation—all these things made him a son of the soil, kept him close to the common people, a human touch that endeared him to everyone and which he never lost up to the day of his death. No matter what great honors were bestowed upon him, and he received everything it was in our power to give him; no matter how wide his fame spread, and it became international, the common people were still just Tom and Bill and John to him, and he was still Bob to them. Pretense and hypocrisy and sham had no part in this man's life, and they were so foreign to his nature that even when worn by others they dropped away in his presence. This is one of the real tests of a strong character.

EDUCATION

His struggle for an education was no less difficult than the earlier struggles on the farm. Of slight stature, he taxed his physical strength to the utmost to pursue his studies. As a student at our State university his record was an exceptional one. He not only achieved marked distinction in his academic work but as an orator won first place as a representative of the university in the State collegiate oratorical contest, and as a representative of Wisconsin again won first place in the interstate contest held in Iowa. This achievement gave him considerable prominence and made him a hero among his fellow students. When he had finished his academic work he took up law, teaching district school while pursuing his law studies. In 1880 he was admitted to the bar and decided to run for the office of district attorney for Dane County. As he himself says in his autobiography: "I was as poverty stricken a young lawyer as ever hung his shingle to the wind. I had no money, but as fine an assortment of obligations and ambitions as any young man ever had."

PUBLIC LIFE

Opposed by the political bosses, who considered this young man an upstart, our friend began that long fight against boss rule and machine politics which he waged relentlessly until death stilled his hand and silenced his tongue. His record as district attorney for Dane County was such an outstanding one that he was reelected without opposition to succeed himself.

At the age of 29 years Bob La Follette became a Member of the House of Representatives, in which body he served with distinction for 6 years. The experience at Washington confirmed his impression that bossism and machine politics control public office and public officials and that this control was used for special privilege and not for the public welfare. He felt deeply that public office was an opportunity for public service and not a license for private profit. It was during his last term in the House that Bob La Follette drew Nation-wide attention to himself in a masterful address on the tariff, which he delivered in reply to the speech of Minority Leader John G. Carlisle, a great Kentuckian, who later became Secretary of the Treasury. As a result of this speech, he was placed on the powerful Ways and Means Committee, the most important committee in the House.

FIGHT FOR REPRESENTATIVE GOVERNMENT

There now began the long struggle with bossism and machine politics that put the iron into La Follett's soul. For 8 long years he fought ceaselessly, tirelessly, and persistently to take the control of public affairs from the hands of self-seeking politicians and put it where it belonged—into the hands of the people. He had unerring faith and confidence in the honesty and integrity of the great mass of people if they could only be informed. La Follette knew that machine control is based upon misrepresentation and ignorance. Democracy is based upon knowledge. It is of first importance that the public shall know about their Government and the work of their public servants.

"Ye shall know the truth and the truth shall make you free." This he always believed vital to self-government. He realized more than any other man in public life in our State that the great avenues of public information were owned and controlled by special interests that misrepresented the facts to the people in order to serve their own selfish interests. To free the great mass of our people from this type of dominance and to let them see clearly and to think out their own problems, La Follette canvassed the State morning, noon, and night, speaking to the people everywhere—on the streets, in the country stores, in the fields—giving them the facts and showing them the true situation. A candidate for Governor in '96 and '98 he saw his delegates taken from him through bribery and corruption, which was done so openly and flagrantly that the people finally swept him into office overwhelmingly in 1900. We now find our friend in the highest position of power and influence in the State, but still fought ruthlessly and relentlessly by those who had received special favors under every administration.

POLITICAL REVOLT

Let me point out for a moment the political movements that culminated in 1900 with the election of La Follette for Governor. Wisconsin political life was dominated by two great interests—the railroads and the lumber barons. They elected Governors, legislators, judges, and county officials, and they elected only those who served their selfish interests best. There had been an uprising against this dominance some 30 years before, known as the Granger movement, which was a protest against railroad dominance. The sturdy New England pioneer and those who had come from Northern Europe and settled in Wisconsin thought as they plowed and they reasoned out that all their labors and their hardships went for naught, because the railroads controlled the transportation of their products. This uprising led to the election of one of their number, a farmer, in 1874, as Governor. Governor Taylor attempted to regulate the railroads, but his authority and that of the State was defied by Alexander Mitchell, president of the Chicago, Milwaukee & St. Paul Railroad Co., who made the brazen statement: "They now have their judgment; let's see them enforce it."

All of the great resources of special privilege were now thrown into the fight, and Governor Taylor, a broken man, was relegated to oblivion, yet he has left a far more commendable name and record than those who opposed him.

Some years later, another pioneer stepped into the arena to cross swords with these powerful forces, a simple, direct, earnest, and sincere man, who struggled valiantly for many years against overwhelming odds.

"Plain, modest, without guile, patient, lovable, tender-hearted, his whole life was so simple, so unselfish, so humble, that he was sometimes underrated. He feared nothing except to do wrong. He made his way indifferent to abuse and misrepresentation."

In writing the Wisconsin history of Progressivism, the name of Assemblyman A. R. Hall must stand high in the list of those leaders who are men of strong convictions, courageous in maintaining those convictions, and undaunted in defeat. All honor to Governor Taylor and to Assemblyman Hall for their brave struggle against overwhelming odds.

COMING OF LA FOLLETTE

But, in 1900, there came a new leader into power—a man endowed with all the gifts that the gods could bestow upon him—a winning, charming, magnetic personality, a brilliant, keenly analytical mind, an inexhaustible energy for ceaseless labors, an unassailable integrity of character, a private and a public life without a blemish, not even a suspicion, a dogged persistence that never recognized defeat, matchless in oratory and debate, Bob La Follette, almost single-handed, conquered all the great forces of special privilege arrayed against him. His achievement is, I think, without parallel in any State of our Union.

Robert M. La Follette was Governor for 5 years, resigning to become United States Senator, and during his term as Governor there was written into Wisconsin law a record of legislative achievement that left an indelible influence on the people of our State. He rallied about him every earnest and sincere man and woman who was willing to devote himself and his energies to the public welfare. His slogan was:

"The will of the people shall be the law of the land." His dominant political philosophy is best contained in two sentences which he himself uttered:

"Shall government be for the benefit of private interests or shall government be for the benefit of the public interests? This is the simple issue involved in the present conflict in the Nation."

PROGRESSIVE LEGISLATION

Three times La Follette was elected Governor of the State of Wisconsin and after that four times to the United States Senate where he was serving at the time of his death. As Governor of Wisconsin and leader of the great progressive movement, he championed those political reforms which made Wisconsin the most forward-looking State in the Union, and later, as a Member of the United States Senate, he strove mightily to translate his ideas for social justice into the statutes of the United States. As Governor he achieved the antipass law, the taxation of corporation property based on true values, the regulation of railroad rates by a commission, now known as the public service commission, an inheritance-tax law, and a graduated income-tax law. One of the hardest fights waged for years and finally to a successful conclusion, was his effort to wipe out the old caucus and convention system and restore popular government into the hands of the people. He, therefore, promoted the primary election law, the first law of this kind to be proposed in this country. It was bitterly contested. After 10 years of struggle it was passed and a stringent corrupt practices act to prevent the use of corrupt money in elections was also undertaken and passed, and a companion act providing for the registration of all lobbyists, specifying the character of their employment and by whom employed.

La Follette was always interested in the protection of labor, and it was largely through his efforts that Wisconsin passed a law creating an industrial commission. Child labor, specified hours for women workers, unfair competitive practices have all been carefully legislated about in the State of Wisconsin. I also wish to refer briefly to some of the great constructive pieces of legislation he championed and succeeded in enacting into law in the United States Senate. Among these measures may be mentioned the Hours of Service Act, which made it unlawful for any common carrier to permit an employee to remain on duty for a longer period than 16 consecutive hours, the Employers' Liability Act, which abrogates or modifies the common-law defenses in personal-injury actions as to (1) negligence of fellow servants, (2) contributory negligence and assumption of the risk, and (3) introduces the rule of comparative negligence; the Railroad Valuation Act, seeking to establish a fair valuation of all property owned and used by common carriers; the Seamen's Act, which delivered this helpless class of laborers from industrial serfdom. In April 1922 Senator La Follette secured the adoption of the resolution for the oil investigations which finally resulted in the restoration to the Government of at least $100,000,000 worth of public property.

WORLD WAR

I must now refer to that trying period which tested his courage to the utmost—the spring of 1917. I never think back upon that period but what there rises before me like a dream the vision of his lonely figure standing out fearlessly against a war-maddened world. I can see the four horsemen of the Apocalypse spreading death and destruction in their path, with their frenzied steeds charging iron-shod and stained with blood across an entire continent, and this lonely figure standing directly in their path, attempting to stem their frenzied stampede. When the World War broke out in Europe President Wilson declared a policy of neutrality which was adhered to according to the strict letter of the law by the then Secretary of State, the late William Jennings Bryan. As the war waxed fiercer, more and more supplies were needed which meant enormous profits to certain industries in this country. A great trade sprang up and an artificial prosperity brought into bloom, but what a tragic prosperity. For every dollar of profit made out of that bloody traffic it has cost $100 since. For every millionaire created we sacrificed the lives of three American boys. It was not worth it.

In 1915 Secretary of State Lansing protested to President Wilson that our policy of neutrality was embarrassing the business interests of this country and that we ought to be less stringent in regard to financing the allied powers. As a result loans were floated on this side of the Atlantic to finance France and England, and in consequence we had ceased to be neutrals. La Follette saw this clearly and fought against it, but in vain. Through propaganda spreading false information, many people were deceived, and the newspapers of the Nation failed to present the people with the true facts. As soon as our money went into the war on the side of the Allies it was merely a matter of time when our men would follow our money. Financial penetration followed by military intervention is one of the oldest lessons of history. La Follette knew all this and warned against it, but his warnings fell on ears deadened by the fife and drum. The world can never forget, and as long as some of us live we shall never let it forget, that memorable April day when, fearless and undaunted, he faced the frenzied hysteria of a war-maddened world and opposed our entrance into the World War. All honor to those brave souls who so fearlessly accepted their responsibilities on that dreadful day. And I would feel that I had been ungenerous to the dead did I fail to mention the Honorable Claude Kitchin, who stood on the floor of the House of Representatives 19 years ago and said, "It takes neither physical nor moral courage to vote for a war which somebody else will have to fight."

REFERENDUM ON WAR

After all, who fights our wars? The common people. Who pays for our wars? The common people. And yet where or when do the common people get any profit out of war? Their portion has always been maimed and battered bodies, sightless eyes, vacant minds, and loss of life. What voice do they have in the choice of war? None. By whose right are they deprived of this choice of war? No one's. Then why, I ask, should they fight a war, which they do not create and in regard to which they have not cast a vote? Let the people decide whether they want a war or not. If that is done in every Nation on the earth you will find no civilized people voting for war.

Today the world knows that La Follette was right; that the great World War was a manufactured war, a man-made war with the basest of motives actuating it. I hope to live to see the day when an enlightened people will raise memorials to those who oppose war rather than cast bronze statues to men on horseback who fight wars.

CANDIDATE FOR PRESIDENT

In 1924 Senator La Follette ran for President of the United States as an independent, and accomplished a remarkable feat. Without a party, without organization, without newspapers, without patronage, without money, single-handed, and alone, he polled 5,000,000 votes. A testimonial of the high regard in which the people held him.

PERSONAL EXPERIENCES

I have been asked to relate some of my personal experiences with our departed friend. To me he has been a hero from the days when, as a newsboy, I sold papers on the streets of Madison, and I trust you will pardon me if I indulge in these personal references. As I think back over the years there are three occasions in my contacts with the late Senator Robert M. La Follette that I shall always remember, because each of them made a deep impression upon me.

The first incident occurred in Lake Geneva, Wis., in September 1904. This city was a hotbed of La Follette's bitter enemies, and the statement was made and freely circulated about town that La Follette would never dare to show his face inside the city limits. About a week after such rumors were circulated there came a report that Senator La Follette was touring Walworth County and would be in Lake Geneva on the following day, in the forenoon, to make a political address. He was running for Governor. The story was then circulated that he could not get a hall, but when the day dawned on which the Senator was to appear, the report went out that he was to speak at Lone's Hall, which was the largest one in the city at that time. The report was then circulated that he would not be able to get a "corporal's guard" to attend, because no one would listen to him, but long before the scheduled time for the address the hall was packed, every available seat being taken and people standing along the walls.

Finally the Senator arrived, mounted the platform, and proceeded in his customary vigorous manner. He strode to the edge of the platform and opened his remarks by saying, "They told you I would never come to this city. I am here to prove that they lied. They told you I could not get a hall. I have the largest hall in town. Again they lied. They told you that I would not have anyone here to listen to me. Look around you and see if you can see a vacant seat. There are none. Again they lied. But that is not all. I charge that 2 years ago at Milwaukee two of your leading citizens (naming them) bribed delegates to desert me and vote for my opponent. Here is one of the men they tried to bribe who was a delegate at that convention and whom you all know."

He indicated Mr. Richards, the father of John R. Richards, Wisconsin alumnus and very prominent in athletics and other activities. The people were stunned. You could have heard a pin drop anywhere in the hall. Senator La Follette then continued:

"I dare them to sue me for slander, but I know they never will because I can prove it on them and they don't dare to come into court and face me. You watch and see if they sue me."

When the election was held Senator La Follette had carried this city for the first time in his history.

My next outstanding experience with the Senator was in 1920 when he was up for reelection to the United States Senate. It was the first election after the World War, feeling was very bitter and party lines had been torn asunder. No one knew how the people were going to vote.

I was crossing the street at the intersection of Carroll and Main Streets in Madison when I met Senator La Follette who greeted me in his usual friendly way and asked me if I had time to talk with him. I assured him that I had, so we went to his office which was located at 1 West Main Street, where he said to me, "Harry, I want you to go on my campaign committee."

I replied that that was not necessary because all the members of our family would vote for him anyway, and he said:

"Just the same I want you to go on my campaign committee, but before you do, I want to tell you the rewards for progressivism. I have been at it a good many years. All I own in the world are the 66½ acres across Lake Mendota which you know. On that farm there is a $20,000 mortgage. In addition, I have had several operations and my health now is none too good. That's all you will get if you join in this fight."

I laughed, and said, "Senator, if it's good enough for you, it's good enough for me." We shook hands on that and made our plans.

I am glad to add that the Senator won that election by an overwhelming majority and his war record was vindicated.

The third outstanding event took place in August 1924. Senator La Follette was then running for the Presidency on the independent ticket. I was identified with that movement from its very inception and had been active in a small headquarters which were maintained at the Auditorium Hotel in Chicago from January on. Mr. W. T. Raleigh, of Freeport, Ill., and Mr. Julius Kespohl, of Quincy, Ill., had contributed generously to the expense of this headquarters. As time went on it became necessary for me to contact prominent people in other States, and among those I called upon was Mr. Carl Schmidt, prominent leather merchant of Detroit, a man of strong personality and considerable fortune. Mr. Schmidt was ill and at that time staying at his summer home at Oscoda, Mich. I went there and had a very interesting visit with Mr. Schmidt. In fact, I called on him three or four times that summer. I was attempting to get his help for the La Follette campaign. Mr. Schmidt finally said to me:

"Mr. SAUTHOFF. I will give $50,000 to the La Follette candidacy providing Senator La Follette will permit me to name one Cabinet official in the event that he is elected."

I said:

"Mr. Schmidt, I have no authority to enter into any agreement of such a serious nature. I will have to go to Washington and tell the Senator myself what you propose to do."

He said:

"All right, you go at once and let me know."

I thereupon went to Washington and saw the Senator in his home, I think on Wyoming Avenue. I saw the Senator in private and delivered Mr. Schmidt's message. Without any hesitation, the Senator said to me, "Harry, I never enter into a deal of any kind. Those who back me will have to do so on the strength of my past record and because they have faith and confidence in me. You can tell Mr. Schmidt that I appreciate his interest, but whatever he does will have to be done freely and of his own accord, and without any promises from me."

To me it was a declaration of principles by a man who refused to sacrifice anything of his principles for the sake of financial help of which he stood in such desperate need.

PRESENT PROBLEMS

In all civilizations there are three fundamentals:

1. Domestication of animals.
2. Planting, harvesting, and storing of cereals.
3. Mechanical invention.

Man developed a tribal instinct for his own protection; he founded settlements, engaged in commerce with neighboring tribes; as man grew wealthier, cities developed and life became more complex. No longer was barter indulged in, but a medium of exchange was perfected which we call money. In the beginning the man in the country brought what he raised to the man in the city and received a fair price for it. The man in the city sold what he made to the man in the country and received a fair price for it. The law of supply and demand regulated the price. As time went on population grew, commerce multipled, wealth increased, and artificial means were invented to change the free play of the law of supply and demand. The distributor of commodities became a factor in production and consumption. The exploitation of the masses by a powerful few meant enormous profits, until today there is hardly a field of human endeavor that is not seriously affected by this situation.

The exploitation of weaker peoples by the more powerful resulted in slavery and serfdom. Our own country declared against human bondage after a long and bitter, bloody struggle, but shattering the shackles of the black man has not removed all weaker peoples from human bondage. There are still two forms of bondage remaining from which the oppressed must be liberated. The first of these relates to industrial bondage. It is neither morally nor legally right that men and women wage earners should be forced to toil long, weary hours for a mere pittance that is scarcely sufficient to sustain life. There must be education and leisure for thought and study. This is absolutely essential in a democracy, and therefore the strong arm of the Government must reach in to rescue those helpless men, women, and children who are slaving for less than a living wage. Men invented tools to ease his labors and give him more leisure. The tool was to be his servant, but instead today we find great industrial organizations where man has become the slave of the machine. Deliverance from this serfdom is absolutely essential.

Another form of bondage is man's sacrifice to the great god—war. Scan the pages of history where we will and we read war upon war, and yet more war, all fought by man, although he loudly protests against war. Why should man be a helpless slave to this brutal, heathen god which he worships so faithfully contrary to his own commandment, "thou shalt have no other gods before me." This, too, is a form of slavery from which man must free himself. La Follette recognized these forms of slavery and opposed them, knowing that the real motive back of both of them was profits.

POLITICAL PHILOSOPHY

There are those who believe that profits are sacred. La Follette was unalterably opposed to the school of thought that believes that anything that interferes with profits is akin to treason. Injustice always aroused his antagonism, and he sought by appropriate legislation to remedy every wrong in society. He was not afraid to step out boldly and break new ground. La Follette believed, as you and I must believe, that trial and error must solve the problems of political science as well as in any other field of human endeavor. Change means growth, and growth means progress. But every change is not necessarily progress. Bob La Follette realized these facts better than we do, but he also knew that changes, lightly studied and ill-prepared, might do incalculable harm to a worthy cause and set back achievement for many years. He, therefore, gave careful, thorough, and painstaking care to every change he advocated, calling to his aid the ablest men and women everywhere to give counsel and advice. The result was sound, substantial progress, for not one of his measures was ever overturned. Time has strengthened their influence in the State and in the Nation. As La Follette himself has stated it:

"I have always felt that the political reformer, like the engineer or the architect, must know that his foundations are right. To build the superstructure in advance of that is likely to be disastrous to the whole thing. He must not put the roof on before he gets the underpinning in. And the underpinning is the education of the people."

Today there are many confusing issues. Our people have been plunged into great misery, and panaceas for every ill are advocated by the superficial and the uninformed. Many there be who seek popular approval by advocating that legislation can wipe out every human ill. This is not true. To build solidly and firmly we must proceed only after exhaustive study and preparation. As La Follette said:

"I believe in going forward a step at a time, but it must be a full step."

La Follette carried the lamp of hope to the soul weary and the sick at heart; to that helpless, inarticulate majority of society who moiled and toiled in the field and in the shop, only to see the fruits of their labors go to another; to the oppressed everywhere in those hearts the flame of hope flickered all too feebly. And at his death they stood silent, these faithful believers, anguished to the very core of their being because of the loss of their champion.

CONCLUSION

La Follette believed that man created various institutions, both public and private, for his own convenience, and that when they ceased or failed to serve that convenience the people should regulate or abolish them. We adhere to that doctrine, and pledge ourselves here and now:

"Bob, we will not turn back."

And we say to those who disagree with us:

"You shall not turn back."

This day belongs to him, and I can think of no more appropriate way of closing than by repeating the lines of his favorite poem, Invictus, by W. E. Henley:

"Out of the night that covers me,
Black as the pit from pole to pole,
I thank whatever gods there be
For my unconquerable soul.

"In the fell clutch of circumstance
I have not winced nor cried aloud;
Beneath the bludgeoning of chance,
My head is bloody but unbowed.

"It matters not how strait the gate,
How charged with punishments the scroll,
I am the master of my fate,
I am the captain of my soul."

ROOSEVELT AND RECOVERY

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address I am to deliver tonight over the National Broadcasting System.

The SPEAKER. The Chair is of the opinion the gentleman already has that right under general permission heretofore granted.

Mr. JOHNSON of Texas. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio speech which I delivered tonight over the National Broadcasting Co., in a Nation-wide hook-up, from station WMAL, in Washington, on the subject Roosevelt and Recovery:

The theme song of the Republican national convention at Cleveland last week was "3 Long Years." Against the 3 years of the Roosevelt administration, which they derided and condemned in song and speech and platform, I want to match the 4 longer years through which the country suffered when Herbert Hoover, the man to whom that convention accorded the most applause and greatest ovation, was President.

Ordinarily, national political conventions, either in speech or resolution, point with pride to the record and achievements of the last administration when their party was in power, and contrast it with the failures and foibles of the administration which they are seeking to supplant. But the Republicans at Cleveland last week forgot to do this. Upon that subject the platform was silent. Of the speakers, and there were many, not one alluded thereto, and even Mr. Hoover, although he spoke at length in bitter denunciation of the Roosevelt administration, made no reference to what he had done for the country, or to the country, while he was President.

They spent their time making brilliant speeches, viewing with alarm, lambasting the Roosevelt administration, criticizing what had been done, and picking flaws here and there, but with the exception of some high-sounding phrases in the platform—some of which were so meaningless that even their Presidential nominee had to interpret them by telegram—they made no promises of what they proposed to do. They were looking backward, not forward. Their action reminds us of the little ditty:

"The lightning bug is brilliant, but lacks a stable mind.
He rambles through the bushes with his headlight on behind."

But they did not want to look too far behind—3 years back was enough, for they knew if they went beyond that, it would reveal the shortcomings and the colossal failure of the last administration, for which their party was responsible, and they knew that party responsibility is the only justification for the existence of political parties. They knew that Hoover's administration, even in a Republican convention with their ablest leaders to defend it, and no one to condemn it, would not stand comparison with Roosevelt's. So they rang the curtain down upon Mr. Hoover's 4 years, and sang and talked and laughed about Mr. Roosevelt's 3. That may be pretty good political strategy, if you can get by with it, but the American people are not that gullible.

The Republican convention may have forgotten, or tried to forget, the deadly parallel between the Hoover and the Roosevelt administrations, but the American people have not done so. The one did nothing, the other did something. The one promised, the other performed. One adhered to the old order of things, of hands off, hoping that nature and lady luck would do the trick; the other set the wheels of Government in motion and attacked the depression in a militant and aggressive way from every angle. Under one we sank deeper and deeper in the mire of the depression, under the other we have climbed steadily and persistently upward.

The 3 years of the Roosevelt administration may seem long to the Republican politicians who are anxious to get back in power and to that small group of big-business leaders like the Du Ponts and their associates, who also desire to again get a strangle hold upon the reins of Government, but to the American people it is like a ray of sunshine when compared with the darkness, the gloom, and the despair which pervaded the country under Hoover's leadership.

Figures and statistics reveal with unerring accuracy the transformation and the wonderful improvement that has taken place in the last 3 years in business, agriculture, labor, and economic conditions generally throughout the country. These are the best answer to Roosevelt's critics. Let me quote a few of them:

In 1932 American industrial production was 65 percent of normal; in 1935 it was 88 percent.

In 1932 the pay rolls of America were 46 percent of normal; in 1935 they were 70 percent of normal.

Unemployment in 3 years has declined about 40 percent.

The net income of class I railroads for 1935 was the highest since 1931.

Contracts for residence construction increased from $250,000,000 in 1933 to $550,000,000 in 1935.

The urban home-loan debt has declined $3,000,000,000 in 4 years.

Commercial failures in the United States have dropped from 31,822 in 1932 to 12,165 in 1935.

In the 4 years under Hoover's administration, 1,035 national banks failed, while only 8 failed in 3 years under Roosevelt.

The aggregate annual income of the American people increased from 39 billion on December 31, 1932, to 54 billion in 1935, an increase of $15,000,000,000.

The total wealth of the Nation has increased by more than $50,000,000,000 since the advent of the Roosevelt administration.

RESTORATION OF AGRICULTURE

No administration in the history of the Republic has done more for the farmers of America. Others have promised, but this one has performed. A few weeks before his inauguration as President, I heard Franklin D. Roosevelt, not in a political speech, but in a private conference with a small congressional group, of which I was a member, say that the restoration of the buying power of the American farmer was the first and most important thing to do toward recovery from the depression.

With the aid of a sympathetic Democratic Congress, much has been done. While the condition of the farmer is yet far from ideal, farm conditions generally have been greatly improved and benefited. The prices of all major agricultural products have doubled under the Roosevelt administration. Take a few examples: Cotton, for instance, on March 1, 1933, was selling at an average of 5.90 cents per pound and on January 1, 1936, at 11.35 cents per pound, an advance of 92 percent. Dairy products, cattle, sheep, and hogs have had similar increases. Wheat increased from 31.6 cents in December 1932 to 90 cents per bushel in December 1935; corn from 20 cents to 75 cents per bushel; hogs in 1932 were selling for 3.40 cents per pound, and in 1935, 7.30 cents.

Farm income in 1935 was 60.2 percent higher than for the low of the depression. As compared with the low of the depression, farmers' purchasing power in 1935 showed a smaller increase than their income, due to a 16.6-percent rise in price level of the goods they bought. But even with the rise of price level of goods purchased when compared with the price level of 1929, and farm prices in 1929, the farmers' purchasing power in 1935 represented a net recovery of 54 percent of ground lost in the 1929–32 slump.

In addition to increased price of farm products, the cotton, hog, and wheat farmers have received cash benefits from the Federal Treasury. The manufacturing industry has long received tariff subsidies, railroads, shipping interests, and other corporations and industries have also received, at different times, cash benefits, directly and indirectly, but for the first time in history, this administration has paid cash benefits to the farmers of America, and has dealt directly with the individual farmers, and not indirectly through some organization.

LOW-INTEREST RATE TO FARMERS

This administration has materially reduced the interest rate paid by farmers. Emergency crop loans have been made to farmers at a rate of 5½ percent, and Congress has also created a new agency which makes chattel-mortgage loans to farmers, known as the Production Credit Corporation, at an interest rate of 5 percent. We have also reduced the rate of interest on farm mortgages from 5 percent under the Hoover administration to 3½ percent.

Loans on farms may now be obtained in the United States at the lowest rate that prevails in any great country. Here are some of the rates which prevail elsewhere: Great Britain, 5.2 percent; Germany, 4½ to 8 percent; Canada, 5 percent; Denmark, 4 to 6½ percent; Hungary, 7 percent; Bulgaria, 9 percent; Czechoslovakia, 6 percent; France, 6 percent.

In the last 2½ years more farms have been refinanced by the Farm Credit Administration than in the 16 previous years of the land bank's history. One billion nine hundred and seventy-two million dollars have been used to make 748,000 loans on farms. These banks now have outstanding nearly 1,000,000 loans, aggregating $2,800,000,000, and we have the lowest interest rate for farm mortgages that ever existed in the history of the world.

BANK DEPOSITS GUARANTEED

During the Hoover administration more banks (State and National) failed than in almost the entire history of the United States, and the first official act of President Roosevelt was to declare a bank holiday and close all banks until they could be reopened with some assurance that they would remain open.

Thereafter laws were passed which corrected this deplorable condition, in reorganizing and strengthening the banks of the country, but the banking legislation of most benefit to the American people was the creation of the Federal Deposit Insurance Corporation, by which the Federal Government, for the first time, guaranteed individual deposits up to $5,000 in both State and National banks that were members of the Federal Reserve System.

Governor Landon, the Republican nominee for President, in a speech delivered at Chicago, September 6, 1933, at a meeting of the State Bank Division of the American Bankers' Association, vigorously opposed that portion of the Glass-Steagall Act guaranteeing bank deposits. From his speech I quote:

"There is no question in my mind but that the guaranty of bank deposits is a greater blow to the ultimate welfare of the American people than the wildest inflation of the currency could possibly be.

"In my judgment, the guaranty of bank deposits, if carried out in this country to its logical conclusion, will completely destroy the entire banking system of the Nation."

The metropolitan banks also opposed this legislation, but the prediction of Governor Landon, and the metropolitan banks' opposition has proved to be unfounded, for it has benefited both banks and depositors, the deposits in the national banks having reached an all-time peak, the total bank deposits having increased by more than $6,000,000,000 in 3 years, and the number of bank failures dwindled to a minimum.

The thousands of bank failures during the Hoover administration swept away the savings of a lifetime of millions of our citizens, and it is gratifying to know that the Roosevelt administration has safeguarded the depositors against a recurrence of this calamity. The Republican platform is silent upon bank-deposit guaranty, which is significant in view of Governor Landon's opposition.

The Roosevelt administration has not only brought us far on the way to recovery, but laws have been passed to correct abuses by racketeers in business and for the public's protection. Three of these, for all of which I voted, were:

(1) The Securities and Exchange Commission Act, prohibiting the sale of stock by any corporation to the public until after same is first registered with the Commission and the facts and circumstances surrounding its issuance are investigated by the Commission, has already saved innocent investors in this country millions of dollars, and will in the future save them many billions.

(2) The stock exchange regulation bill, making it more difficult for persons to manipulate the stock exchange and thereby inflict gigantic losses upon individuals throughout the country. Under this act the Securities and Exchange Commission has the right to reject any rule or regulation of the stock exchanges of the country. The manipulation of the stock market was one of the causes of the crash which came in October 1929, which marked the beginning of the depression.

(3) The Utility Holding Company Act of 1935 was designed for the control and elimination of public-utility holding companies. Many of these holding companies had for years unfairly and unjustly exploited the stockholders of the operating companies, and thereby imposed useless and inflated capitalization, resulting in increased rates for service, which the public had to pay. In the language of President Roosevelt—

"This legislation will not only in the long run result in providing lower electric and gas rates to the consumer, but it will protect the actual value and earning power of properties now owned by thousands of investors who have little protection under the old laws against what used to be called frenzied finance."

The Roosevelt recovery program has touched every phase of American life.

For the aged, under the social-security law, the Federal Government will match 50–50 all sums paid for old-age pensions by the States.

The youth of the land and education have been generously provided for. Fifty thousand school buildings have been repaired or improved; 2,813 public schools in 48 States have been built; 219 colleges and universities have had assistance from the Public Works Administration; rural schools in 33 States have been able to keep going by grants from the Federal Emergency Relief funds; 290,000 high-school, college, and graduate students have been helped to continue their studies.

More than 1,000,000 urban homes have been saved from foreclosure by the Home Owners' Loan Corporation, and the entire number of foreclosures by the Home Owners' Loan up to March 31 was less than 1 percent of the loans made by it.

This recovery program has had my wholehearted support, and the Democratic Congress is entitled to praise, for without their cooperation in enacting these measures into law, the program would have failed.

To the charge that excessive expenditures have been made we answer that we have been making war upon a depression, the worst in all history, the winning of which was just as vital to the preservation of America as the winning of the World War. Expenditures in this war have been less than one-half of the sum spent by our Government alone in the World War, and, over and above this sum, we loaned European countries $14,000,000,000 which has never been repaid. Money spent in the World War is gone forever, but much of that spent in the war against the depression will be repaid, for the Government holds collectible assets for a large portion thereof.

The Republicans preach rugged individualism, but produced ragged individuals; they decry regimentation, but they regimented the greatest army of unemployed the world has ever seen; they cry that under the New Deal the liberty of the citizen is in jeopardy, but to this we make answer that the only liberty that has been abridged or curtailed by this administration is not against the individual, but against business racketeers who have too long exploited the American public.

The enemies of the New Deal are crying, "Stop Roosevelt", but in the coming election the shibboleth, "Stop Roosevelt", will not appeal to the American people; what they want to be assured of is that they will not stop the marvelous recovery which he has set in motion.

THE VIEWPOINT AND THE RECORD

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with the privilege of printing three or four paragraphs of a brief address to the voters in my district in 8-point type.

Mr. RICH. Mr. Speaker, reserving the right to object, the gentleman can put the address in the RECORD only in the size of type specified by the rules of the Committee on Printing.

The SPEAKER. The Joint Committee on Printing has jurisdiction of this matter. The gentleman should take it up with them.

Mr. MARTIN of Colorado. I thank the Chair. Mr. Speaker, I ask permission to extend this matter in accordance with the rules of the Committee on Printing.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, in my campaign to return to Congress 4 years ago, after a lapse of 20 years, I put out a very brief and simple campaign pamphlet. In this little pamphlet I gave my viewpoint, the viewpoint from which I would approach legislation if again elected to Congress. I tried to show the people what that viewpoint was and how I came by it.

After 4 years in what is conceded to be the hardest peacetime grind in Congress in American history, I am a candidate for reelection. It is customary for Representatives seeking reelection to have printed and distributed some of the speeches they have made in Congress and to give some account of their record.

In accordance with this custom I had begun considering what speeches I would send out, when the thought occurred to me that I could cover the field in one address to the people of my district, based upon the appeal I made to them 4 years ago, and then following this up with a brief review of my stand in Congress during the past 4 years on the many tremendously important measures with which the administration of President Roosevelt has undertaken to meet and overcome the greatest peacetime crisis in American history. In other words, give you the viewpoint and the record and let you determine how the one fits into the other. I shall therefore begin with the brief appeal of 4 years ago, which I hope you will find not unprofitable, and follow it up with the record.

CAMPAIGN OF 1932

To the voters of the Third Congressional District of Colorado:

I shall depart from the usual style of campaign pamphlet and talk to you directly. No pamphlet I could pay for, or you take time to read, could set forth my views on the flood of questions with which we are beset. But I can and will get before you my viewpoint. After all the viewpoint is the main thing. This being fixed everything else fits into it.

I shall put into it what I have learned in a lifetime. I have studied in many schools: The school of the plow on the Kansas prairies, the school of the shovel on Colorado roads, the school of the lawyer in court, and of the legislator in Congress, with many minor courses.

In all these schools my eyes have been on Washington. And in all of them this is what I saw: A government, in theory, of, by, and for the people, but a government, in fact, by and for big business.

I got my first political training in the old Farmer's Alliance. That is what they taught me. That is what Bryan taught, and Theodore Roosevelt, and Wilson, and they devoted their lives to the task of turning the Government back to the people. Any change in the course of the stream is where those giants labored.

It is always so easy to get things done for the big fellow, but so hard to get them done for the little one. When it comes to handing out billions to the big fellows the administration fairly exudes courage, but when it comes to a handout to the little ones the administration is very fearful lest we depart from sound principles of government.

So great and fixed has been the rule of wealth in this country that it has been repeatedly accepted by a majority of the voters that they could assure themselves a full belly only by voting in a government which would let big business have its own way. Vote one ticket and eat, or vote the other and go hungry. Stripped to the stark fact, this has been the only issue in every Presidential election since I became a voter.

But it is pressing toward a crisis. And the old appeal to fear should fall flat. We should be hungry enough now to think. It is my firm conviction that if we are to avoid a serious political and economic upheaval the Government at Washington must be made more responsive to the needs and interests of the people.

Government is not a mechanical problem of fixed quantities, to be activated by a robot. Government is a fluid human problem, to be administered with understanding and sympathy. That the present administration has neither was clearly revealed by its action against the jobless veterans at Washington. Party campaign orators are likening Hoover to Lincoln. Can you imagine old Abe calling out the military at midnight to drive a rabble of hungry Union soldiers from the National Capital, while he gave a state dinner at the White House?

When I tell you how all this looks to me I am telling you how I look. I am opposed to this kind of government and governors. The old regime has failed. It is obsolete. I do not believe a nation based on the welfare of farmers, wage earners, and small-business men can be governed only from the top. These great classes are working out ideas for economic betterment. I am willing to give their ideas a try. This in brief states my viewpoint. If it states yours, I earnestly invite your support.

Very truly yours,

JOHN A. MARTIN.

APPLYING THE VIEWPOINT

Perhaps I can give no better illustration of the application of the philosophy set forth in the viewpoint than a statement

made by me in the House of Representatives on May 27 of this year in the debate on the Robinson-Patman bill to preserve the independent merchant. I not only supported that measure, but was secretary of an organization of 80 Members formed to promote its passage, and also served on several subcommittees of a steering committee to handle the bill.

Here is the statement:

> Whether this bill will accomplish its object, I leave for others to say. I feel sure about only one thing, it will not destroy the big fellow. The big fellow always gets by. That is one of my guiding maxims in all legislation in which there is a big-fellow and a little-fellow side to it. The big fellows always get by. He not only gets by, but he gets bigger. He was only in swaddling clothes when the Sherman antitrust law was enacted in the late eighties. Now he bestrides this narrow world like a colossus.

DIMES VERSUS DOLLARS

In the viewpoint it will be noticed that I especially mentioned the welfare of farmers, wage earners, and small-business men. These are the great groups which must be preserved if the America which we inherited is to endure. You could wipe out every millionaire in America and under our economic system they would all be reproduced in 10 years, but if you wipe out the three classes mentioned they could never be reproduced. There is an old saying that if you take care of the dimes the dollars will take care of themselves. The little fellow is the dime and the big fellow is the dollar. There is one corporation in the United States which owns 18,000 stores. That fellow is a billion dollars. Such developments in this and other fields of our economic life gives rise to a question in my mind which I expressed in this same speech as follows:

> I am not appraising this change altogether by a yardstick of dollars, but also by a yardstick of men. I am wondering what will be its ultimate effect on the community life of America and upon its citizenship. In the final analysis, what is the difference between the absentee landlord and the absentee merchant? I find it difficult to accept this fundamental change as a sound, healthy, and desirable condition in the economic and social life of the Nation, and both its economic and social life must eventually be profoundly affected and altered.

And here is another brief statement which I consider worth pondering:

> Perhaps this trend is inevitable. Perhaps this phenomenon of the chain system is only one more milestone on the road to the socialized state. Perhaps, when a few large private hands have gathered it all in, a larger hand will reach out. I believe as firmly as I believe anything that the men who are fighting these monopolistic trends in all lines are making the last stand for individualism in American industry and commerce.

As stated in the viewpoint, Bryan and Theodore Roosevelt and Woodrow Wilson devoted their lives to the task of turning the Government back to the people. Later on I shall add another name, which was only coming into the picture when the viewpoint was written. He, too, has labored mightily and not in vain. The enemies he has raised up shows in what direction he has labored.

Early in his administration a second bonus army came to Washington. He offered them jobs and the army demobilized. The first lady visited them in the C. C. C. camp in which they had enrolled, tramped about in the dust and talked to them. It is all a matter of viewpoint.

THE FARMER

But let me get on here with my own little story. Agriculture is the foundation of our national life. The farmer has heard this so much, it is a wonder he has not grown a chest. Instead of a chest he was bankrupt in 1929. The panic did not break the farmer. He went broke during the so-called greatest era of prosperity in the history of the world, which ended in an explosion that sent a hundred billions of the people's savings up in smoke.

Here is a pledge which was widely circulated in my campaign of 4 years ago:

> The farmer. Farmers make up 40 percent of our population, but the combined farm organizations have never gotten a single farm measure on the Federal statutes. Why not give the farmers' program a try? I will.

The first opportunity to make good on this pledge came with the Agricultural Adjustment Act, which had the endorsement of more than 50 farm organizations, and which I supported. At Chicago, Ill., just 30 days before the Supreme Court rendered its decision knocking out this law, the American Farm Bureau Federation issued a set of resolutions declaring that:

> The great farm policy embodied in this act is the culmination of a 12-year fight by organized agriculture to obtain from government necessary recognition of and assistance and cooperation in an economic program by which farmers may obtain fair and equitable prices for their products in terms of relationship with industry and labor * * *. We rededicate our efforts to improve and perfect this measure in every way.

When this act went out the window, I supported as a substitute the Soil Conservation Act. If you say it is not as good as the original act, I have no quarrel with you. In my opinion, nothing will be as good. Under the A. A. A. every major crop operated on its own plan and was self-financing. It was democratic, being effective only at the will of the farmer. It was simple and it was working. It had been accepted by the producers and the great majority of the processors and consumers. This is a majority country. But it is dead.

SOIL CONSERVATION VITAL TO MOUNTAIN STATES

The Soil Conservation Act, however, is of tremendous importance to Colorado and the Mountain States. These States are chronically subjected to floods and peculiarly susceptible to soil erosion. Fifty more years like the last fifty will reduce much of the valley and mesa lands of the mountain country to desolate wastes. I supported the Soil Conservation Act and quote from my speech on it the picture as I have seen it:

> Mr. Chairman, as I have driven about over the western country with my eyes opened by what I have learned in the past few years about soil erosion, water as well as wind erosion, the devastation being wrought by deforestation, overgrazing, scratch farming, water, and wind, I have become alarmed for the future of the country. I have seen the 15-foot soil bed of a mountain valley washed down to the gravel. In my lifetime I have seen streams widened from 40 or 50 feet to 600 or 800 feet. I have seen the growth of the arroyos eating into and destroying the lands along the streams. I have seen once grassy stretches turned into sand boils which would make a man's flesh creep. This destruction has been largely man-made, and it must be cured in the same way.

SUPPORTED ALL FARM ACTS

I also supported the Bankhead Cotton Act, the Kerr Tobacco Act, the Warren potato bill, the Jones-Costigan Sugar Act, all now dead. These were not administration measures. The farmers asked for them and Congress framed and passed them. I also supported all farm-credit and farm-aid legislation, including reductions of interest rates on farm refinancing. Also both farm mortgage moratorium bills, winding up with the Frazier-Lemke farm mortgage refinancing bill. I was urged to take my name from the petition to discharge the committee and bring this bill before the House. I replied that when I signed anything, it stayed signed.

THE WORKER

The remaining great class, largest of all, is the workers. There was much rejoicing in certain quarters when the National Industrial Recovery Act went out the window. Labor did not rejoice. N. R. A. put men to work, shortened hours, raised wages. The statistics show that since its death the trend has been the other way. Many industries did not rejoice. N. R. A. had stabilized them. Many of them are still observing their codes. Some of them have since been down here at Washington asking us to pass special bills to take the place of the codes where they could not maintain them. We passed an act to regulate motor transportation and put some N. R. A. in that to stabilize the industry. We passed the Guffey Coal Act and put some N. R. A. in that. It, too, has gone out the window.

I supported all such legislation on the theory that it helped to spread the labor load out over the machine. I favored the shorter-hour week on the same basis; also legislation to write labor and wage safeguards into Government contracts, and the act to create the Labor Relations Board, which is now thought to be doomed in the Supreme Court. (Held void by U. S. Circuit Court, June 16, 1936.)

THE YARDSTICK OF FAILURE

The chief yardstick by which our opponents measure the failure of the New Deal is the still great army of unemployed. They say it is as great as ever. I do not blink this issue. I say to them it will continue to be as great as ever, so far as you have proposed any remedy. Sometime we must sit down and face the cold facts that large-scale unemployment in industry and overproduction in agriculture are fixed conditions. The machine has settled that.

I can remember when we used to read the rosy prophecies that some day the machine would perform all the labor. The day appears to be coming, but we did not then see what it would bring with it. We had not then envisioned the question, If the machine performed all the labor, what would we do with all the men and women? We are beginning to look at that now. I looked on both the N. R. A. and the A. A. A., regulating production in industry and agriculture, as at least approaches to the solution of that problem. I have supported every measure without a single exception during the past 4 years which I thought tended toward that solution. There was a tendency on the part of some Representatives from the industrial States to oppose farm legislation and of some Representatives from the farm States to oppose industrial legislation. I took both programs whole. It is my philosophy that neither can get anywhere without the other, plus a hunch that it will be a man-sized job for both of them together to get anywhere.

I have mentioned the major acts of this 4-year program in Congress. I could challenge anyone to point out a single act or vote in the RECORD, which does not fit into the viewpoint. They may challenge the record as a whole, but not in detail.

SOCIAL SECURITY

There was other, and to my mind, most important legislation, really interesting me more deeply than any, bearing on what is now commonly called social security. In the Seventy-third Congress, while speaking in support of the Railroad Pension Act, I predicted that the next Congress would pass a general old-age pension bill. The Railroad Pension Act, the first ever passed by Congress providing a pension for persons in private industry, went out the window. This Congress passed a second act. It may go out, too. As I had predicted, we also passed a general old-age pension bill, carrying many valuable social-security features. Its fate is in question. I know now that some of it will fall. After the decision of the Supreme Court knocking out the New York minimum-wage law, anything can happen, and probably will.

THE CALF PATH

A long-gone record, which had almost passed from my memory, was recently recalled by a State-wide writer in the Colorado papers—a bill which I introduced in the Colorado General Assembly 35 years ago, the first of its kind, containing small beginnings of security for the aged and the sick and the dependent mothers and children. I made a speech on that bill based on the famous poem, the Calf Path. The moral of the speech was that, while the calf path had grown into a great thoroughfare, we still had only a calf-path civilization through the woods in the matter of caring and providing for those who could not care and provide for themselves. The bill was defeated. Old-age pensions were not then, as now, a popular political fad, a springboard into public office for persons who had never in their lives raised their hands for any underprivileged class.

THE CALF PATH GROWS

After recounting the failure of that initial effort, the writer went on to say:

> Although each of the human thoughts in that bill was defeated, John Martin had planted the seed of consideration of those matters and he has lived to see that path grow as extensively as the path that was trod by the animals grew. Today we have the mothers' compensation, our blind are cared for, our aged need no longer fear tomorrow's foodless sun-up.
>
> When John Martin first introduced that human welfare bill in 1901, less than $50,000 a year was spent in this State outside of the county poor farms and our State charitable institutions. Today we are spending as a State government approximately a half million dollars a month for the welfare of our unfortunate citizens. The human side of Colorado's life has outgrown the commercial side. To me this is the greatest change in State government that has been effected since I have been reporting its progress.

And still we are only in the dawn of the movement to remove the shadow of the greatest fear in the heart of humanity, the fear of an impoverished old age. In Congress I have supported every effort to establish social security on a national scale, including the little-understood McGroarty bill. Eventually we shall have a Federal-State program worthy of our civilization. I may not live to see it, but I shall have thrown my mite in the scale for it.

THE CONSTITUTION AND THE SUPREME COURT

No statement from a man who has been representing the people at Washington and asking them to send him there again would be complete without a mention of the Nation-wide controversy which has arisen over the Constitution and the Supreme Court.

I have mentioned a number of acts which have gone out the window. Some of these originated with the administration, some in Congress. It was boasted at the Cleveland convention that 8 out of 10 have been declared unconstitutional by the Supreme Court. The score might be made 9 out of 11, since the ninth to fall was enacted under Roosevelt as Governor of New York. What happened to the eleventh is not so popular. I refer to the decision knocking out the New York minimum-wage law for women and children. Among the bitterest critics of that decision were strongly conservative Republican newspapers and writers. They feared it might be the turning point in the growing controversy over the Supreme Court and the Constitution.

FREEDOM OF CONTRACT

They have been preaching States' rights. They had become converts to the right of the States to regulate commerce and industry, well knowing that commerce and industry have obliterated State lines and that the States cannot regulate them. Then, in the teeth of a national election came the Supreme Court decision holding that the States have no right to regulate the relations between employer and employee, because it would violate the freedom of contract guaranteed by the Federal Constitution. To which the four dissenting Justices rejoined:

> There is grim irony in speaking of the freedom of contract between those who, because of their economic necessities, give their services for less than is needful to keep body and soul together.

What bitter words falling from the lips of Judges of the Supreme Court. Quoting my own words from the CONGRESSIONAL RECORD on this decision, which was characterized on the floor of the House by such a Republican leader as Congressman FISH, of New York, as "A new Dred Scott decision", I said:

> It is not a question whether what we attempt to do is necessary or good; it is only a question whether it is constitutional. Presumably maximum hours and minimum wages would be good for women and children, also for men. Reasonable prices, meaning the cost of production and a reasonable profit, would be good for farmers. Pensions would be good for the aged, and so would insurance for the unemployed. All these would be good for society as a whole, making it more stable, more equitable, more civilized. But, says the Court, once again and finally, laws, whether State or National, effecting these beneficent ends violate the freedom of contract guaranteed by the Federal Constitution.

Is it not becoming obvious that something must be changed—either our economic system or the law? I range myself with those who hold that it must be the law—the organic law of the land.

BACK TO THE GOLD STANDARD

We of the West, regardless of politics, have always been for expansion of the currency, for the equal use of gold and silver as the money of the country, for bimetallism. This monetary policy has been fundamental in every one of the political movements with which I have been identified since boyhood. Wave after wave, this struggle of two generations to destroy the gold standard, to restore silver to its rightful place in the monetary system of the country, and to expand the currency to keep pace with the growing needs of the

business of the people, has swept the West from the Mississippi to the Pacific. Almost without exception every outstanding political leader west of the Mississippi River, regardless of his party affiliations, was an adherent of expansion of the currency and of bimetallism and owed his chief claim to fame to his championship of this cause.

Now, in the year 1936, we have a western candidate for President who, not satisfied with his party-platform declaration for a sound currency, goes the platform one better by wiring the convention his definition of a sound currency as meaning a currency redeemable in gold. In other words, the gold standard. Shades of Bryan. Forty years after the great commoner raised the oriflamme of bimetallism, and on that issue made a campaign without parallel in American politics, and was defeated only by an unparalleled counter-campaign of coercion and corruption, another candidate for President from an identical western State raises the yellow flag of the gold standard.

MONEY PLANK NEEDED NO DEFINITION

The Republican money plank needed no definition. The party demonetized silver and established the gold standard. For 60 years it has stood for scarce and dear money controlled by the banks. For 60 years its monetary and banking policy has headed up in Wall Street. No one would have doubted its continued adherence to its traditional policy, but the candidate, to make assurance doubly sure, says that sound currency means gold redemption.

I vigorously supported the steps taken by this administration which at least point toward the restoration of silver. At the same time I know that silver can never be restored as a money of redemption while being treated as a commodity valued in terms of gold. Our enemies say that what we have done has failed. No doubt the wish is father to the thought. The object of this legislation was to bring silver to a status of parity with gold. It is in the law. We now have our choice of sustaining it and fighting on or of accepting the death sentence for silver, definitely pronounced in the telegram of the Governor of Kansas.

THE QUESTION MARK OF YOUTH

To attempt to cover everything in this statement would be to cover nothing. I want to touch on only one more thought. The youth of the land is stirring. Reports on the Republican national convention say there was a note of skepticism in the attitude of its youth. They appeared to be more interested in the assurance of jobs than in the security of insurance policies.

They may well be. The geographical frontiers are gone. The frontiers of new natural resources are gone. The frontiers of business independence are going. The 18,000 stores under the control of one man displaced 18,000 independent individual merchants It is the same story in every field. If I cannot give you the answer, I can at least ask the question, and I ask it from the record in my own words:

Henry Ford is the largest individual employer of labor in America, but he is the only individual in his system. The Ford system will never produce any Henry Fords. The future of the youth of America is wrapped up in this and similar problems. What is that future? A place on the pay roll of a national octopus which will cast him out as soon as his pace slackens? That is all I can see for him. He may be better educated than his father. But will he be that substantial, independent figure walking down "Main Street", bearing upon him the stamp of a community builder?

THE TELEPHONE RINGS

Believe it or not, here is a windfall. Just as the last above-quoted word fell from my lips the telephone rang. It was a national labor leader whose judgment and character I admire. He called me to say that he was going to give a wide publication to my remarks on the decision of the Supreme Court wiping out the New York minimum-wage law; then he said:

John, this does not matter much to you and me. Our heyday is gone. What I am thinking about is the four and a half million boys and girls turned out of the schools and colleges of this country who have nowhere to go.

Yes; that is what I am thinking about, too. I know three or four of them who are of my own flesh and blood. In its final analysis this program for which we have been fighting here at Washington for 4 years is for them. This fight is their fight. Every single measure of the New Deal, whether constitutional or not, had as its final objective the opening of the door of opportunity to the youth of the country. The future of the youth of America is a question mark which stands daily before my mind. It is only commonplace to say that on the answer to this question, which had no existence when I was a boy—mark that—hangs the future of America.

THE FOURTH MAN WHO LABORED

I turn now to the fourth man who in my lifetime has labored to turn this Government back to the people, to make it function for the people, to safeguard them against the practices and the abuses from which they have long suffered.

It is a mighty task. It is a task whose magnitude can be best appreciated by a man who has been privileged to take some small part in and see at first hand the National Government in action; who has gone about this vast country, with its 130,000,000 of different types of people, with different kinds of interests; who has traveled the canyons of its great cities, weighing him down with a sense of their power and wealth, making his heart sink with the realization of his impotence to change it in any material respect, making his own little impulses to change it seem foolish, like changing Pikes Peak.

WANT ANOTHER JOYRIDE

The man in the White House has at least tried to change it. Even the keynoter of the Cleveland convention excepted from the barrage of his criticism such reforms as the Stock Exchange Act, the Securities Act, the Holding Company Act, the Federal Reserve Bank Reform Act. Had these four major measures alone been on the statute books and enforced, the explosion of September 1929 might never have happened. As each of these acts went through the legislative mill it was protested that they would kill rather than cure. The answer: The regulated agencies are all still doing business at the old stand, and more of it. We have only changed the rules of the game, tightened them up a bit, cut down the percentage of the house. The game goes on. Now that we have reconditioned the old car, the people who wrecked it want to take it back for another joyride.

WHERE MOST OF THE MONEY WENT

I cannot make this a statistical review. Bank deposits, stocks and bonds, farms and real estate, industries, have increased in value some $50,000,000,000 since March 4, 1933. Against this gain the opposition keynoter at Cleveland said the public debt had increased $12,000,000,000. He told a half truth. It has. What he did not say is that two-thirds of this so-called debt is represented by Reconstruction Finance Corporation loans to save the railroads, the banks, the insurance companies, the industries; by farm-credit loans to save hundreds of thousands of farms from foreclosure; by home loans to save hundreds of thousands of homes from foreclosure; by public-works loans to States, counties, cities, towns, school districts, drainage and irrigation districts; all or nearly all of which loans will be repaid with interest. Of the rest, 95 percent went to keep people from starving. Five percent may have been wasted.

On the part of the opposition this will be almost wholly a campaign of criticism. Some of it will be merited. It would be surprising if it were not. But most of it when seen in the light of all the facts will be about like the criticism of the increase in the public debt.

A much more important question to the voter is, What is offered in place of what we have got? A Washington correspondent at the Cleveland convention who has been most critical of the New Deal and all its works summed up in the fewest possible words the case of the opposition in his review of the keynote speech, prepared and delivered by a reactionary leader in the United States Senate, who ought to know not only the shortcomings of the New Deal but what his party proposes in place of it. Here it is, headline and all:

VAGUE ON PROPOSALS

On the constructive side the address was vague and general, except for the contention that if the Republicans were restored to power they would correct all the evils which the keynoter maintained had flowed from the New Deal.

That they are vague on proposals should set the voter to thinking; and what are the evils? Among them will not be a country in a seemingly bottomless pit of depression and despair, as it was on March 4, 1933. It is resurrecting. Among them will not be the necessity of closing all the banks in the country, as on March 4, 1933, to avoid universal bankruptcy. The banks were never sounder and their deposits are now insured. Among them will not be the strangle hold of the gold standard on the economic throat of the country. That strangle hold has been removed. Will the people ever again permit its grip to be fastened upon them? Among them will not be the unlicensed privilege of Wall Street to engage in an orgy of fraudulent speculation, such as dissipated one hundred billions of the savings of the American people. That has been taken care of. If and when the Republican Party comes in again, it will come to take over a going concern.

WHAT ONE MAN CAN DO

The most astounding criticism of the President which I have seen is the charge that between the time of his election and inauguration he refused to cooperate with President Hoover. President Roosevelt was inaugurated on a Saturday noon and on the following Monday morning he put into effect the orders to close all the banks of the country and to impound all the gold of the country, stopping its flow to Europe, and such other steps as were immediately necessary to avert a major catastrophe. Hoover, going out, had nothing to lose by doing these things. Roosevelt, coming in, had everything to lose. It shows what one man can do if he has the vision and the courage to do it.

THE FORK OF THE ROAD IS MARKED

Let us face the future. In my opinion in the campaign of 1936 the people rather than the President will be on trial. It will not be disputed that he has carried the greatest peacetime burden and faced the greatest peacetime problems of any President in American history. It cannot be disputed that in all his policies he has been motivated by sympathy for the masses of the people, the farmer, the worker, the small-business men, and that his program has been intended to help them. Some of these measures may have been faulty, errors have been made, but through it all there stands out clearly, as the great objective of President Roosevelt, not only the rescue of this country from the terrible condition into which it had fallen, but to eliminate the abuses which so largely contributed to this disaster, and to establish our economic life on a more just and equitable basis.

In this program he has had a large measure of success, and his reelection, which I firmly anticipate, will enable him to successfully complete it insofar as it lies within the power of any one man to lift the level of life in a great nation. He has attacked the greatest depression in our history on every front. He has routed it on many fronts. The clouds are lifting. Conditions in business, industry, and agriculture are manifestly better, and getting better even in the face of a Presidential campaign. This is our answer to those who have only criticism to offer.

PROGRAM CUT PARTY LINES

It is only fair to state that support of the Roosevelt program cut across party lines. It was supported by the progressive-minded Members regardless of party. Great dissenting opinions of the Supreme Court in favor of the constitutionality of these laws were written by a Republican Justice, Harlan F. Stone. Those dissenting opinions will yet be the law of the land. Progressivism is an attitude, not a creed. Nor a party label.

Now a great political contest is on. The prize is the control of the greatest and richest of nations. I have not the time to write, nor you to read, the answer to all the deceptive calls of reactionary leadership to the people to return to what they call the ideals and policies of genuine democracy, of opportunity for each and all in every field of action, free from the interference of government.

I have the time to answer, and you to read, that behind the ticket nominated at Cleveland is every great interest that exploited this country, not for 3 long years, but for 12 long years; impoverishing agriculture, disemploying labor, bankrupting business, and making a New Deal necessary. Are you in doubt about where your interest lies? They are not.

THE PROBLEM

Ten million unemployed workers, with the machine gaining on the employed. One-half the farmers reduced to tenantry, and the percentage growing. Independent business in commerce and industry disappearing. The economic structure of the country in the control of great corporations, defying effective public control. Laws, Federal and State, intended to correct these evils, nullified by the courts as unconstitutional. This is the picture from my viewpoint. Government will change this picture or this picture will change government. Roosevelt is trying.

JOSEPH W. BYRNS

Mr. REECE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a eulogy delivered by me on the late Speaker BYRNS over the facilities of the National Broadcasting Co.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. REECE. Mr. Speaker, under leave to extend my remarks, I include the following eulogy on the late Speaker delivered by me over the facilities of the National Broadcasting Co. from Washington, D. C., June 5, 1936:

Death's grim sergeant at arms has summoned our beloved Speaker, JOSEPH W. BYRNS, away with him into that distant vale which we poor mortals are destined never to know about in advance.

In his passing the Nation has lost a highly honored leader, my State a stalwart son, and I a noble friend of many years' standing.

Heavy and bewildered, indeed, are the hearts of us who are left here on Capitol hill. Only a few brief hours ago he was safely presiding over us in the tumult of debate over important legislation.

Now his form is strangely still. Never again will those penetrating eyes of his peer at us and through us—from under those shaggy eyebrows.

Never again on earth will his arm sweep down with a gavel to demand order or to remind us of time expired. For him all is order now and time is no longer of consequence. He has left us puny mortals behind as his spirit soars off into space with the immortals.

As Robert Louis Stevenson once said, so, too, could JOSEPH W. BYRNS this moment were he able to speak, "I am a little ahead of you, gentlemen!"

Our differences of opinion, our debates, our lapses from the rules no longer concern him. For him now there is only peace and calm—the final fulfillment of God's promised reward for all who obey His precepts.

Most men have to die ere they earn the spoken esteem of their fellows. Speaker BYRNS had that esteem all the years of his life. Here on the hill men honored him, respected him, and found him all that was good and all that was human perfection. By trial and error, by victory and defeat, his character had become a sweet and noble thing.

He was one of those rare types of beings—a man whom Almighty God Himself, must have qualified for public service. He might have taken for his own that knightly motto of the Middle Ages—"Ich Dien!"—I serve!

For all of JOSEPH W. BYRNS' life was consecrated to public service and welfare. His every action was for the common good and there was never a sordid thought in his mind for personal rewards. Nigh 40 years of his life was freely and gladly given to his State and his country.

As a State representative and a senator for some 12 years, he left a shining record in the annals of Tennessee. As a Member of the House of Representatives these past 28 years, he leaves behind him a distinguished record of service which few men have ever equaled or ever will equal.

As the Speaker of the House he gave dignity to his office and won the respect and admiration of Democrat and Republican alike by his capable and fair rulings.

Of noble characteristics he had many, but his outstanding features were his loyalty to his friends and his uncanny ability to harmonize dissenting groups. Mild-mannered and with Chesterfieldian courtesy, he was ever able to bring order out of confusion. Of a truth, he was a real leader of men.

Physicians declare he would be alive today but for his untiring zeal and interest in the problems which are now confronting the Nation. A tireless worker, he burned his body out in devotion to public service. It was nothing for him to work 15 and 20 hours at a stretch without rest. It is no figment of the imagination to say that he deliberately sacrificed his life on the altar of what he took to be the national need.

It is hard to realize that he is no longer among us—that we will no longer chuckle over his stories of the fish he never caught but

dearly loved to angle for. It is hard to realize that he will no longer be available when we need his sage counsel and advice. The Union will carry on without him, but the piloting will be harder than were he still here to help hold the wheel.

Whenever I think of death I think of a sentence I once read in one of the sacred books of the East. It came from the Bhagavad Gita, and it runs like this:

"Death is but a rusty scabbard
From which emerges a shining sword!"

If that be true, then JOSEPH W. BYRNS, reincarnated, is now winging his way off into the infinite, more useful than ever in that divine plan of things which none of us living are given the right to understand. His body lies here, stilled in the awful majesty of death, but his spirit is carrying on as he did himself when he was with us in person.

There are men who scoff and say that when we are dead that is the end of everything. They are arrant fools. Nothing in Nature ever dies and becomes wasted material. Always a new cycle of development results, whether it be a tree, a shrub, a blade of grass.

With such perfection in Nature, can anyone doubt for a second that an all-wise Creator would do less for us who are created in His image? For us humans who have been given the right of speech and unlimited mental development, is it thinkable that the bitterly learned lessons of life are to be of no future use?

Life, with its stern realities, affords men a chance to prove themselves. Step by step down the years, we are given the chance to develop mentally and physically and in our strength and our weakness to serve as object lessons to our fellows.

Some men, by reason of unusual and inherent qualities, are outstanding in this regard as to their spiritual value to others. Their virtues and their noble actions make them lodestones of attraction to others—make them fountain heads of wisdom for the benefit of all humanity.

JOSEPH W. BYRNS was such a man. In life he was a natural leader. In death he is a tremendous object lesson for us who are temporarily left behind. We have been enriched by his character and we are one and all the better for his having passed among us and for his all too brief span of leadership.

We are enriched by his standards of loyalty and devotion. Part of the good that was him becomes our heritage whether we are aware of it or not. Consciously or unconsciously, we will ape and take on those qualities of his and be all the better for them.

Do you doubt my statement? Then I refer you to Paul's Epistles to the Hebrews in which you will find one of the subtlest and deepest principles of life—mayhap the answer to the riddle of life—"God having provided some better thing for us, that they without us should not be made perfect." Say that to yourself, and imagine, if you can, that they are the words of the dead to us who are still alive.

JOSEPH W. BYRNS loved his State and his country. Their best interests were always his best interests. Early and late, he ever stood ready to give them the last ounce of energy he possessed. Now, like a valiant soldier, he has expended that last ounce and his cold form lies stilled before us in an unforgettable lesson in service.

He was a gentleman of the first rank and a firm Christian. He was a devoted husband and father.

All of us who knew him well are better off for these shining virtues of his because, awed and humbled by the mystery of death, we are unconsciously receiving this spiritual legacy he has left behind. So goes the law of life—in such fashion is exemplified the words of the poet, "The good men do lives on after them and never dies."

Hail and farewell, JOSEPH WELLINGTON BYRNS!

There is sorrow and weeping in our fair State of Tennessee today, because you are gone—there is sorrow and weeping everywhere in the Nation.

We will sadly miss you in the days which lie ahead but we are all the better and all the more strengthened because you passed amongst us and helped show us the way to immortality.

STATEMENT BY NATIONAL WOMAN'S PARTY

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief statement by the National Woman's Party.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, the National Woman's Party, which is sponsor for the proposed equal-rights amendment, has issued an interesting statement on the recent minimum-wage decision of the United States Supreme Court. Its statement is as follows:

The Supreme Court has exposed the fallacy and forever disposed of the strange theory that the imposition upon women of wage rates not applicable to men would be an act of social justice, leaving only the question of such minimum-wage regulation for all workers.

The New York minimum-wage case has served to clarify the issue and clear the air, leaving to be decided on its merits the issue of whether or not to maintain, abridge, or wholly yield to legal regulation the hitherto guaranteed privilege of American men and women freely to exercise a right inherent in our form of government.

Perhaps the time has come to reconsider and redetermine this fundamental question.

But if it has, or when it does, that issue will be decided and a new design for living created, if at all, by the votes of men and women, acting not in opposition to each other but in their mutual interest and on grounds broader than any presented in the narrow field of minimum-wage regulation for women only.

Thus far, men have not wanted and labor leaders have strenuously opposed minimum-wage legislation for themselves, while cordially approving and even urging the enactment of such laws for women regardless of protest against them.

Disguised as protection, the grinning specter of discrimination has been advancing behind a smiling face.

The Supreme Court has torn away the mask.

Never again can it be argued that women are helpfully affected by minimum-wage laws which fail to apply equally to men.

In a decision which should be read by every American citizen, and with gratitude by all women, the Supreme Court has declared that—

"While men are left free to fix their wages by agreement with employers, it would be fanciful to suppose that the regulation of women's wages would be useful to prevent or lessen the evils listed in the first section of the act."

And therefore the Court concluded:

"It is plain that under the circumstances such as those portrayed in the factual background prescribing of minimum wages for women alone would unreasonably restrain them in competition with men and tend arbitrarily to deprive them of employment and a fair chance to find work."

Not only did the Court find "repugnant" to constitutional guaranties the provisions of the minimum-wage law it was asked to uphold, it also found, and so declared, that the facts presented in its favor were the best arguments against it.

"These declarations or recitals of fact," the Court ruled, "serve well to illustrate why any measure that deprives employers and adult women of freedom to agree upon wages, leaving employers and men free to do so, is necessarily arbitrary."

Proponents of special restrictive laws for women in industry will strive in vain to obscure the grounds on which was rendered the decison handed down last Monday, June 1, and to divert attention from the arguments advanced in favor of the New York minimum-wage law by those who frankly indicated their greater concern with its desired effect on the employment of men than on women, the alleged beneficiaries of the proposed legislation.

"Doubtless", these advocates told the Court, "some persons may suffer hardship"; that some women would be deprived of employment, and the wages of others depressed by it was conceded.

But that such persons would be those least able to take care of themselves when displaced, and others of greater skill who in replacing them would be forced to accept the lower wage, concerned these advocates of social justice not at all.

It did concern the court of last resort, which not only reaffirmed all previous rulings that the fixing of wages by law is an invasion of a private right beyond the legislative power, but further held that the law in question involved a specific discrimination against women.

Thus stripped of illusion and pretense, there remains only the question of whether social justice is best served by the preservation of liberties reserved by the Constitution "to the people" or by laws for all workers enacted in accordance with another and different social philosophy.

MULTIMETALISM—A LOGICAL SOLUTION OF OUR EXISTING MONETARY PROBLEM, INCLUDING PROPOSED ACT

Mr. WHITE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein an article on finance. I have an estimate on this from the Public Printer. I made the request recently, but the matter runs a few lines over the two-page limit. I therefore renew my request.

Mr. RICH. Mr. Speaker, will the gentleman give the House the estimate he received from the Printer?

Mr. WHITE. It is two pages and a quarter.

Mr. RICH. But what will it cost to print the speech in the RECORD?

Mr. WHITE. I do not remember the exact figures at the minute, but it runs two pages and a quarter, they said, in the estimate.

Mr. RICH. I should like the House to know what two pages and a quarter cost.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE. Mr. Speaker, in consideration of what is generally admitted to be one of the paramount issues before the people of this Nation—the money question, to which all other issues are more or less related and subordinate, I include a treatise on multimetalism prepared by one of the

leading sound-money advocates of my State of Idaho, Mr. Frank E. Johnesse, Boise, Idaho:

As the existing depression continues and its resultant problems become more complicated, it is all the more evident that the basic cause is the impracticability and instability of our crude and antiquated monetary system, and there must be a radical change therein before we can ever hope to recover from existing governmental ills. The cause must be removed.

We must devise a monetary system that will conform to our advanced industrial and commercial methods, and it should provide a compensated commodity dollar, a dollar that will be in some way guaranteed; not alone by Government credit, but by real commodities, in order to render sound our national monetary structure. When we receive a dollar in compensation for work performed, whether by applying brain or brawn, and it is accepted in exchange for commodities created by labor, it becomes a compensated commodity dollar; and having it secured by, or redeemable in a reasonable number of essential commodities produced from nature's products by the application of labor thereto, it will very naturally stabilize the value and price of all commodities so produced, and likewise our dollar or medium of exchange.

A paper unit of our national currency is nothing more or less than a national check, which differs in no essential from the check of a responsible private citizen. There should be available, in the Nation at least, 100 cents worth of some imperishable and indispensable commodities on which the relative price has been fixed by law, for the security or redemption thereof on demand.

One single commodity will not suffice; and particularly one such as gold that has no real intrinsic value. It must consist of a sufficient number of imperishable essentials of which there is an ample supply available and which will provide sufficient security and for the working out of the law of relativity.

There is no more reason why the Government should stamp 50 cents worth of silver with the value of one dollar and offer the coin or irredeemable paper currency in exchange for a dollar's worth of commodity of any kind than why an individual should do so. Such a dollar is in no way compensated, and in reality the transaction is dishonest, whether indulged in by a Nation or an individual. When the credit of the issuer weakens; whether it be the Nation or the individual, its exchange value is deflated and the holder loses.

The recent inflation in the price of gold the world over, averaging close to 100 percent, together with the marked advances made in metallurgy in recent years, which has greatly reduced the cost of reduction of large low-grade gold deposits of both lode and placer, is going to result in a material increase in the world's output. Then, it being withdrawn from circulation and the human race no longer bedecking themselves with it in gaudy jewelry as in the past, its consumption is bound to be greatly reduced. There will also be a limit to the amount each nation can afford to buy and store away with no interest accruing. Therefore, at the present rate of production, and the increased rate that is bound to develop to a marked degree, it will not be long before the supply will be far in excess of the demand. Not being an essential in any particular, with its use confined to that of a convenient exchange medium, it will lose even the broadly fluctuating exchange value it has had in the past.

It is a travesty upon the concept of a standard to define the dollar in terms of a metal, the production of which accounts for less than 1 percent of our national income and has no real intrinsic value, and it reflects most unfavorably upon the intellect of our citizenship to acclaim alleged soundness to a monetary standard such as gold alone, when we realize its extreme instability.

A stable price for labor and commodities means prosperity, while highly fluctuating prices mean speculation, bankruptcies, unemployment, depression, hunger, and disaster.

The international bankers and big-moneyed interests do not want a stable monetary system; it is to their interest to have a broadly fluctuable standard of value or commodity price level, for under such a system they can control the market—run it down and buy, then run it up and sell. Under existing laws they can issue a circulating currency and loan it to the Government at a fair rate of interest, in spite of the fact that the Government is its only security. As they loan this money out, credit is inflated, and when they call it in, credit is deflated, and the earning power of the working class and the commodity-price level varies accordingly.

The American people at a cost in income alone of over $127,000,000,000 and a still greater depreciation in capital assets have learned, or should have learned from this depression, how unwise and destructive it has been to let such interests dictate our monetary policies.

Superficial treatment of the basic causes which bring on a depression will not end it. Emergency measures are but temporary at best. We have reached the point where we can no longer rely upon experimentations in currency manipulations, and the pretentious altruism of the large financial and commercial interests whose souls are seared by overacquisitiveness and desire for excessive profit.

Ways and means must be provided by which private enterprises will be revived so as to take up the slack in business when this artificial stimulus of Government spending is withdrawn, as it must be in the near future.

The uncertainty as to the future stability of our monetary system has destroyed the confidence of investors in the safety of long-term ventures of all kinds, and until we provide a more practical, logical, and stable monetary standard the depression will remain with us.

A currency or monetary system managed or directed by a bureau or commission cannot be made to serve the public on an equitable basis, because "to err is human", and it would be more or less subject to the powerful influence of predatory interests. It should be made mandatory—subject to a fixed law.

It is unfortunate that the administration in power has not before this realized the extreme importance of providing a stable monetary system.

It would seem that anyone with the least conception of economics or the monetary question should realize the impossibility of stabilizing the exchange value or purchasing power of a nation's currency or medium of exchange without having it redeemable in the relative exchange value of a reasonable number of interchangeable, indestructible, and indispensable commodities produced by labor, which is the source of all wealth, and of which there is an adequate supply. And this being a fact, what group of commodities could be more appropriate than silver, nickel, tin, copper, lead, and zinc at their relative labor cost with gold at any fixed value in dollars. Aside from food products, which are perishable, and therefore could not be made to serve the purpose, they are the most essential of all commodities.

The progress of science and industry has brought us well along into the metal age, and without these seven metals, particularly the last six named—silver, nickel, tin, copper, lead, and zinc—we never could have reached our present advanced state of mechanization in the progress of civilization.

If money is to be sound, that is to say, exercise an approximately constant control over economic values, some way must be provided by which it can be related to some such group of essential commodities as it has in the past supposed to have been related to gold. The reason why raising the price of gold did not cause the general price level to rise in the same proportion, or anything like it, was due to the fact that the single gold standard is a traditional fetichism; and while the other six mentioned metals are not so worshipped, they are absolutely essential to the progress and maintenance of our modernized world. Therefore they are the logical commodities upon which to base a sound monetary system. Their relative value can be closely adjusted to their labor cost and therefore made to provide a stable price and wage level as no other group of commodities could.

Our economic order cannot survive on a fiat money or a single gold standard. The inclusion of silver along with gold would lend to the stability of the system but could not bring about the desired results.

We must establish an economic system that will serve equitably internationally, so that every human being with wants unsatisfied, and who is willing to perform his share of work, can draw upon the mass-production facilities of factory and farm on an equitable basis for work performed.

To meet these requirements the following act is hereby recommended:

"An act to provide a compensated commodity dollar or standard of value as the basis for a stable monetary system

"Whereas a great national emergency exists, requiring immediate restoration of the commodity-price level, a revival of industry, relief from the serious unemployment situation, restoration of the earning power of the people, and an increase in the current income of our National Government; and

"Whereas it has become an established fact that gold alone, at any fixed price or in any quantity, cannot provide a stable standard of value for our medium of exchange, that our past crude monetary system based upon the single gold standard has become an antiquated, outworn traditional theory, which does not and cannot be made to serve the purpose for which it is intended; and

"Whereas in order to provide the basis for a compensated commodity dollar that will function equitably as our medium of exchange, it must be based upon a sufficient number of the most essential, indispensable, indestructible, and interchangeable commodities to provide for the free applicability of the working out of the law of relativity; and

"Whereas the Constitution of the United States, by article I, paragraph 8, has vested in Congress alone the power to issue and coin money and regulate the value thereof: Now therefore

"Be it enacted, etc.—

"1. That on and after the enactment of this act the fixed value of our dollar or our national medium of exchange, shall consist of 13⅛ grains of gold, equivalent to $40 an ounce, and silver, nickel, tin, copper, lead, and zinc at a fixed relative value, on the following basis:

Gold	ounce	$40.00
Silver, 26⅔ ounces to 1 ounce of gold, or	do	1.00
Nickel, 114 pounds to 1 ounce of gold, or	pound	.35
Tin, 80 pounds to 1 ounce of gold, or	do	.50
Copper, 320 pounds to 1 ounce of gold, or	do	.12½
Lead, 400 pounds to 1 ounce of gold, or	do	.10
Zinc, 400 pounds to 1 ounce of gold, or	do	.10

"2. That the price of gold shall be fixed at $40 an ounce and not subject to change except by act of Congress, but the relative price of the other six metals, silver, nickel, tin, copper, lead, and zinc, shall be subject to change within certain limitations as hereinafter provided, and the said seven metals at their fixed

relative price shall constitute our standard unit of values, and all forms of money issued or authorized by Congress shall be maintained at a parity of value with this established standard, and it shall be the duty of the Secretary of the Treasury to maintain this parity; and all United States notes, Treasury notes, and bonds now outstanding and which were redeemable in gold at the old price of $20.67 an ounce, as well as all other debt and obligations, both public and private now outstanding, except those held by foreign nations and citizens of other nations at the time of enactment of this act, shall be redeemable in any one or more of these said seven metals at their fixed relative value or a currency or medium of exchange representing the same.

"3. That any amount of any one or more of the said seven metals imported or accepted in exchange for commodities from foreign nations, corporations or individuals at a price less than the fixed standard, shall be subject to an import tax equal to the difference.

"4. That the President shall appoint a currency-control board consisting of three members of which the Secretary of the Treasury shall be one and serve as chairman thereof. The other two members to receive a salary of $10,000 a year, but the salary so fixed shall be subject to the reductions applicable to officers and employees of the Federal Government generally.

"5. That the currency-control board shall have the power to increase or decrease the price of one or more of the said six metals other than that of gold, in order to regulate extreme fluctuation in supply and demand; provided the change is not in excess of 5 percent within 3 months or 10 percent within 1 year, and that notice of any and all changes so made shall be made public at least 30 days prior thereto.

"6. That the production of any amount of any one or more of the said seven metals shall be reported to the United States Treasury or its agencies for certification, for which the producer shall pay a certification fee of 15 percent on all gold, 10 percent on all silver and 5 percent on any one of the other five metals produced in the United States or its possessions, or imported from any other nation not internationally associated with us under a like monetary system.

"7. That all or any part of any one or more of the said seven metals produced in the United States or its possessions and certified to as herein provided, shall be subject to purchase by the United States, in preference to any other purchaser, and no quantity of any one of the said seven metals shall be sold for more or less than the said fixed price.

"8. That for every dollar's worth of any one or more of the said seven metals produced as herein provided and purchased by the United States and not minted to be used as coin of the realm, the Secretary of the Treasury shall have issued in legal tender paper currency of various denomination in a like amount, which shall become a part of the general fund. Likewise, the Secretary of the Treasury shall have issued a like legal tender paper currency for every dollar received in certification fees, and it also shall become a part of the general fund.

"9. That a production tax of 5 percent of the sales price of all other metals and minerals of every kind and description mined or otherwise produced from nature shall be paid by the producer when sold, or if and when processed by the producer, the tax shall be 5 percent of the open-market price at the time of processing, said tax to be collected by the United States Treasury, become a part of the general fund and subject to the issuance of legal tender paper currency as herein provided.

"10. That any person, persons, or corporation violating any of the provisions of this act shall be deemed guilty of felony, and on conviction shall be punished by a fine of not less than $100 and not to exceed $5,000, or by imprisonment for a period of not less than 60 days or in excess of 5 years, or both fine and imprisonment within the limits hereinbefore specified, at the discretion of the court.

"11. That all acts or parts of acts in conflict with this act are hereby repealed.

"12. That, whereas an emergency exists, therefore, this act is to take effect on and after its passage."

PERTINENT POINTS REGARDING THE FOREGOING PROPOSED ACT

The relative price of the seven metals, except for that of gold and silver, as herein provided, is about an average for 25 years under normal conditions, but could be fixed at any desired level to meet existing conditions.

The price of gold alone can have but little, if any, bearing on the price of essential commodities. Therefore the higher its price the better, for its main function under the proposed act will be in using it to balance accounts between nations and to adjust the supply of currency and circulating credit to the changing demands of trade.

By fixing a relative price of the other six metals it will have the direct effect of bringing the price of labor and all commodities up to a relative level and make them stable.

A certification fee or tax on metals and minerals of all kinds which are nature's matured products, is far more reasonable and just than a tax on farm products, which are perishable and require planting, cultivating, and harvesting to produce, with results dependent upon market, weather, climatic conditions, and pestilence of all kinds. Such a tax will provide an annual income of over $750,000,000 and be felt less than any now imposed by the Federal Government.

The certification fee or production tax will provide for the issuance of a non-interest-bearing circulation medium to take the place of interest-bearing bonds and Federal Reserve bank notes issued against them and in the payment of Government obligations of all kinds. Such an exchange medium will have far greater stability than any form of money heretofore issued by any nation.

It is not intended, nor is it to be expected, that any or all of the seven metals are to be used in actual exchange for products or in balancing accounts any more than gold has been for the past threescore or more of years while serving as a standard for our medium of exchange. It is only intended that their combined value and national supply shall secure our circulating currency or medium of exchange and provide a stable credit basis.

Silver, nickel, tin, copper, lead, and zinc are essential to the life and progress of industry, and therefore have real commodity value, while gold has not. Therefore, our dollar, based upon the relative or combined value of the seven, should have far greater stability than on gold alone, or both gold and silver. The extreme variability in the purchasing power of gold, due to the supply being hoarded and controlled by a few nations or certain interests, has made it impossible to maintain anything like a stable commodity price or labor cost level, and has no doubt been the chief cause of the present and past depressions.

With such a stable monetary system as the proposed act provides, the value of all other commodities produced by applying labor to the earth or its products, as all commodities are, will become automatically adjusted to their relative labor cost level. By fixing the relative cost level at something like the average for 1926 it will enhance the value of the debtors' assets, strengthen private and public credit, and greatly increase the buying power of the masses. One of the most important and far-reaching factors is that it provides the ideal basis for an international monetary system that will prove a world-wide blessing, and a system to which most nations, once they realize its far-reaching international beneficial effect, would readily subscribe to.

This world-wide depression has vitally affected every nation and our international relations have developed to the point where no one nation can emerge from it alone. With our highly developed means of transportation and communication, extreme nationalism is a thing of the past; we are more or less dependent upon each other for our future well-being, and particularly the progress of industry, and the first and most essential requisite is a sound and logical international monetary system.

There is a much greater need for an international monetary system today than there was for a national or interstate system 100 years ago. It would eliminate many of the obstacles of foreign commerce and pave the way for advancing the living standard of the masses of the entire world, which, in turn, would greatly increase the demand for and consumption of the necessities, comforts, and luxuries of life, provide a more equitable distribution of wealth created by labor, as all real wealth must be, and eliminate many of the prime causes of war.

Our economic system must be modernized to the rapid advances being made in science and industry, and as the monetary system is the cornerstone of economics, a more practical, logical, and equitable system must be devised and adopted. Instead of a fiat or gold dollar, we must provide a compensated commodity dollar as suggested in the foregoing proposed act. Without some such radical but practical change in our monetary system there can be no permanent relief from existing conditions.

Neither monometalism—the single gold standard—nor bimetalism—both gold and silver—will suffice. What we must have is multimetalism—gold and silver—with the five leading industrial metals, nickel, tin, copper, lead, and zinc—real essentials, which will provide the necessary breadth and stability and prevent hoarding and control by nations or powerful corporations.

Monometalism (the single gold standard) is a thing of the past. We are in dire need of a logical, practical, modernized monetary system. Multimetalism is the logical solution.

While multimetalism has never been tried out and its feasibility demonstrated, no other plan so far proposed comes anywhere near providing so sound a method; and while it may not prove perfect, it will, without a doubt, prove to be far superior to any plan ever devised or adopted by any nation in the past. It is the only plan upon which an international monetary system that will function satisfactorily can be based. Its early adoption by our own Nation will at once start us on the short cut back to prosperity with such startling results that other nations, looking for a logical way out and not bound by tradition and the greed and narrowness of the dominating class, will quickly fall in line. Right now multimetalism is our salvation. It will also tend to obliterate extreme national independence and lead the world on to a broader application of interdependence and internationalism, for it will provide an ideal international monetary exchange medium and check the growing tendency toward extreme nationalism, which is much to be desired.

The first step toward multimetalism is to peg gold at some fixed price and remonetize silver at a reasonable ratio, then fix the relative price of nickel, tin, copper, lead, and zinc at the proper level therewith, and have all obligations, both public and private, redeemable therein, and we will then have modernized, harmonized, and stabilized our monetary system.

It provides for the issuance of multimetal certificates in various denominations for our circulating currency, to be redeemable in any one or more of the said seven metals at their fixed relative prices, and all debts, public and private, payable therein. For a Federal currency control board with power to gradually vary the relative value of any of the said metals other than gold, if necessary,

to conform to extreme variation in supply and demand, and for the Government to certify to the production of all the said seven metals hereafter produced in the Nation and charge a certification fee of, say, 15 percent on gold, 10 percent on silver, and 5 percent on the other five.

A like certification fee could well be imposed on the production of all other metals. They constitute real wealth coming from the earth, which is the natural birthright of the people. It would therefore be just and felt less than most any other form of tax. It would also provide a large percentage of the necessary income.

Under this system the relative price of all commodities could be brought to any desired level, because the relative average price level of all commodities would conform to the fixed relative labor cost of the seven metals and would become stable.

We are living in the metal age. The progress of science and industry is dependent upon the use of metals. With these industrial metals functioning as a monetary standard, they will be used to a very large extent in commodity exchange and thereby greatly increase our international commercial intercourse.

Once it is adopted, details as to the particular metals used, their price, certification fees, etc., can very easily be worked out to conform to existing conditions, and we will then have paved the way for a rapid recovery from our present ills.

PROBLEMS OF AMERICAN DIPLOMACY

Mr. KENNEDY of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an open letter to the President of the United States by a justice of the Supreme Court of the State of New York on the question of American diplomacy.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KENNEDY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter of Justice Cotillo to President Roosevelt, which, I believe, is a fine presentation of a difficult as well as a delicate question of American diplomacy:

NEW YORK CITY, *June 5, 1936.*

To the PRESIDENT,
White House, Washington, D. C.

MY DEAR MR. PRESIDENT: "Future events cast their shadows before." This has for American diplomacy today a great significance. I call your attention to what the public press reports are agitations and disturbances in Palestine, wherein the English accuse the Italians of exercising unfair propaganda. This agitation, in a far-away land, may be the means of starting another war in Europe, and on behalf of all Americans here, I take the liberty to address to you this open letter, calling your attention to the potential dangers in any future embroilment by us.

Though occupied with the many duties of a justice of the supreme court here, yet from the standpoint of an American interested in maintaining strict neutrality, I have made a study of the situation in foreign affairs as it affects our relations in the Ethiopian dispute.

For this reason, I thought it my duty, representing as I did in 1918 the United States Government in Europe and in Italy particularly, to offer what little aid I can to this country, because of my deep appreciation of the good I have received here.

It is discouraging to read in the public press statements accredited to a member of the House of Lords made in the English Parliament, that upon your reelection they (the foreigners) can depend upon you to push this country's influence on the side of England, on the side of the League of Nations, on the side of other interests other than those primarily American. I desire to blast this infamous statement, because, knowing as I do of your deep loyalty to America and to the supreme trust placed upon you by the American people, I am confident that whatever decision you arrive at will be fair, impartial, and above all else, American. Knowing you as I do, I can truthfully say for the benefit not only of Italian-Americans, but for all Americans, that your decision will be fair and just and afford no basis in fact for such calumnies.

If the memorandum I enclose herewith can be of any assistance to you, either through its formulation of the facts or presentation of one of the viewpoints involved, it will have served its purpose.

We have heard in the past how wars were made for America, not in Washington but in foreign capitals. It is asserted by international lawyers that our War of 1812 was thus made. It is repeated in places, too numerous to mention, that the same situation was duplicated in 1917. For this reason no effort should be spared to acquaint our people with the true facts and thus put in your hands a weapon so as to influence public opinion and enable us to religiously eschew these influences from foreign sources, and remain neutral, not only in spirit but also in fact.

A coming question before you as Chief Executive of the American Nation is the problem of recognition of Italy's rights to sovereignty over Ethiopia. Concerning the solution of this problem in my memorandum, I offer two suggestions. Both are offered in my humble capacity as an American citizen and both are neutral in spirit. One is that in determining this question we stick to the precedents afforded through international law; the other is that we base our policy on realistic diplomacy.

I, perhaps, can make clear what I mean when I quote the following from my memorandum:

"With the advance of the Italian Armies and the imposition of sanctions against Italy, a crusade began to mobilize public opinion in the United States, not in the cause of peace but in the cause of war. That was a war against Italy because she had been designated by the League as an aggressor.

"By this time conferences were being held by the Senate and House committees with a view to framing a permanent neutrality policy. Arguments were advanced pro and con. So convinced were our leaders that all the morals were not on one side, that it was definitely declared additional time was necessary for consideration. As a result the 1935 neutrality policy was reenacted in 1936.

"The test laid down in the public debates was whether or not we should or should not apply sanctions. The arguments advanced a decade or more before by Senator BORAH and Senator JOHNSON against interference in European wars were repeated. We were happy that we had not been inveigled in them.

"To apply sanctions meant to abandon international law and invited a new departure. It meant definitely to cripple Italy by depriving her of essential oils. The prosanctionists were definite that only by such a policy could they accomplish what they sought after, namely, to defeat Italy.

"The pro-English element, who are a minority in our population, sponsored this division within our people here; that it set up groups and classes against each other within our masses was a minor concern.

"The propaganda failed because it was not based on neutrality. It meant abandoning traditional American diplomacy doctrines such as the freedom of the seas and rewriting a new schedule on embargoable goods not recognized under international law. It definitely led us into making moral commitments in all foreign wars. The morality of such wars might even be decided by Asiatic nations sitting in the League of Nations, and fascist or communistic nations, too, for that matter.

"It became apparent that neutrality was something which could not be hastily passed upon."

The League has come to America and made its play for our support through its pro-League organizers. It failed to convince us that they were sincere. We became satisfied that American neutrality was not going to be easy to define, and that everybody was on the "suspect list" so far as motives and morals were concerned.

Now, let us take stock where we stand so that we may know how to do the right thing now that the war is over. This is important, because as the public press reports that the League of Nations intends to continue sanctions, once again our happy refusal to join with the League prevents us from lining up in a policy which no longer is a policy of sanctions but is a policy of vengeance instead.

First and most important, let us do nothing to bring down ridicule upon us. Let us avoid backing unrealities because if we do, the next obvious deduction is an accusation of hypocrisy.

Let us illustrate. In Asia, we do not recognize the existing government in Manchuria. We do still recognize a defunct Chinese autonomy there, not based on anything in fact.

Under the nine-power treaty, Mr. Stimson enunciated our policy of nonrecognition. The nine-power treaty left him no other alternative. There lay an instrument specifically created to preserve her territorial integrity. Three years have passed, and we have our first example of a policy where we recognize a country which has ceased to exsit, and have failed to recognize an existing state evidently destined to survive. Diplomatic policy so contradictory to settled facts in fields so foreign or alien to what Prof. Charles A. Beard calls "our defensible interests" tends to border on the ludicrous.

To apply the Stimson doctrine in Africa may easily duplicate such a questionable performance, excepting this time we would not have the concrete applicability of a specific treaty directly designed to save Ethiopia. In such an event we would have by holding onto the old set of facts still another Minister without duties and credited again to a nonexistent regime. And vice versa, the existence of an African territory whose 10,000,000 inhabitants and 350,000 square miles of territory remains a blind spot in our diplomatic lexicon. Such unrealistic diplomacy can bring no glories to America.

From these citations I conceive it desirable that we attempt no experiments; that America stick to that which is tried, tested, and in the past found sufficient; and, finally, that the interests of America compel that we attempt no other course.

My second suggestion, that we place our recognition to Italy's claims over Ethiopia on a realistic basis is readily supported by a reference to the following excerpts again taken from the accompanying memorandum:

"It is instructive to note that the second half of the nineteenth century alone provides five instances of annexation similar to Italy's recent annexation of Ethiopia, where one state has annexed the entire territory of another state without the latter's consent and without any treaty providing for its cessation. Three of these annexations were of colonial territory:

"'(1) On January 1, 1886, following the Third Burmese War, Great Britain, by a proclamation of Lord Dufferin, annexed the independent kingdom of Burma. The territory thus conquered is now known as the Province of Upper Burma and constitutes a province of the Indian Empire under the Central Government of India.

"'(2) In 1896 France annexed Madagascar after a military expedition had been sent to the island. Madagascar is now a thriving French colony.

"'(3) In 1900 Great Britain, by proclamations made May 24 and September 1, respectively, annexed the independent Orange Free State and South African Republic (the Transvaal). These territories now form part of the Union of South Africa, a British dominion.'

"The other two instances of annexation referred to above occurred in Europe, and were the following:

"'(4) In 1860 Sardinia annexed the Emilian Province of Naples and Sicily. This, however, was not a true conquest, since it followed a popular vote of the inhabitants of the annexed territories in favor of such union and was preceded by popular risings which had overthrown the ruling houses of such territories.

"'(5) In 1866 and 1867 Prussia, by unilateral decree, annexed Hanover, Nassau, Hesse-Cassel, the free town of Frankfort-on-the-Main, Holstein, and Schleswig.'"

Let us reflect back on our Russian experience. With the outbreak of communism there we closed the diplomatic door and kept it closed for 14 long years. Then we found a circuitous road to the inevitable recognition which followed. England waited for 12 years before recognizing the revolutionary government of France. We hedged many years before we negotiated through diplomatic overtures through Obregon with Mexico, having refused to recognize the Huerta regime. Delays are merely face saving, experience shows. If there was something to be gained by waiting, there might be something to be said for this unrealistic attitude. If the spirit of the Pact of Paris means anything, it means to grant recognition now and avoid a prolongation of war. In this way alone may we help keep the peace of Europe at least unimpaired. In this way we will help save the interests of the League of Nations and the face of England besides. All we need to do is to stick to international law.

Europe will doubtlessly call us names. It will also continue its scolding. At least we have done our part in closing the door against one more possible European conflagration. We would thus pull the League of Nations out of an awkward position and save England's face at the same time.

Let us not again do the quixotic in diplomacy. Neutrality requires that we recognize Italy's claim over Ethiopia. To refuse is to be unneutral.

Let us imitate the English in their realistic diplomacy. In 1933, though the League found Japan an aggressor, Great Britain announced an arms embargo applicable equally against both China and Japan. This was to demonstrate English neutrality, it was said.

When accused of unneutrality, Sir John Simon replied in the House of Commons: "I do not intend my country (Mr. Stimson to the contrary) to get into trouble." Is this not of great significance concerning what our stand should be on recognition in Ethiopia?

By all means, realistic diplomacy compels us to be just as neutral in Africa as England has been, the Kellogg Pact notwithstanding, in Asia. The moral is: Recognize Ethiopia as annexed Italian territory. This is but to pursue our rights as neutrals for which we have insisted throughout many times since 1928, when the Kellogg Pact was signed.

If, on a finding of fact, though no war was declared, you saw fit, Mr. President, to proclaim the existence of a state of belligerency, I urge you, in the name of American fair play, consistency, and logic, to now indulge in a similar finding of fact that no longer is there any war. If such is the case, the American people fairly may demand that you proclaim the end of a state of belligerency, and, further, that the temporary prohibitions, heretofore pronounced by you, such as nontravel on Italian ships, be rescinded.

The American people would support a realistic attitude by your administration concerning the recognition of Italy's claims over Ethiopia. The first step, courageous but factual, is for you to set aside as inoperative our neutrality legislation, specifically temporarily in character, and designed to be ineffective with the cessation of hostilities. I urge this practical attitude upon you, especially when it carries with it an added assurance for insuring peace in Europe.

Let us keep anchored to present-day realities. The sanctity of treaties per se means nothing when removed from present-day realities. Everyone welcomes the day when diplomatic realism and actual world realities may coalesce and thus occupy similar moral planes. If such a desired world morality existed today, then Germany and Italy would have no trouble or have to fight England and France for colonial territory or lands containing the sources of raw materials deemed necessary for their congested populations.

In addition, disturbing impediments to migration movements of peoples would be removed, all in a spirit of harmony. Only nationalism and human nature prevent this "Utopia" today. I say in my memorandum:

"Examining the Kellogg Pact for the outlawry of war, we find this termed essentially a document to insure peace. As a matter of fact the price of peace it exacts is the perpetuation of the Treaty of Versailles' errors. This is so because the minute Germany attempts to separate the fetters which bind the Covenant and the treaty together, she has automatically violated the Paris Pact and automatically is deemed to have started a war of aggression. Once more the hounds are called to the chase. The vicious circle can never be broken in the interests of peace. It can be broken only to start a new war.

"When the first illustration of a national self-interest wave lifted its head, as it did in Japan in 1931, the Pacific Pact was available to denounce her as an aggressor, even though this ran contradictory to Japan's national self-interests and manifest destiny in Asia. We were caught in the net, and the Stimson doctrine was announced. By it we were launched into a threatening attitude toward a major power without our national self-interest requiring it."

Treaty sanctity and essential fairness depend on national self-interest between the contracting parties. This is true in private law and public law. International law affords no exception to this rule. Let us have as much faith in national trends as we have in diplomacy or statesmanship. In fact, of the two, it is safer to trust the former because it is not so evanescent as the latter. Treaties that deserve to endure will endure; those that do not will not. There is a survival test in the field of treaties just as there is in every other form of human activity.

In the present instance one calls to mind the London Pact of April 26, 1915, where England, France, and Russia gave Italy specific promises and which granted Italy certain lands in Africa for her aid to the Allies. Who doubts today that Italy has not been cheated and that the present Ethiopian war was not a direct result of Italy's violated treaty rights?

I honestly believe that your enunciated doctrine of a good neighbor falls harmoniously in line with the doctrine of realistic diplomacy that I favor in my humble capacity as citizen.

Why should we not, instead of backing a questionable international League of Nations, develop a pan-Americanism here on the basis that the similarity of interests of the nations here, both large and small, on this Western Hemisphere, calls for a unity of action and a parallelism of interest such as is out of question, impossible to achieve in Asia, Europe, and in Africa?

You have, therefore, sounded a real note of optimism and of hope in foreign affairs through your program of a good neighbor and your pan-American peace-organization movement. The eyes of this Nation are watching you. So, too, are other nations, though possibly from a different angle of interest.

No one can deny that the prolongation of sanctions in Europe is no longer in the interests of war, but is based on a policy of vengeance.

America cannot afford to sustain, expressly or impliedly, such a doctrine. First, because it is not American and second, because it would be to continue to hold open the door to the possible further outbreak of new wars in foreign lands. America's attention, therefore, Mr. President, is upon you, and we are confident you will do the right thing.

Congress is still in session; and, seeing that the neutrality legislation of 1935–36 was promulgated, to remain effective only during the continuance of war, now that the Ethiopian war is no longer a fact, in all fairness and with deep earnestness I urge upon you to demonstrate American impartiality, American fair play, and a true American neutrality and rescind the operation of that legislation by virtue of the cessation of hostilities. This would stamp the policy of your administration with a courageousness and a fearlessness that would rebound to America's credit both at home and abroad. It would be but to anticipate what the League will ultimately do, namely, eradicate sanctions, and also the course of other nations, by recognizing the fait accompli. It would compel respect for America. It would stifle the propagandists here of minorities seeking to disseminate propaganda among us for selfish purposes; it would silence any criticisms that have cropped out in the past that we hear asserting we favor one side as against the other; it would afford an irrefutable illustration that we intend to be neutral, and it would set a guidepost for future American action.

I offer, Mr. President, these few suggestions in a spirit of helpfulness, and I am sure you will accept them in that and in no other spirit.

My deep interest in this problem causes me not to want to leave any stone unturned where I might return in some small measure the benefits which I have received here.

Wishing you, Mr. President, every good success in this trying field, I am,

Very sincerely yours,

SALVATORE A. COTILLO.

THE FLORIDA CANAL

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute for the purpose of making a statement.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, a few days ago I received permission to extend my remarks in the RECORD, and to include therein three or four short letters. I have not availed myself of that opportunity. I should like to renew my request and to assure my colleagues it will not be more than a page or perhaps a page and a half.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, recently I have been engaged in a campaign for renomination to Congress, but returned

here to assist all that I can in passing the resolution amendment as mentioned above, affecting the Florida canal.

Our first primary in Florida was on June 2. We polled approximately 31,000 votes as against the combined vote of our four opponents of a little more than 31,000. The next high man received about 11,000; the next about 10,500; the next about 8,000; the next about 2,000. These are approximate figures. We missed, by about 300 or 400, polling a clear majority over all the others. There were approximately 20,000 votes between us and the highest opponent. For this wonderful vote of confidence on the part of my constituents I am profoundly grateful. A run-off, or second primary, will be held on the 23d day of June, and I have urged our friends to go back to the polls on the 23d and to work earnestly for a majority most substantial.

I have kept faith with the people of my district and shall as long as I represent them. My record is an open book, and it is my desire that every one of my constituents be informed concerning it. For this reason it has been mailed to them upon different occasions.

It costs me from my salary several hundred dollars each year to print, address, and get it out to my constituents, but I am glad to do it and thus give them my correct record rather than to permit the unfriendly newspapers and special interests to place me in the wrong light in the eyes of my constituents. Under the law a Congressman is authorized to mail out his record, and I have abided by the law. If mail goes from my office with postage due, if I learn of it, I pay the postage to the Government. Two years ago my record was mailed under the name of our then great Democratic leader and late Speaker, Joseph W. Byrns, and this year it was mailed under the name of one of my esteemed colleagues. I am not ashamed of my record, because it is my hope that it has more perfection and accomplishment than imperfection.

I have voted for relief of veterans of the various wars, and now have a bill pending which will restore to the pension rolls all World War veterans who have drawn compensation for 12 months or longer, and will also give pensions to all veterans who have 10 percent or greater disability. It likewise provides for pension benefits to widows and orphans, regardless of the cause of the veteran's death. I shall work earnestly for the passage of this bill. Also shall favor further relief for Spanish-American War veterans.

The CONGRESSIONAL RECORD of January 10, 1936, roll call no. 3, shows that I voted to pass the bonus bill. I also was the only Florida Congressman who signed the petition on the Speaker's desk to force consideration of this bill. The CONGRESSIONAL RECORD of January 24, 1936, page 976, roll call no. 11, shows that I voted to pass the bonus bill over the veto of the President. This is the bill under which the bonus is being paid to the veterans this week.

I introduced a bill to establish a soldiers' home in my State, and this home is now established at St. Petersburg, Fla. I introduced a bill to obtain added facilities at the Lake City Veterans' Hospital, and recently $150,000 has been allocated for enlargement of this institution.

I impeached Federal Judge Ritter because he was corrupt, and I cannot condone dishonesty in office.

I have voted for practically all bills endorsed by organized labor and will continue to do so in the future. I have voted for farm-relief bills ever since I have been a Member of Congress, and will do so in the future. I am now working earnestly for rural electrification in my congressional district and have bright hopes for its realization. I introduced a bill to establish a naval-stores experiment station in my district, and it is now established at Olustee, Baker County, Fla. I have labored for river and harbor improvements of my district and State, and various other improvements which I shall not take time to enumerate.

Out of the approximately 25 years of seniority held by the Members of Congress from Florida, 11½ of it is held in my name. I hold 4 of the 11 committee assignments held by Florida in the House of Representatives, and also serve as assistant Democratic whip. My committee assignments are: First, Territories, chairman; second, Rivers and Harbors; third, Flood Control; fourth, Immigration and Naturalization.

I mention these matters in deep appreciation for the continuous service which my constituents have given me, because such assignments as I may hold and such accomplishments as I may be able to perform are the result of their cooperation and confidence.

The project of foremost importance to my people is the completion of the Florida canal, and I have promised them that this canal will be completed. I include herewith two or three letters of interest.

DEMOCRATIC NATIONAL COMMITTEE,
JAMES A. FARLEY, *Chairman.*
Hotel Biltmore, New York City, April 4, 1936.

Hon. R. A. GREEN,
House of Representatives, Washington, D. C.

DEAR LEX: I acknowledge receipt of the data on the Florida canal. In this matter I am following the procedure as outlined at the conference a few days ago with you and Mr. H. H. Buckman.

You are ably handling the Florida canal matter in the House of Representatives. You are doing it in a splendid fashion, and are assisting in exactly the same manner as you have the Democratic Party in the general legislative program. Since President Roosevelt's inauguration more legislation of lasting benefit to the American people has been enacted than during any other period in the history of our country.

Assuring you of my appreciation for your support, I am,
Sincerely yours,

JIM.

THE SPEAKER'S ROOMS,
HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
Washington, D. C.

Hon. R. A. GREEN,
House of Representatives, Washington, D. C.

MY DEAR LEX: I want to drop you this note and express my deep appreciation of the splendid service you rendered as assistant whip at the last session. The entire Democratic membership of the House, and also the administration, is under lasting obligation to you for your very active work and cooperation which made it possible to put over the beneficial legislation which was enacted.

With best wishes, I am,
Sincerely your friend,
JO BYRNS.

OCTOBER 12, 1935.

ARMY AND NAVY UNION, UNITED STATES OF AMERICA,
Washington, D. C., May 8, 1936.

Hon. R. A. GREEN,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: After carefully checking your record since you first came to Congress, and being in a position with the organization that I represent to know who the real friends of the ex-service men and women are on Capitol hill, you should have the complete backing of the ex-service men and women of your district because of your unselfish efforts in their behalf, and the veterans' legislation that you have been instrumental in having passed by Congress is of vital importance to every veteran in Florida.

Your stand on immigration is the position that every true American citizen is in favor of.

Knowing that the citizens of your district will pay no attention to the whispering campaign being circulated by the special interests against you when your record is one of the best of any Congressman in Congress, you need have no fear of it because the people of this Nation are awake to the efforts that special interests will go to try and defeat men who are at all times representing their constituents in a manner for the best welfare of their district.

Sincerely yours,

JOHN J. CRIM,
National Legislative Chairman.

CITATION

In recognition of the outstanding service rendered to the United States war veterans in assisting them to secure their well-earned adjusted-service compensation and for his earnest support of this worthy cause, be it ordained that Robert A. Green is hereby cited for conspicuous service in the enactment of veteran legislation, and as a worthy leader in the forces of right in carrying out the precepts of the Golden Rule in America, and this citation is hereby presented at the national celebration for the adjusted-service compensation victory, at Norfolk, Va., on the site of the first adjusted-compensation meeting in America.

Given under my hand and seal this 15th day of March 1936 A. D.

[SEAL] W. B. SHAFER, Jr.,
Originator of the World War Adjusted Service Campaign.

LAKE CITY, FLA., *April 25, 1936.*

Congressman R. A. GREEN,
Washington, D. C.:

Greatly appreciate your cooperation to the end that President has today approved expenditure hundred and fifty thousand dollars veterans' hospital here. * * * In behalf Florida American Legion, I extend thanks.

T. H. BATES,
Chairman, Rehabilitation Committee.

JACKSONVILLE, FLA., *May 1, 1936.*

DEAR MR. GREEN: We certainly appreciate that you opposed the consolidation of the Jacksonville terminals. Also, that you are supporting the Wheeler-Crosser bill and that you vote on all occasions favorable to labor. We know that you have been endorsed by the 21 standard railroad organizations, being a member of the Order of Railroad Telegraphers.

F. E. LANE.
A. L. GRIMSLEY.

JOSEPH W. BYRNS

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous consent to address the House for a period of 3 or 4 minutes.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to address the House for 3 or 4 minutes; and the Chair trusts there will be no objection to this request.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from South Dakota.

Mr. HILDEBRANDT. Mr. Speaker, one of the saddest journeys I have ever taken was that to Nashville, Tenn., when, as 1 of the 50 Representatives designated to accompany President Roosevelt, 10 Senators, and other officials, I attended the funeral of the late Speaker JOSEPH W. BYRNS. The honor that I felt had been conferred upon me in my selection to represent South Dakota was, however, exceeded manyfold by the profound sorrow that swept over me.

One of the experiences of life that compensates for much of disappointment and disillusionment is the privilege of working in comradeship and cooperation with a man like our beloved Speaker who has just left us, JOE BYRNS.

I knew Speaker BYRNS intimately and well. I respected him for his rare ability, so modestly covered by a manner of democratic informality that made everyone feel at home in his presence. I cherished genuine affection for him because of his warm heart, his kindly helpfulness, and his human qualities. The strain of long hours of labor over legislation that is often unappreciated, that is often also spoiled and crippled by amendments, and that often, moreover, is blocked on the way to enactment and never becomes a part of the law of the land at all, is wearying and exhausting. But when one has such leadership and fellowship as Speaker BYRNS gave us, the task is rendered much easier.

Only a few weeks ago, when I was engaged in my primary campaign for renomination as Democratic candidate for Congress, one of my constituents—Mr. C. A. Hess, of Watertown, S. Dak.—wrote Speaker BYRNS a letter of inquiry as to my record. The reply, which Mr. Hess was later kind enough to let me see and keep, was a tribute from our late Speaker that I shall always prize most highly. In it he referred to his desire to be associated with me in the next session of Congress, as we had been in previous sessions. This wish on his part, and on mine, can never be realized, disappointing as it is to recognize the fact.

Individuals come and go, but the principles of Democracy will last forever. JOE BYRNS, native of the mountain district from which came the fearless and fighting Andrew Jackson—Democracy's second great leader—is one of the immortals in the long crusade waged by champions of the people against plutocracy. When the history of the warfare between humanity and property is written, the name of Speaker BYRNS will loom large along with the names of other sincere, conscientious, and unassuming Democrats who have played an even greater part in the scheme of things than they themselves perhaps knew.

Death must come to all, but it is usually hard to reconcile ourselves to it. When men of the stature and sympathy of Speaker BYRNS are claimed by the Grim Reaper, we are never ready. But in the aftermath of his passing we can unite in homage to him as a real follower of Jefferson and Jackson, and a man who also, waiving questions of North and South, embodied the finest qualities of Lincoln.

Peace to his ashes—and may there be many more in America like him.

ORDER OF BUSINESS

Mr. O'CONNOR. Mr. Speaker, before presenting a unanimous-consent request I have been asked to state that when the House finishes its business today the plan is to move to stand in recess until 7:30 o'clock this evening, at which time we shall consider the Consent Calendar. There are about 100 bills on this calendar. We hope to dispose of these bills this evening.

The plan further is that on tomorrow evening we shall consider bills on the Private Calendar. On this calendar there are five omnibus bills and two individual bills.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. O'CONNOR. I yield.

Mr. SNELL. What does the gentleman intend to take up during the balance of this afternoon?

Mr. O'CONNOR. There are 10 conference reports which have to be disposed of, and if they are disposed of at a reasonable hour this afternoon we will start consideration of the bituminous-coal bill this afternoon.

Mr. SNELL. Otherwise known as the Guffey coal bill.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that in the consideration of the Consent Calendar this evening it shall be in order to consider bills which have not been on the calendar for 3 days, as provided by the rule.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to say to the gentleman, the majority leader now, that the Members on this side of the House have had a very pleasant, enjoyable week at Cleveland, but a great many of them are tired. If the bills on the Consent Calendar are brought up for consideration this evening, it is going to be a difficult proposition for them to come here with a keen, alert mind and do the things they ought to do. If the gentleman is going to permit a lot of bills to come up for consideration this evening which have not been on the Consent Calendar the required time, he should postpone his request, and I therefore object.

Mr. BLANTON. Will the gentleman yield? I hope the gentleman from Pennsylvania will withdraw his objection.

The SPEAKER. Does the gentleman yield to the gentleman from Texas [Mr. BLANTON]?

Mr. RICH. I yield to the gentleman from Texas.

Mr. BLANTON. I hope my friend will not object. We have to dispose of these bills sometime in order to adjourn. The Members over on my side of the aisle, whether they have been out all night or not, always come in here with keen, alert minds, and the gentlemen on that side of the aisle should be the same way.

Mr. RICH. The Members on that side are not responsible. They put through every piece of foolish legislation they can and have not considered the welfare of this country. We cannot do business with Members like you have on that side of the House. All they do is appropriate money. You will tax the country to death to pay your bills.

The regular order was demanded.

Mr. O'CONNOR. Will the gentleman withhold his objection?

Mr. RICH. I withdraw my request.

Mr. O'CONNOR. Unanimous consent is not necessary to take up the bills on the Consent Calendar this evening. We can do that under the rule. The unanimous-consent request I propounded was that we might include bills which have not been on that calendar for 3 days, as required by the rule.

Mr. RICH. I would like to ask the majority leader a question. Many of these bills will come up for consideration that have not been on the Consent Calendar the required time, and nobody in the House of Representatives knows anything about them. They are brought up here and the Members on that side pass them. It is contrary to good common sense and we should not do it.

The regular order was demanded.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, reserving the right to object, and I am not going to object, I should like to ask the gentleman a question. It is the intention, I suppose, to call the bills on the Consent Calendar in their regular order?

Mr. O'CONNOR. Yes.

Mr. SNELL. And the other bills will come up later?

Mr. O'CONNOR. Yes.

Mr. SNELL. Are there any suspensions included in the gentleman's request?

Mr. O'CONNOR. For this evening?

Mr. SNELL. Yes.

Mr. O'CONNOR. No; nothing but the bills on the Consent Calendar.

Mr. SNELL. I think that is all right.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RICH. Mr. Speaker, I object.

ORDER OF BUSINESS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that from now until the close of the session of the Seventy-fourth Congress it shall be in order to consider conference reports on the same day they are filed, notwithstanding the provisions of clause 2, rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. PARKS. Mr. Speaker, reserving the right to object, will the gentleman restate the request?

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that from now until the close of this session of Congress it shall be in order to consider conference reports on the day they are filed rather than to have them lay over under the rule.

Mr. SNELL. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from New York.

Mr. SNELL. I shall not object, but I wish the gentleman would give us at least 2 minutes' notice in advance with reference to what conference reports will be called up so that the minority Members may be called on the floor.

The SPEAKER. The Chair will endeavor to do that.

Is there objection to the request of the gentleman from New York?

There was no objection.

PUERTO RICAN INDEPENDENCE

Mr. O'CONNOR, from the Committee on Rules, submitted a privileged report on the joint resolution (S. J. Res. 270) to provide for the appointment of a committee to study the question of Puerto Rican independence (Rept. No. 2965), which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. TAYLOR of Colorado. Mr. Speaker, I call up the conference report on the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes.

The Clerk read the conference report, as follows:

CONFERENCE REPORT

[To accompany H. R. 10630]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 24, 53, and 54 to the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement amendments numbered 24, 53, and 54.

EDWARD T. TAYLOR,
B. M. JACOBSEN,
JED JOHNSON,
J. G. SCRUGHAM,
Managers on the part of the House.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
GERALD P. NYE,
FREDERICK STEIWER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate (nos. 24, 53, and 54) to the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, submit the following statement in connection with the action of the conferees on such amendments:

The committee of conference report in disagreement the following amendments:

On amendment no. 24: Relating to the construction and repair of certain irrigation systems on Indian reservations.

On amendment no. 53: Authorizing the construcion of various reclamation projects.

On amendment no. 54: Making an appropriation for the construction of various reclamation projects.

EDWARD T. TAYLOR,
B. M. JACOBSEN,
JED JOHNSON,
J. G. SCRUGHAM,
Managers on the part of the House.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 24: Page 41, after line 6, insert the following:

"For the construction, repair, and rehabilitation of irrigation systems on Indian reservations; for the purchase or rental of equipment, tools, and appliances; for the acquisition of rights-of-way, and payment of damages in connection with such irrigation systems; for the development of domestic and stock water and water for subsistence gardens; for the purchase of water rights, ditches, and lands needed for such projects; and for drainage and protection of irrigable lands from damage by floods or loss of water rights, as follows:

"Arizona: Colorado River, as authorized by section 2 of the Rivers and Harbors Act, approved August 30, 1935, $1,000,000; Havasupai, $5,000; Hopi, $50,000; Navajo, $70,000; Ak Chin, $3,000; Navajo and Hopi (domestic and stock water), $45,000; Chiu Chui, $5,000; Papago (domestic and stock water), $26,400; San Xavier, $30,000; Salt River, $55,000; San Carlos, $25,000; Fort Apache, $10,000;

"Colorado: Consolidated Ute, $65,000, reimbursable; Pine River, $1,000,000, reimbursable;

"Montana: Crow, $100,000, reimbursable; Fort Belknap, $12,000; Fort Peck, $125,000, reimbursable;

"Nevada: Fort McDermitt, $2,000; Moapa, $5,000; Summit Lake, $5,000; Walker River, $5,000; miscellaneous (garden tracts), $5,000;

"New Mexico: Navajo, $69,500; Pueblo, $240,100; Jicarilla, $13,000; Navajo and Pueblo (domestic and stock water), $60,000;

"North Dakota: Miscellaneous (domestic and stock water and garden tracts), $15,000;

"Oklahoma: Miscellaneous (garden tracts), $16,000;

"Oregon: Warm Springs, $10,000; miscellaneous (garden tracts), $5,000;

"South Dakota: Miscellaneous (domestic and stock water), $10,000;

"Utah: Uncompahgre, $10,000; Oljeto and Montezuma Creeks, $3,500; miscellaneous (garden tracts), $5,000;

"Washington: Lummi, $20,000; Makah (dikes and flood gates), $5,000; Wapato, $100,000, reimbursable; Klickitat, $50,000; miscellaneous (domestic and stock water and garden tracts), $20,000;

"Wisconsin: Miscellaneous (garden tracts), $5,000;

"Wyoming: Wind River, $105,000, reimbursable;

"For miscellaneous small irrigation developments, $200,000;

"For administrative expenses, including personal services in the District of Columbia and elsewhere, $100,000;

"In all, $3,710,500, to be immediately available: *Provided*, That the foregoing amounts may be used interchangeably, in the discretion of the Secretary of the Interior, but not more than 10 percent of any specific amount shall be transferred to any other amount, and no appropriation shall be increased by more than 15 percent: *Provided further*, That when necessary the foregoing amounts may be used for subjugating lands for which irrigation facilities are being developed."

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 24, and agree to the same with an amendment.

The Clerk read as follows:

Mr. TAYLOR of Colorado moves that the House recede from its disagreement to the amendment of the Senate no. 24, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"For the construction, repair, and rehabilitation of irrigation systems on Indian reservations; for the purchase or rental of equipment, tools, and appliances; for the acquisition of rights-of-way, and payment of damages in connection with such irrigation systems; for the development of domestic and stock water and water for subsistence gardens; for the purchase of water rights, ditches, and lands needed for such projects; and for drainage and protection of irrigable lands from damage by floods or loss of water rights, as follows:

"Arizona: Havasupai, $5,000, reimbursable; Hopi, $50,000, reimbursable; Navajo, $60,000, reimbursable; Ak Chin, $3,000, reimbursable; Navajo and Hopi (domestic and stock water), $45,000; Chiu Chui, $5,000, reimbursable; Papago (domestic and stock water), $26,400.

"Montana: Fort Belknap, $12,000, reimbursable; Fort Peck, $100,000, reimbursable.

"Nevada: Fort McDermitt, $2,000, reimbursable; Moapa, $5,000, reimbursable; Summit Lake, $5,000, reimbursable; Walker River, $5,000, reimbursable; miscellaneous (garden tracts), $5,000.

"New Mexico: Navajo, $30,000, reimbursable; Pueblo, $100,000, reimbursable; Jicarilla, $13,000, reimbursable; Navajo and Pueblo (domestic and stock water), $50,000.

"North Dakota: Miscellaneous (domestic and stock water and garden tracts), $15,000.

"Oklahoma: Miscellaneous (garden tracts), $16,000.

"Oregon: Warm Springs, $10,000, reimbursable; miscellaneous (garden tracts), $5,000.

"South Dakota: Miscellaneous (domestic and stock water), $10,000.

"Utah: Uncompahgre, $10,000, reimbursable; Oljeto and Montezuma Creeks, $3,500, reimbursable; miscellaneous (garden tracts), $5,000.

"Washington: Lummi, $20,000, reimbursable; Makah (dikes and flood gates), $5,000, reimbursable; miscellaneous (domestic and stock water and garden tracts), $20,000;

"Wisconsin: Miscellaneous (garden tracts), $5,000;

"Wyoming: Wind River, $35,000, reimbursable;

"For administrative expenses, including personal services in the District of Columbia and elsewhere, $50,000, of which amount $35,000 shall be reimbursable;

"In all, $780,900, to be immediately available: *Provided*, That the foregoing amounts may be used interchangeably in the discretion of the Secretary of the Interior, but not more than 10 percent of any specific amount shall be transferred to any other amount, and no appropriation shall be increased by more than 15 percent: *Provided further*, That when necessary the foregoing amounts may be used for subjugating lands for which irrigation facilities are being developed: *Provided further*, That the cost of the foregoing irrigation projects and of operating and maintaining such projects where reimbursement thereof is required by law, but not including the cost of domestic and stock water projects and of projects for the development of water for garden tracts, shall be apportioned on a per-acre basis against the lands under the respective projects and shall be collected by the Secretary of the Interior as required by such law, and any unpaid charges outstanding against such lands shall constitute a first lien thereon, which shall be recited in any patent or instrument issued for such lands."

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 10 minutes to the gentleman from Texas, the chairman of the Committee on Appropriations [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Speaker, as the House will recall, about 3 weeks ago we had a contest in the House over the conference report on the Interior Department appropriation bill and we sent it back for further consideration by further insisting, and I take it that we sent it back for revision downward.

We now report it back to the House with amendments and ask the adoption of these amendments. As reported back, if the House agrees to the amendments and the Senate conferees have promised to advocate their adoption on the floor of the Senate, the bill, as finally passed, will carry $114,574,000. The Budget estimate was $148,433,000, in round numbers, which will make the appropriations actually made $33,858,000 under the Budget.

For your action today there are three amendments in controversy. The first one is amendment no. 24, that deals with reclamation projects for the Indians of the West and Southwest. As this provision came to the House the other day from the Senate, it contained 42 projects, not a single one estimated for and not a single one submitted to the Budget for an estimate. As it came to us the other day from the Senate it carried an appropriation of $3,710,500 and a commitment to complete these projects of $26,900,000 more. As it comes to you in this amendment it carries an appropriation not of $3,710,500, but of only $780,900, with no commitment and no uncompleted project to be hereafter appropriated for in order for it to be of value to the Indians. Each item will be of immediate value and they are practically all small projects for repair and replacement, due to decay and damage to Indian irrigation projects. It is primarily a repair item. They have gotten in very bad shape in the last few years and every one is to be completed without any further commitment. I shall not discuss them any further, because I take it that every Member of the House realizes that if we can make the Indians self-sustaining it is that much saved by way of relief, and this is strictly a project to assist the Indians in raising something to eat for themselves.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. WIGGLESWORTH. And it is a fact, is it not, that each one of these projects has a Budget estimate?

Mr. BUCHANAN. Yes; when we decided to approve this we took it up with the Budget and the Budget sent an estimate and approved the project. Therefore I shall not deal with them any further.

This is the amendment now before the House, but while I am on my feet I want to discuss the more important amendments sent to us by the Senate and I shall discuss amendment no. 53 first, because it is easily disposed of. Amendment no. 53 is a Senate amendment that authorizes appropriations for seven reclamation projects involving obligations, if we complete them, of $248,000,000. This entire page of the entire Senate amendment is stricken out and is before you for approval. We are not going to endorse legislative or authorizing amendments in appropriation bills if I can help it. [Applause.]

Amendment no. 54 is the next one. As it originally came to us from the Senate, it contained 16 reclamation projects carrying appropriations of $57,610,000 and involving future obligations, if we completed the projects, of $703,000,000, and all of this money to be appropriated out of the general funds of the Treasury—out of the moneys contributed by the taxpayers of the Nation.

We changed that and we brought back these 16 projects carrying not appropriations of $57,610,000, but an appropriation of $31,610,000 and involving no future obligation or claim upon the Treasury like the Senate amendment, and we appropriate the money, not out of the Treasury, but, with the exception of the Grand Coulee Dam, out of the reclamation fund, and it is our idea that these projects when and as completed will be completed out of the reclamation fund and not out of the funds of the taxpayers of the Nation.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. PIERCE. Is there any reclamation fund?

Mr. BUCHANAN. Yes.

Mr. PIERCE. How much?

Mr. BUCHANAN. At the end of this year it was $15,000,000.

Mr. PIERCE. To do $50,000,000 worth of work.

Mr. BUCHANAN. Certainly.

Mr. PIERCE. Then they will not be built.

Mr. BUCHANAN. They will be built not next year or year after next, but you will have $15,000,000 in the reclamation fund and the money is coming back every year, and as the money comes in from the payment of construction and operation and maintenance charges, and other things, other projects can be completed. In addition to this, you will have over $2,000,000 coming in from oil royalties and you will have receipts from land sales and revenue from minerals.

Mr. PIERCE. What is the average income to the reclamation fund annually?

Mr. BUCHANAN. About $250,000,000 since 1901. The gentleman can figure that for himself.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. LEWIS of Colorado. Is the Gila reclamation project in Arizona included?

Mr. BUCHANAN. It is included under the reclamation fund, yes.

Mr. LEWIS of Colorado. The gentleman is aware of the fact, I presume, that the Gila project is a pistol pointed at the heart of every one of the upper-basin States in the Colorado River system because the State of Arizona has not ratified the Colorado River compact and has refused to abide by its provisions.

Mr. BUCHANAN. I understand that Arizona has not approved the Colorado compact, yes.

Mr. LEWIS of Colorado. If this appropriation for the Gila project is made and work begun thereunder, it will acquire a priority against the upper-basin States?

Mr. BUCHANAN. I would not say so, I don't think that is true.

Mr. LEWIS of Colorado. I think if the gentleman will grant me some time, I shall be able to demonstrate that.

Mr. TAYLOR of Colorado. The Gila project is subject to the Colorado River compact anyway?

Mr. BUCHANAN. I know it is.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. MAY. Referring to page 76 of this bill, the gentleman made the statement that those projects were to be built out of funds coming from the reclamation projects?

Mr. BUCHANAN. All that I have discussed so far, except the Grand Coulee.

Mr. MAY. The expression used here is "to be reimbursable." Under the reclamation law, as I understand it, it will first come out of the Treasury and then the Treasury will have to collect it back from the reclamation fund?

Mr. BUCHANAN. Under that bill, perhaps, but not under this amendment.

Mr. MAY. That has been changed, has it?

Mr. BUCHANAN. Yes. As I said, this amendment carried $57,610,000 out of the Treasury and committed us to complete projects about $703,000,000. What the conference committee has recommended is that $37,000,000 shall all come out of the reclamation fund, with no commitment whatever out of the Treasury hereafter. In other words, a construction, if started, must be completed out of the reclamation fund, which is not a burden upon the taxpayers.

That is a decrease from the Senate amendment of $26,000,000 on reclamation projects.

That is about all I have to say.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. RICH. I appreciate the fact that the gentleman from Texas is doing everything he can to keep down Budget estimates, because somebody has to do that and there is nobody who is more ardent in that than the gentleman from Texas. But the fact of the matter remains that if this bill now carries $114,574,000, as the gentleman said, and last year the Interior Department appropriation bill was $77,041,000, we are about $37,533,000 over what we were a year ago. If we continue permitting these conference reports to increase appropriations, where are you going to get the money? All we do here is spend, spend, spend.

Mr. PIERCE. They do not provide the money. It comes from the reclamation fund.

The SPEAKER pro tempore (Mr. WARREN). The time of the gentleman from Texas has expired.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, frankly I do not approve of a great many of the reclamation projects that are named in the amendment to which the gentleman from Colorado [Mr. TAYLOR] will offer.

Frankly, however, I believe that the House, with the acceptance of these amendments, will have received a fairly good bargain in the interest of the Treasury.

Amendment no. 24 is reduced from about $3,700,000 down to a total of a little less than $800,000 in actual immediate outlay, and it is all made reimbursable. It relates largely to the smaller projects. By an amendment which I understand the gentleman from Colorado will offer with reference to the larger reclamation projects as distinguished from the Indian projects, everything except the Grand Coulee item, as I understand, will come out of the reclamation fund instead of directly out of the Treasury. Is that not correct?

Mr. BUCHANAN. That is correct; yes. The Grand Coulee project comes out of the Treasury.

Mr. TABER. And that is the only one which comes out of the Treasury?

Mr. BUCHANAN. That is true.

Mr. TABER. The other items all come out of the reclamation fund and are dependent for their progress upon the amount of receipts in that fund?

Mr. BUCHANAN. The gentleman knows, I presume, why I approved that project.

Mr. TABER. I understand that.

Mr. BUCHANAN. Because there are $35,000,000 allotted, most of it expended, and a binding contract entered into, with the contract about two-thirds completed.

Mr. TABER. Which the Congress had authorized the Department to go ahead with in the rivers and harbors bill of last year.

Mr. BUCHANAN. The gentleman is correct.

Mr. TABER. And it is an advantage to the situation of the country to pass the amendment which the gentleman from Colorado will propose with reference to that item.

Mr. BUCHANAN. Will the gentleman yield further?

Mr. TABER. I yield.

Mr. BUCHANAN. The gentleman further understands that the amendment that will be offered by the gentleman from Colorado absolutely prohibits any further expenditure of money or any further obligation of money until the consent of Congress is procured?

Mr. TABER. I understand that, and that is a very good reason why we should support that amendment when it is presented.

I believe, frankly, that when we can tie the major portion of these items into the reclamation fund, when we can limit the Grand Coulee, as it is proposed to do by the amendment, which I understand will be offered by the gentleman from Colorado [Mr. TAYLOR], and limit these Indian items, cut them down from $3,700,000 to a little less than $800,000, I believe the House should adopt it, even if it does increase what we originally allowed in the House bill. It cuts out a very large number of projects. I will admit there are still projects that I do not like and that I do not believe are justifiable, but in view of the fact that they can only be proceeded with out of the reclamation fund, I do not believe the House should turn down this proposition.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. How many of these projects that were started by W. P. A. funds under Executive order are continued in this bill? Can the gentleman tell us that?

Mr. TABER. There are several of them that are continued, but they are limited absolutely to this reclamation fund.

The reclamation fund, as I understand it—and I would like to have the gentleman from Colorado correct me if I am not right—is limited to those funds that are received from the sale of public lands in these localities, to a portion of the oil royalties, and to the repayments that are made by settlers on reclamation projects that already exist.

Mr. TAYLOR of Colorado. The gentleman is correct.

Mr. TABER. These are the three sources of this fund; and this money is set aside as a separate fund.

Mr. TAYLOR of Colorado. And the money never was in the Federal Treasury and we are not appropriating it from the Federal Treasury.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. RICH. Does not this fund naturally come from the Federal Treasury? Was it not the intent and purpose that this fund should be used to pay back to the Federal Treasury the Government's original investment in these projects?

Mr. TAYLOR of Colorado. No; that never was in mind at all.

Mr. BUCHANAN. Mr. Speaker, if the gentleman will permit, in 1902 Congress passed what is called the Reclamation Act, which has been variously amended since then. It is known as the Oil Leasing Act. Under it 52½ percent of the oil royalties go to the reclamation fund. To this fund likewise go proceeds from the sale of public lands, potassium royalties, and also money received for water-power licenses. We have collected revenues for the reclamation fund under the act of 1902 and amendatory acts, and the fund now amounts to approximately $250,000,000. This is set aside and kept as a separate fund.

Mr. RICH. Is not this money to be used to repay the Federal Government for projects the Government has constructed?

Mr. BUCHANAN. It can only be used for other reclamation projects in public-land States on land dedicated to and selected for that purpose. That is why I objected the other day to lending money out of the Treasury for 40 years without interest.

Mr. RICH. I appreciate what these gentlemen have done in saving money; but I cannot understand why, when the Federal Government spent the money for reclamation projects and the money is still outstanding, part of this fund should not be used to repay the Federal Treasury. It is like the song about the music and the horn; you put the money in, it goes round and round, but nobody knows where it comes out.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker, while I am still very much opposed to certain projects still left in the bill, yet in view of the recommendation of the Senate on their projects which would have cost $1,500,000,000 when completed, I want to congratulate the gentleman from Texas [Mr. BUCHANAN] and the members of this subcommittee on this splendid compromise. I think in this give-and-take world we ought to be willing to accept good compromises. These items remaining are supported by Budget estimates and approval and are very much short of the gigantic projects the Senate put on the bill originally.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the motion of the gentleman from Colorado to recede and concur with an amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 53: Page 74, after line 21, insert:

"The following-named reclamation projects are hereby authorized to be constructed, the cost thereof to be reimbursable under the reclamation law:

"Central Valley project, California: For flood control, improving, and in aid of navigation, and to provide for the general welfare in cooperation with the State of California and for incidental purposes, including irrigation, drainage, and power production.

"Grand Lake-Big Thompscn transmountain diversion project, Colorado: To irrigate public lands of the United States and to provide for the general welfare in cooperation with the State of Colorado and for incidental purposes, including the irrigation of patented land, power production, and flood control: *Provided*, That said project shall include the construction and the permanent maintenance of adequate compensatory or replacement reservoirs, necessary feeder canals, and other incidental works, at the most suitable sites within said State; the water impounded by said reservoirs to be used within the Colorado River Basin and the cost of constructing and maintaining such reservoirs, feeder canals, and incidental works shall be included in the cost of said project and be repaid by the beneficiaries of the water so diverted from said basin: *Provided further*, That said project shall be constructed and operated in such manner as to continuously maintain the normal levels of the waters of said Grand Lake.

"Carlsbad project, New Mexico: To provide for the general welfare, in cooperation with the State of New Mexico, and for incidental purposes, including irrigation and flood control.

"Deschutes project, Oregon: To provide for the general welfare, in cooperation with the State of Oregon, and for incidental purposes, including irrigation and flood control.

"Provo River project, Utah: To provide for the general welfare, in cooperation with the State of Utah, and for incidental purposes, including irrigation and flood control.

"Yakima project, Washington, Roza division: To provide for the general welfare, in cooperation with the State of Washington, and for incidental purposes, including irrigation and flood control.

"Casper-Alcova project, Wyoming: To irrigate public lands of the United States and to provide for the general welfare, in cooperation with the State of Wyoming, and for incidental purposes, including the irrigation of patented lands, power production, and flood control."

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House further insist upon its disagreement to the amendment of the Senate no. 53.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 54: Page 76, after line 17, insert:

"For continuation of the following projects in not to exceed the following amounts, respectively, to be expended in the same manner and for the same objects of expenditure as specified for projects included in the Interior Department Appropriation Act for the fiscal year 1937 under the caption 'Bureau of Reclamation', and to be reimbursable under the reclamation law.

"Gila project, Arizona, $2,500,000;
"Salt River project, Arizona, $2,300,000;
"Central Valley project, California, $16,000,000;
"Grand Valley project, Colorado, $200,000;
"Boise project, Idaho, Payette division, $1,800,000;
"Boise project, Idaho, drainage, $160,000;
"Carlsbad project, New Mexico, $900,000;
"Deschutes project, Oregon, $450,000;
"Owyhee project, Oregon, $400,000;
"Grand Coulee Dam project, Washington, $20,000,000;
"Columbia Basin project, Washington, economic surveys and investigations, $250,000;
"Yakima project, Washington, Roza division, $2,500,000;
"Provo River project, Utah, $1,750,000;
"Casper-Alcova project, Wyoming, $4,000,000;
"Riverton project, Wyoming, $900,000;
"Shoshone project, Wyoming, Heart Mountain division, $1,000,000;

"For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, $2,500,000; in all, $57,610,000, to be immediately available: *Provided*, That this appropriation shall be available for the employment of personal services without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided further*, That of this amount not to exceed $160,000 may be expended for personal services in the District of Columbia."

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House recede from its disagreement to amendment of the Senate no. 54 and agree to the same with an amendment.

The Clerk read as follows:

Amendment no. 54: Mr. TAYLOR of Colorado moves that the House recede from its disagreement to the amendment of the Senate no. 54 and agree to the same with an amendment as follows:

"Construction: For continuation of construction of the following projects in not to exceed the following amounts, respectively, to be expended from the reclamation fund under the same general conditions as those specified for projects hereinbefore included under the caption 'Bureau of Reclamation' and payable from the reclamation fund:

"Gila project, Arizona, $1,250,000;
"Salt River project, Arizona, $1,500,000;
"Grand Valley project, Colorado, $200,000;
"Pine River project, Colorado, $1,000,000;
"Boise project, Idaho, Payette division, $1,000,000;
"Boise project, Idaho, drainage, $160,000;
"Carlsbad project, New Mexico, $900,000;
"Deschutes project, Oregon, $450,000;
"Owyhee project, Oregon, $200,000;
"Yakima project, Washington, Roza division, $1,000,000;
"Provo River project, Utah, $500,000;
"Casper-Alcova project, Wyoming, $1,000,000;
"Riverton project, Wyoming, $250,000;
"Shoshone project, Wyoming, Heart Mountain division, $700,000;

"For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, $750,000, in addition to and for the same objects of expenditure as enumerated in paragraphs 2 and 3 under the caption 'Bureau of Reclamation'; in all, $10,860,000, to be immediately available: *Provided*, That of this amount not to exceed $75,000 may be expended for personal services in the District of Columbia: *Provided further*, That the last line of section 10 of the act of April 1, 1932 (47 Stat., 75), as amended by the act of March 3, 1933 (47 Stat., 1427), is hereby further amended by substituting '1938' for '1936.'

"Grand Coulee Dam, Wash.: For continuation of construction of the Grand Coulee Dam, $20,000,000; for administrative expenses, $750,000, including personal services in the District of Columbia and in the field; in all, $20,750,000, to be immediately available and to be available for the same purposes as those specified for projects hereinbefore included under the caption 'Bureau of Reclamation', and to be reimbursable under the reclamation law: *Provided*, That not to exceed $75,000 may be expended for personal services in the District of Columbia: *Provided further*, That this appropriation shall be available for the employment of personal services without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided further*, That the obligations for the construction of the Grand Coulee Dam and appurtenant works, including those heretofore entered into, shall not exceed a total of $63,000,000, and no obligations in excess of that amount shall be incurred for such dam, or dams, canals, structures, or incidental works in connection therewith under section 2 of the Rivers and Harbors Act, approved August 30, 1935 (49 Stat., 1039, 1040), until appropriations, or contract authorizations, or both, therefore are hereafter specifically granted by Congress."

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. LEWIS].

Mr. LEWIS of Colorado. Mr. Speaker, I have always been and am now a strong advocate of reclamation and the foster-

ing of irrigation by the Federal Government. It is significant that the earliest civilizations in recorded history—in Egypt and in Mesopotamia—developed in regions dependent upon irrigation. As one who, except for his very early years, has lived all his life in Colorado, I realize that reclamation and irrigation lie at the very foundation not merely of the future economic development of the far West but also of our very existence. I regret very much, in view of this fact and in view of the further fact there are some excellent projects in this Senate amendment, to be obliged to vote against this proposal to concur. I know full well the difficulties the conferees have had. I realize they have had a great deal of trouble trying to work out this compromise. Nevertheless, as I shall point out, the Gila reclamation project represents a pistol pointed at the heart of all the upper basin States; and I refer to Colorado, Utah, New Mexico, and Wyoming.

It is true each of these four upper basin States has a project included in this Senate amendment. As it comes to us we cannot, under the rules, vote separately on each of the 16 projects and discriminate between the good and the bad. We must vote for or against all of them en bloc—the meritorious and those without merit all together. But if we Representatives of the upper basin States are induced to vote to concur in this amendment merely because it contains projects in our several States, we will be selling the most precious birthright of our respective States for a mess of pottage.

I am particularly regretful I am obliged to vote against this motion to concur in the amendment because I understand there is included a most meritorious project for the State of Colorado. Am I correct that the Pine River project is included in here?

Mr. BUCHANAN. Yes.

Mr. LEWIS of Colorado. Nevertheless, I repeat that, with this Gila project included in the amendment, to vote for it would be to sell our birthright for a mess of pottage. The reason for that, very briefly, is that in 1922 the commissioners for the various States on the Colorado River met at Santa Fe, N. Mex., and with the consent of the Congress, drafted a compact between the seven States in the Colorado River Basin, namely, Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming. All of the States ratified this compact except the State of Arizona, and ever since then there has been an effort by the State of Arizona to run on its own and to fight all the other six States. Arizona has harassed the other six States with litigation in the United States Supreme Court, the outcome of none of which has been successful. Meanwhile it has secured huge grants from the relief funds.

Those of you who are familiar with the law of waters in the western country realize that the initiation of a water right is made by diversion of water and its application to a beneficial use.

Seventy-five or eighty years ago, when agriculture was first undertaken by settlers in the region now included in the irrigated-land States, it was realized that the common law "doctrine of riparian rights" in regard to the waters of natural streams was not applicable to conditions in those regions. Consequently, the common law "doctrine of riparian rights" or "riparian doctrine"—that a riparian landowner was entitled to have waters of a natural stream continue to flow as they had flowed from time immemorial, subject to the reasonable uses of other riparian landowners—was rejected, and there was formulated and adopted the "doctrine of prior appropriation" or "appropriation doctrine", under which he who first diverts the water of a natural stream and applies such water to beneficial use, regardless of the locus of such beneficial use, acquires a prior right or "priority", to the extent of such use, against all subsequent appropriators up and down the stream. This doctrine is the law in all States in the Colorado River Basin.

As a consequence, the result of this grant of money to Arizona, whether it be out of the reclamation fund or otherwise, and the construction of this Gila project will create a water right and "priority" against all other water users up and down the stream. The Supreme Court of the United States has held that this principle of water-right priorities applies, regardless of State lines, from the source of the river to the mouth. Se we are here in position of voting Government funds belonging to all the people of the United States, whether it comes out of the reclamation fund or otherwise, for the building of a project in Arizona which for all time will create a priority against water rights in other States, and particularly against the upper-basin States. One of these is my State of Colorado, which produces about 65 percent of the entire flow of the Colorado River at Lee Ferry and 60 percent of the water flowing into the Boulder Canyon Reservoir.

Mr. Speaker, I ask unanimous consent at this point to insert the protest against this Gila project by the four upper-basin States, speaking by the attorneys general of the States of Colorado, New Mexico, and Wyoming, and by the special counsel of the State of Utah.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman this question? If he has a recommendation from the people back there in five or six States that a project should not be included in this bill, why does the Congress put it in there?

Mr. LEWIS of Colorado. That is what I want to know. I am against this Gila reclamation project because it is a menace to the rights of all the upper-basin States.

Mr. RICH. Why do not the Members of the Western States get up here and assert their rights and stop it?

Mr. LEWIS of Colorado. We are trying to do that very thing.

Mr. RICH. You cannot stop anything in this Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

[Here the gavel fell.]

Mr. LEWIS of Colorado. Pertinent portions of the protest of the four States of Colorado, New Mexico, Utah, and Wyoming against the proposed Gila Valley irrigation project in Arizona, as formulated by the legal representatives of these four States in interstate conference held at Denver, February 5, 1936, is as follows:

PROTEST OF THE STATES OF COLORADO, NEW MEXICO, UTAH, AND WYOMING AGAINST THE PROPOSED GILA VALLEY IRRIGATION PROJECT IN ARIZONA

The representatives of the States of Colorado, New Mexico, Utah, and Wyoming in conference assembled to consider various problems connected with their interests under the Colorado River compact as upper-basin States in the waters of the Colorado River system, hereby and upon the grounds hereinafter stated, express their opposition to any Federal aid for the proposed Gila Valley project in Arizona until that State shall have accepted the Colorado River compact.

In supporting this protest against the Gila Valley project * * * the first thing to do is to define the interests of the protesting States under the Colorado River compact that the proposed project * * * if constructed, would invade.

WATER INTERESTS OF STATES OF UPPER BASIN

The water interests of the upper basin under the Colorado River compact, which was ratified by the Boulder Canyon Project Act, are:

(1) The protection of its own apportionment of the 7,500,000 acre-feet of water per annum out of the Colorado River system, and

(2) The procural of the further apportionment, in an amount to be determined in 1963, of the residue of the "surplus" waters of the system over and above the combined apportionments of 16,000,000 acre-feet of water per annum made by the compact to the upper and lower basins, after first deducting from that "surplus" whatever amount of water may be set aside hereafter for Mexico by treaty between the two nations, or failing that, then by some international tribunal. Should the allowance to Mexico exceed the "surplus", then the deficit is to be taken equally from the 7,500,000 acre-feet and the 8,500,000 acre-feet already allotted to the upper and lower basins respectively.

THE COLORADO RIVER COMPACT

The Colorado River compact does several things. It—

1. Apportions to the upper basin, comprised of the States of Colorado, New Mexico, Utah, Wyoming, and a small part of the State of Arizona, 7,500,000 acre-feet of water per annum out of the entire Colorado River system, inclusive of all tributaries, and 8,500,000 acre-feet of water per annum to the lower basin, comprised of the States of Arizona, California, Nevada, a small part of New Mexico, and a small part of Utah.

2. Reserves for future apportionment in 1963 between the same basins on the principle of "equitable division", as distinguished from priority regardless of State lines, all the remaining water of the entire system, less whatever amount the United States may recognize Mexico as entitled to—not as a matter of law, but as one of international comity.

3. Subordinates, as between the States, the use of water for the generation of power to uses for other purposes.

4. Imposes upon the States of Colorado, New Mexico, Utah, and Wyoming the obligation not to cause the flow of the river to be depleted below 75,000,000 acre-feet for any 10-year period at Lee Ferry, which is a point on the river in Arizona just below the Arizona-Utah boundary line, and which is above the dam on the Colorado built under the authority of the Boulder Canyon Project Act.

If the States never should be able to agree upon a division of the unapportioned surplus above referred to, then undoubtedly the determination of the division would go to the Supreme Court of the United States, where, under the compact, the principle which would be applied by the Court would be that of "equitable division", which might or might not yield the same results that would follow from an application of the competing principle of priority, more or less regardless of State lines. The compact makes no division of water between States, but only between basins, as above referred to, with Lee Ferry in Arizona as the dividing line on the river, and with all States or parts of States draining into the river above Lee Ferry as constituting the upper basin, and all States or parts of States draining into the river below Lee Ferry as constituting the lower basin. While, according to the interbasinal division, Arizona, New Mexico, and Utah lie in both basins, yet the location of their respective areas is such that, for all practical purposes, Arizona is to be considered as identified with the lower basin, while New Mexico and Utah are to be identified with the upper basin.

The compact does not forbid either basin, pending the future apportionment, to put to use the unapportioned waters—in other words, the water in excess of the 7,500,000 acre-feet and the 8,500,000 acre-feet already apportioned to the upper and lower basins, respectively—after first deducting the water that by treaty the United States may choose to give to Mexico.

Neither basin is to be censured for going ahead with all of the development possible, if it wants to chance the uncertainty of its title to waters thus taken from the unapportioned "surplus", in advance of any agreement among the States, or, failing that, in advance of any judicial decision as to what an "equitable division" would be. It is, however, manifestly unfair for either basin to invoke, as against the other, the outside financial aid of the Government, or for the Government to give financial aid in respect to this unapportioned "surplus" where the degree of aid thus given to one basin exceeds disproportionately the aid given to the other. Government money is the money of all the States. As far as concerns the two basins of the Colorado River area, it is the money of both basins, and neither of them should be allowed to call upon it in disproportionate degree. Either each basin should be left to finance itself in respect to its water projects or else the Government in extending aid should keep both basins in mind by equitable allotments of money to each. * * *

THE GILA VALLEY PROJECT

The proposed Gila Valley project calls for water from the main stream of the Colorado River, to be taken from the east end of the Imperial Dam of the All-American Canal now being constructed, for the ultimate irrigation of approximately 585,000 acres of land situated in the valley of the Gila River, which is a tributary of the Colorado. The prosecution of this project would be by units, both in point of location and of time. The water required would be in excess of 2,000,000 acre-feet per year, and the total cost approximately $80,000,000. The first unit will comprise about 150,000 acres and the cost will be about $20,000,000. The project has not been expressly authorized by any act of the Congress. A proposed contract has been drafted between the United States and the Yuma-Gila irrigation district of Arizona, the Secretary of the Interior to sign for the United States. The contract relates to the first unit and is drawn under the Reclamation Act of 1902, the amendments thereto, and the Emergency Appropriation Act of 1935. The W. P. A., which is the administering agency of the Emergency Appropriation Act, has allocated to the Reclamation Bureau $2,000,000 with which to begin work. Bids will be in shortly.

The representatives of the protesting States oppose Federal aid to this project for the following reasons:

1. Arizona should receive no Federal aid for this or any other water project sourcing in the Colorado River system until she first accepts the Colorado River compact.

Arizona never has ratified the compact which has been ratified by every other State in the Colorado River Basin and which divides the waters of the river system between the upper basin to which the protesting States of Colorado, New Mexico, Utah, and Wyoming belong, and the lower basin, to which California, Nevada, and Arizona belong. The compact contemplates that the States of the upper basin shall divide among themselves their common present allocation of 7,500,000 acre-feet a year, and that the States of the lower basin should do likewise with their common present allocation of 8,500,000 acre-feet a year, and similarly such parts of the "surplus" water (all waters in excess of the combined 16,000,000 acre-feet already apportioned) as in 1963 may be apportioned to their particular basin.

One of the principal purposes of the compact is to protect the protesting States in respect to their present and future allocations against the acquisition of priorities that might be asserted against their basinal allocation by the States of the lower basin. It contemplates that Arizona, like California and Nevada, shall take her water, not out of the allocations made and to be made under the compact to the upper basin but out of those to the lower basin in which she belongs. Arizona, by not ratifying the compact, denies and repudiates the interbasinal division of the water made by the compact and thereby questions the legal effect of water appropriations made and to be made in the protesting States of the upper basin, as against water appropriations made and to be made within her own limits.

The water that would be used for the project under consideration, and which would be applied by the process of gravity and pumping, would come from the flow in the main river as equated by the great dam built under the Boulder Canyon Project Act—in other words, from water stored by the dam. Arizona has tried hitherto to obtain from the Secretary of the Interior a contract for water from that dam for use in Arizona but failed, upon the opposition of these protesting States, because she would not incorporate in the contract language that would expressly subject herself and all claiming under her at no matter what point on the Colorado River system, unequivocally and without reservation, to the Boulder Canyon Project Act and to the Colorado River compact which the act ratifies and upon which the act is predicated.

The Gila Valley project with its proposed contract, already drafted but still unsigned, between the Yuma-Gila irrigation district and the United States, under the Reclamation Act of 1902, instead of a contract of Arizona herself with the United States under the Boulder Canyon Project Act, would prove, if it could be consummated legally, only a circumvention of these protesting States and of the Government itself—an attempt on Arizona's part to get Boulder Canyon project water indirectly through one of its minor agencies instead of directly in its own name and binding all of its water users who at any point within her boundaries take water from the Colorado River system.

2. Paragraph 34 of the proposed contract with the Yuma-Gila irrigation district purports to subject Gila Valley project to the Colorado River compact. Passing by the inadequacy of the language of this paragraph to protect these protesting States in respect even to this particular project it may be said that the mere insertion of this paragraph would not give to the protesting States, with sufficient certainty, adequate protection as against the total appropriations of water made and to be made at all points upon that part of the Colorado River system (main stream and tributaries) lying within the State of Arizona.

The Yuma-Gila irrigation district is not the State of Arizona, but only a minor agency thereof, that at most, even with a paragraph adequately worded, could bind only itself and the particular project. What is wanted is the acceptance of the Colorado River compact by Arizona herself in behalf of herself and of all water users claiming under her, to the end that all water rights and projects anywhere and everywhere in Arizona drawing their supply from the Colorado River system would be bound thereby, as are the water rights and projects within the six other Colorado River States.

3. These protesting States do not question the right of Arizona or of those claiming under her to initiate water rights or finance water rights within the State of Arizona if they can finance the same out of their own resources, but the protestants do say that Federal money expended comes from the people, comes in part from these protesting States, and that it is unfair to them that what in effect is in part their money should be taken and expended to build up or uphold water priorities that in conjunction with other priorities would be asserted against them in and at the hands of a State that has not yet through the acceptance of the compact been willing to accord to the protesting States the reciprocal protection of the interbasinal division of water that they by the compact offered and still offer to her. The other States have subjected all of their priorities to the compact. Why should not Arizona do the same?

4. Six States have accepted the compact with its interbasin division of water as fair and equitable; and the Congress of the United States, by the Boulder Canyon Project Act, likewise has ratified it as fair and equitable, and has subjected the water interests of the United States in the general Colorado River Basin wherever they may be to its terms and is spending hundreds of millions of dollars on dams and canals built under the act, which in turn is predicated upon the compact.

Any other solution of the water problems of the Colorado River system than that of the compact interbasinal division of water is now because of complications practically impossible. No one, unless Arizona, wants any different solution. The Government should finance no water projects in Arizona until that State puts herself in line with other States and with the Government itself by accepting the compact.

5. The proposed contract between the United States and the Gila Valley irrigation district would be illegal if signed. The contract does not purport to be made in pursuance of authority of the Boulder Canyon Project Act, which is the only act of Congress under which the Secretary of the Interior is authorized to dispose of water stored by the dam which has been built under the act. Instead, the contract is made under the Reclamation Act of 1902, with no mention of the Boulder Canyon Project Act, and financed by an Executive money allotment that has been made under the Emergency Appropriation Act of 1935.

The water supplying the project would come from the equated flow of the waters stored by the dam. The contract says so. The project would be futile if it could not depend upon this artificially equated flow rather than upon the natural, variable, seasonable flow of the river. The Boulder Canyon Project Act provides that all stored waters shall be contracted for only in accordance with its

terms and under the general regulations promulgated by the Secretary of the Interior pursuant thereto, just as in the case of the contracts already made by the Secretary with the various California agencies and entities. Indeed, under the act the Secretary must charge something for the water deliveries to be made under the contracts which he issues. This charge is in addition to any assessment that the Government might make under the reclamation act against the lands benefited by the construction of dams and canals whereby the water contracted for is to be made usable. Section 4 (b) of the act provides that before the Secretary can commence construction of the dam "he shall make provision for revenues by contract in accordance with the provisions of this act" wherewith to pay expenses of operation and repay to the Government the costs of construction. While these provisions relate to contracts made before the commencement of construction of the great dam they indicate, nevertheless, the general policy of the act to require "charges" in contracts made under the act. This policy is carried forward in section 5 and is there expressly extended to contracts, no matter when made. The language of the section is to the effect that "no person shall have or be entitled to have the use for any purpose of the water stored, as aforesaid, except by contract made as herein stated" and upon "charges that will provide revenue", to be applied to maintenance expenses and to retirement of capital costs connected with the Boulder Canyon Project Dam. This section, inclusive of the exaction of "charges" and prohibiting any use of the stored water except by contract made under the act, contains the following:

"That the Secretary of the Interior is hereby authorized, under such general regulations as he may prescribe, to contract for the storage of water in said reservoir and for the delivery thereof to such points on the river and on said canal as may be agreed upon, for irrigation and domestic uses and generation of electrical energy and delivery at the switchboard to States, municipal corporations, political subdivisions, and private corporations of electrical energy generated at said dam, upon charges that will provide revenue which, in addition to other revenue accruing under the reclamation law and under this act, will in his judgment cover all expenses of operation and maintenance incurred by the United States on account of works constructed under this act and the payments to the United States under subdivision (b) of section 4. Contracts respecting water for irrigation and domestic uses shall be for permanent service and shall conform to paragraph (a) of section 4 of this act. No person shall have or be entitled to have the use for any purpose of the water stored as aforesaid except by contract made as herein stated."

THE CONDITION CONTAINED IN THIS PROTEST

The condition attached to this protest is that, subject to the Colorado River compact protecting them in respect to their present and future allocations of water to their upper basin, these protesting States would have no objection to Federal aid to water projects in Arizona if, as a condition precedent to the operative effect of such aid, that State, with the consent of the Congress, which is now in session, would enter into an interstate agreement with the other six States whereby she would become a signatory to the compact, or if, with the consent of the Congress, she were to enact a self-limitation act whereby she would contract with the United States for the benefit of the other Colorado River States, and each thereof, that her interests and rights in the Colorado River system should be bound by the compact.

The language to be employed in following either method would have to be chosen with care, but the choice would not be difficult and these protesting States stand ready at any time to cooperate in achieving the end by either method.

RECOMMENDATIONS TO THE GOVERNORS

In conclusion, the representatives of the States of Colorado, New Mexico, Utah, and Wyoming in conference assembled, having in mind the protection of their water interests under the Colorado River compact, hereby recommend to their respective Governors and Members of the Congress:

That vigorous protest be made by them to the President and to the appropriate departments or agencies of the Government, including the Secretaries of the Interior and Agriculture, against the proposed Gila Valley project in Arizona except upon the condition that Arizona shall first accept the Colorado River compact either by supplemental interstate compact with the other Colorado River States or else by act of self-limitation. * * *

The chairman of this conference is requested to transmit to the several Governors copies of this protest, to the end that the copies may be forwarded, should the Governors so desire, in support of such official protests as the Governors themselves may choose to make in the premises.

Dated at Denver, Colo., February 5, 1936.

PAUL P. PROSSER,
Attorney General for Colorado.
FRANK H. PATTON,
Attorney General for New Mexico.
WILLIAM W. RAY,
Special Counsel for Utah.
RAY E. LEE,
Attorney General for Wyoming.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield to the gentleman 2 additional minutes.

Mr. LEWIS of Colorado. Mr. Speaker, as I previously stated, I regret very much I am obliged to oppose this amendment because it includes some very excellent projects. There is one, I repeat, in my own State, and I regard it as one of the very best projects that has ever been proposed. I refer to the Pine River project which is on the western slope of Colorado in the congressional district of the distinguished and beloved dean of the Colorado delegation [Mr. TAYLOR]. If we further insist that the conferees stand by the bill as passed by the House and vote down this proposed compromise on the Senate amendment, including all these projects, we will be in a position of deferring this matter only a few months. The Congress is going to meet here again next January—less than 7 months from now. It will not prejudice any of these projects that are meritorious if the matter is deferred until that time. I plead with all my colleagues in the best interest of irrigation, in the interest of the upper-basin States, to insist further in our objections to this Senate amendment which we declined to accept only 3 or 4 weeks ago.

The Colorado River compact, which, with the consent of the Congress, was negotiated by the commissioners representing all seven States and which Arizona only declined to ratify is set forth hereinbelow:

COLORADO RIVER COMPACT, SIGNED AT SANTA FE, N. MEX., NOVEMBER 24, 1922

The States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming, having resolved to enter into a compact under the act of the Congress of the United States of America approved August 19, 1921 (42 Stat. L., p. 171), and the acts of the legislatures of the said States, have, through their Governors, appointed as their commissioners: W. S. Norviel for the State of Arizona, W. F. McClure for the State of California, Delph E. Carpenter for the State of Colorado, J. G. Scrugham for the State of Nevada, Stephen B. Davis, Jr., for the State of New Mexico, R. E. Caldwell for the State of Utah, Frank C. Emerson for the State of Wyoming, who, after negotiations participated in by Herbert Hoover, appointed by the President as the representative of the United States of America, have agreed upon the following articles:

ARTICLE I

The major purposes of this compact are to provide for the equitable division and apportionment of the use of the waters of the Colorado River system; to establish the relative importance of different beneficial uses of water; to promote interstate comity; to remove causes of present and future controversies; and to secure the expeditious agricultural and industrial development of the Colorado River Basin, the storage of its waters, and the protection of life and property from floods. To these ends the Colorado River Basin is divided into two basins, and an apportionment of the use of part of the water of the Colorado River system is made to each of them with the provision that further equitable apportionments may be made.

ARTICLE II

As used in this compact:

(a) The term "Colorado River system" means that portion of the Colorado River and its tributaries within the United States of America.

(b) The term "Colorado River Basin" means all of the drainage area of the Colorado River system and all other territory within the United States of America to which the waters of the Colorado River system shall be beneficially applied.

(c) The term "States of the upper division" means the States of Colorado, New Mexico, Utah, and Wyoming.

(d) The term "States of the lower division" means the States of Arizona, California, and Nevada.

(e) The term "Lee Ferry" means a point in the main stream of the Colorado River 1 mile below the mouth of the Paria River.

(f) The term "upper basin" means those parts of the States of Arizona, Colorado, New Mexico, Utah, and Wyoming within and from which waters naturally drain into the Colorado River system above Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system above Lee Ferry.

(g) The term "lower basin" means those parts of the States of Arizona, California, Nevada, New Mexico, and Utah within and from which waters naturally drain into the Colorado River system below Lee Ferry, and also all parts of said States located without the drainage area of the Colorado River system which are now or shall hereafter be beneficially served by waters diverted from the system below Lee Ferry.

(h) The term "domestic use" shall include the use of water for household, stock, municipal, mining, milling, industrial, and other like purposes, but shall exclude the generation of electrical power.

ARTICLE III

(a) There is hereby apportioned from the Colorado River system in perpetuity to the upper basin and to the lower basin, respectively, the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum, which shall include all water necessary for the supply of any rights which may now exist.

(b) In addition to the apportionment in paragraph (a), the lower basin is hereby given the right to increase its beneficial consumptive use of such waters by 1,000,000 acre-feet per annum.

(c) If, as a matter of international comity, the United States of America shall hereafter recognize in the United States of Mexico

any right to the use of any waters of the Colorado River system, such waters shall be supplied first from the waters which are surplus over and above the aggregate of the quantities specified in paragraphs (a) and (b); and if such surplus shall prove insufficient for this purpose, then, the burden of such deficiency shall be equally borne by the upper basin and the lower basin, and whenever necessary the States of the upper division shall deliver at Lee Ferry water to supply one-half of the deficiency so recognized in addition to that provided in paragraph (d).

(d) The States of the upper division will not cause the flow of the river at Lee Ferry to be depleted below an aggregate of 75,000,000 acre-feet for any period of 10 consecutive years reckoned in continuing progressive series beginning with the 1st day of October next succeeding the ratification of this compact.

(e) The States of the upper division shall not withhold water, and the States of the lower division shall not require the delivery of water, which cannot reasonably be applied to domestic and agricultural uses.

(f) Further equitable apportionment of the beneficial uses of the waters of the Colorado River system unapportioned by paragraphs (a), (b), and (c) may be made in the manner provided in paragraph (g) at any time after October 1, 1963, if and when either basin shall have reached its total beneficial consumptive use as set out in paragraphs (a) and (b).

(g) In the event of a desire for a further apportionment as provided in paragraph (f) any two signatory States, acting through their Governors, may give joint notice of such desire to the Governors of the other signatory States and to the President of the United States of America, and it shall be the duty of the Governors of the signatory States and of the President of the United States of America forthwith to appoint representatives, whose duty it shall be to divide and apportion equitably between the upper basin and lower basin the beneficial use of the unapportioned water of the Colorado River system as mentioned in paragraph (f), subject to the legislative ratification of the signatory States and the Congress of the United States of America.

ARTICLE IV

(a) Inasmuch as the Colorado River has ceased to be navigable for commerce and the reservation of its waters for navigation would seriously limit the development of its basin, the use of its waters for purposes of navigation shall be subservient to the uses of such waters for domestic, agricultural, and power purposes. If the Congress shall not consent to this paragraph, the other provisions of this compact shall nevertheless remain binding.

(b) Subject to the provisions of this compact, water of the Colorado River system may be impounded and used for the generation of electrical power, but such impounding and use shall be subservient to the use and consumption of such water for agricultural and domestic purposes, and shall not interfere with or prevent use for such dominant purposes.

(c) The provisions of this article shall not apply to or interfere with the regulation and control by any State within its boundaries of the appropriation, use, and distribution of water.

ARTICLE V

The chief official of each signatory State charged with the administration of water rights, together with the Director of the United States Reclamation Service and the Director of the United States Geological Survey, shall cooperate, ex officio—

(a) To promote the systematic determination and coordination of the facts as to flow, appropriation, consumption, and use of water in the Colorado River Basin, and the interchange of available information in such matters.

(b) To secure the ascertainment and publication of the annual flow of the Colorado River at Lee Ferry.

(c) To perform such other duties as may be assigned by mutual consent of the signatories from time to time.

ARTICLE VI

Should any claim or controversy arise between any two or more of the signatory States: (a) With respect to the waters of the Colorado River system not covered by the terms of this compact; (b) over the meaning or performance of any of the terms of this compact; (c) as to the allocation of the burdens incident to the performance of any article of this compact or the delivery of waters as herein provided; (d) as to the construction or operation of works within the Colorado River Basin to be situated in two or more States, or to be constructed in one State for the benefit of another State; or (e) as to the diversion of water in one State for the benefit of another State, the Governors of the States affected, upon the request of one of them, shall forthwith appoint commissioners with power to consider and adjust such claim or controversy, subject to ratification by the legislatures of the States so affected.

Nothing herein contained shall prevent the adjustment of any such claim or controversy by any present method or by direct future legislative action of the interested States.

ARTICLE VII

Nothing in this compact shall be construed as affecting the obligations of the United States of America to Indian tribes.

ARTICLE VIII

Present perfected rights to the beneficial use of waters of the Colorado River system are unimpaired by this contract. Whenever storage capacity of 5,000,000 acre-feet shall have been provided on the main Colorado River within or for the benefit of the lower basin, then claims of such rights, if any, by appropriators or users of water in the lower basin against appropriators or users of water in the upper basin shall attach to and be satisfied from water that may be stored not in conflict with article III.

All other rights to beneficial use of waters of the Colorado River system shall be satisfied solely from the water apportioned to that basin in which they are situate.

ARTICLE IX

Nothing in this compact shall be construed to limit or prevent any State from instituting or maintaining any action or proceeding, legal or equitable, for the protection of any right under this compact or the enforcement of any of the provisions.

ARTICLE X

This compact may be terminated at any time by the unanimous agreement of the signatory States. In the event of such termination, all rights established under it shall continue unimpaired.

ARTICLE XI

This compact shall become binding and obligatory when it shall have been approved by the legislatures of each of the signatory States and by the Congress of the United States. Notice of approval by the legislatures shall be given by the governor of each signatory State to the governors of the other signatory States and to the President of the United States, and the President of the United States is requested to give notice to the governors of the signatory States of approval by the Congress of the United States.

In witness whereof the commissioners have signed this compact in a single original, which shall be deposited in the archives of the Department of State of the United States of America and of which a duly certified copy shall be forwarded to the governor of each of the signatory States.

Done at the city of Santa Fe, N. Mex., this 24th day of November, A. D. 1922.

W. S. NORVIEL.
W. F. MCCLURE.
DELPH E. CARPENTER.
J. G. SCRUGHAM.
STEPHEN B. DAVIS, Jr.
R. E. CALDWELL.
FRANK C. EMERSON.

Approved.

HERBERT HOOVER.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Speaker, the gentleman from Colorado [Mr. LEWIS] does not understand about this Gila project, evidently. It is understood by all of you that the Gila project and the Colorado project are of no personal or political interest to me. All I want to do is deal fairly and justly with the Western States in connection with the expenditure of this reclamation fund in dividing it up among the several projects.

The Gila project was contemplated by section 15 of the Boulder Canyon Act. Its approval was intended at that time, and it was the intention to get water from it. How can this now interfere with the allotment of water from the upper States in any respect? The gentleman states that the place that starts using the water preempts it, and then they have a right to it forever. Is that right?

Mr. LEWIS of Colorado. That is correct.

Mr. BUCHANAN. The argument was made to me if the Gila project was not built the water would run down the river, go into Old Mexico, and they would use it forever, and no American State would get it. What do you say to that?

Mr. LEWIS of Colorado. Is the gentleman addressing me?

Mr. BUCHANAN. No. I am addressing this question to all Members.

Here is the situation in which I find myself. I investigated the Gila project. I find it is not a dam. It involves the digging of a canal or canals to the land from the Boulder Canyon and that other dam down below there. It is just digging canals, and when the water gets to the tableland which it is sought to irrigate they have to pump it up a few feet—I do not know how high.

Now, what do we find? We find a contract has been entered into obligating $1,097,599 for the actual work out of $1,250,000 to furnish material for this contract. That is a Government obligation. What are you going to do?

Mr. MARTIN of Colorado. Will the gentleman yield for a question?

Mr. BUCHANAN. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. What was the authority for entering into that contract which the gentleman has just referred to?

Mr. BUCHANAN. The authority conferred on the President through legislation which we passed. A survey of the project was authorized by the Boulder Canyon Act in 1928.

The money was allotted from emergency funds appropriated to the President.

Mr. MARTIN of Colorado. It is not in the status, then, of the Florida canal or the Passamaquoddy project?

Mr. BUCHANAN. No; it is clearly out of that status. It is a project for which a survey has been authorized by Congress.

Mr. RICH. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. It seems to me a great many of these projects that have been started under laws authorized by the Congress are proving to be boomerangs. We find that they are coming in here now and asserting their right to go ahead with them. It seems to me we should not give any individual permission to do things that should be retained in the Congress.

Mr. BUCHANAN. I am trying to exercise good, sound, business judgment on these projects. Where there has not been much money spent or a contract entered into involving a large amount of money we stop them. Where contracts have been entered into and a lot of money has been spent, we carry them on. We are trying to do the sensible, sane thing with respect to these projects and to get out of them as soon as we can.

Mr. RICH. I realize the gentleman is trying to do that and I congratulate him upon his position in the matter.

Mr. TAYLOR of Colorado. Mr. Speaker, I yield one-half minute to the gentleman from Utah [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point, and to include therein certain tables and charts furnished me by the Bureau of Reclamation.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman how much of the RECORD it will take to put in these tables?

Mr. MURDOCK. There are about four very short tables, and the rest of it is my own remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

RECLAMATION AND THE NATION—RECLAMATION IN HISTORY

Mr. MURDOCK. Mr. Speaker, it is a striking fact that most of the great civilizations of antiquity were born in arid regions and were nurtured by irrigation. (A) The Nile has been called "the river that is Egypt", because the Nile's overflow, implemented by an extensive system of dikes, canals, and reservoirs, made possible the civilization which produced the first calendar, the science of astronomy, and, in brief, the foundations of western culture. Mesopotamia, the land between the rivers Tigris and Euphrates, has been the center of three world-dominating monarchies, which rose to power in a rainless land because they mastered the art of irrigation. Three thousand years ago the Chinese dug artesian wells to help avert the horrors of drought and famine. The grandeur that was Rome has in great measure passed from the earth, but throughout the dominions which once paid tribute to the Eternal City, the ruins of massive, seemingly interminable aqueducts still bear witness to the vital part that irrigation played in the days of Caesar and Cicero.

EARLY HISTORY OF RECLAMATION IN AMERICA

Irrigation in the New World antedated its discovery by the white man. Anthropologists have offered the theory that the Indians first learned the value of irrigation by observing that arid lands which had been flooded by spring torrents yielded an abundance of roots and herbs. At any rate, it is certain that the Mayans, the Aztecs, the Incas, the Hopi, and other Indian tribes practiced a crude form of irrigation hundreds of years before Columbus first sighted America.

The conquering Moors carried with them a knowledge of irrigation, and a thousand years ago they constructed irrigation works in Spain. (A) In turn, the Spanish explorers and missionaries, when they first penetrated the west coast of what is now the United States, made their first effort to establish a civilization by constructing a reclamation project. The padres of Mission San Diego de Acala, which was the first mission established in California in the seventeenth century, showed the Indians how to build a dam across the San Diego River in Mission Gorge and how to lead the water by canal to the dry but fertile lands surrounding the old mission. Eloquent testimony of the permanence of cultures built on irrigation is found in the fact that part of this dam, built of shaped stones with mud for mortar, still stands. Later the Spanish grandees followed the practice of irrigating the bottom lands along the streams coursing through their great ranches in California.

EARLY RECLAMATION PROJECTS IN THE UNITED STATES

Notwithstanding the important part irrigation has played in the development of civilization and its extensive employment by other races in other lands, the people of my faith, in my State, made and succeeded in the first attempt by the Anglo-Saxon race to reclaim arid lands. (A) When Brigham Young, the inimitable colonist, first beheld Salt Lake Valley he saw, in the words of a great Mormon poet, "a desolation of centuries, where earth seemed heaven-forsaken, where hermit Nature watching, waiting, weeped, and worshipped God amid eternal solitude." (Orson F. Whitney, History of Utah, I, 220.) Brigham Young and a majority of his followers had migrated from sections of the United States where rainfall was abundant and irrigation unnecessary. Young had, so far as history records, no previous knowledge or experience with methods of irrigation; but he and his people had journeyed to the valleys of the mountains for the purpose of planting a permanent colony and establishing homes. To do that, they realized, it was necessary to root their communities in the soil, and roots cannot grow in the desert without water. The first step therefore was to find a water supply, and next the pioneers must learn how to utilize it to the fullest extent and husband it against the inevitable seasons of drought. If you will visit Salt Lake City, the Mormons will show you a great painting which is treasured by every Utahan and which pictures the Mormon pioneers in the act of turning the waters of what is now called City Creek upon the parched and thirsty desert. Their reclamation system is best described in the words of Charles Hillman Brough:

> The methods of irrigation pursued by these conquerors of the desert, unaided by capital or previous experience, were almost identical with those in vogue at the present day. Canals were run from the canyons out upon the more level land of the valleys and there subdivided into branch canals, and these again divided into laterals leading to every farm so long as there was water to be distributed. Each farmer had canals leading from the main one to every field, and generally along the whole length of the upper side of each field. Each field had little furrows, a foot or more apart and parallel with each other, running either lengthwise or crosswise or diagonally across, as the slope of the land required. Into these furrows the water was turned, one or more at a time, as the quantity of water permitted, until it had flowed nearly to the other end, when it was turned in the next furrows, and so on until all were watered (A, pp. 9–10).

Thus was every drop of water made to do the work of 10. Thus were the economic foundations laid for the settlement and development of that great empire of the West whose riches, agricultural, mineral, and human, have flowed to every section of the country and helped America to fulfill her manifest destiny.

That was the beginning of American reclamation (D, p. 22), and if the West is to continue to supply America with wealth we must continue to carry on the reclamation system.

At first and for many decades, reclamation projects were initiated and financed by private capital with the result that the development of reclamation followed a helter skelter, and in many cases, uneconomical course. At last, however, it became apparent that reclamation was of vital national importance and that it constituted financial, engineering, and social problems of such magnitude that they could not be solved by private interests.

THE RECLAMATION ACT OF 1902

By 1894, Congress had recognized the advisability of encouraging reclamation, and to that end Congress enacted that year the Carey Act, under the provisions of which public lands were allocated to the States for reclamation by

private enterprise. However, no Federal funds were appropriated for the developmnt of irrigation systems (D, p. 22). Federal reclamation was inaugurated in 1902 by the passage of the reclamation act. The main features of the act were (D, pp. 23, 24):

First. Organization of the Reclamation Service.

Second. Authorization granted to the Secretary of the Interior to investigate and construct feasible irrigation projects.

Third. Authorization of the withdrawal of public lands for construction purposes and for irrigation.

Fourth. Provision that the cost of reclamation projects was to be repaid by the landowners and water users, without interest, in not more than 10 annual installments. As rapidly as the money was returned, it was to be used for continuing construction work. (See table II.)

I quote from page 23 of the Haw-Schmitt report:

> A prominent feature of the financial provisions of the act was the establishment of the reclamation fund for carrying out reclamation enterprise. This fund was built up by impounding all moneys received from the sale of public lands, oil and mineral royalties, and certain related sources, and placing this fund at the disposal of the Secretary of the Interior for use in planning and building irrigation projects.

It should be kept in mind that the reclamation program was not intended as and has never been a program of Federal philanthropy. Under the act of 1902, the settlers were obliged to repay in full the Government's expenditures on irrigation projects. In the words of Haw and Schmitt, Congress—

> Intended reclamation to be a nationally supported agency of irrigation development on an economically and socially desirable basis, for the purpose of building up the whole West in the national interest as fully as its natural resources would permit.

THE RECLAMATION LEDGER

During the 32-year period following the passage of the Reclamation Act, 31 projects distributed over 15 States have been completed (D, fig 2). The adjusted cost of these projects to June 30, 1934, was $193,620,400. (See table III.) Forty-one projects are now completed or under construction. (See table IV.)

The reclamation program has opened up an irrigable area of 2,025,508 acres, of which 1,589,770 acres were irrigated in 1933. More than 43,000 farms are comprised in this acreage (D, p. 28). An additional area of 1,239,017 acres, privately developed, is supplied, wholly or in part, with water from Federal reservoirs (E, p. 8).

Reclamation projects support a population of 181,929 living on the farms and 498,158 residing in the towns (D, p. 28). Thus the total population dependent upon Federal projects amounts to more than 600,000. According to the best information available, each farm unit on a reclamation project supports three families—one on the farm, one in the project town, and one in the commercial and industrial centers which supply the projects with manufactured goods (E, p. 13).

The reclamation program has added to the taxable wealth of the United States in excess of $1,000,000,000 (E, p. 6), or approximately five times its cost. It has created whole new communities of prosperous farm folk. The projects support 736 schools and 798 churches.

Records of the Bureau of Reclamation disclose that during one of the depression years 17 Federal reclamation projects received by rail 95,000 carloads of manufactured goods, including automobiles, farming implements, furniture, and similar commodities manufactured in the Midwest and the East, having a total value of $120,000,000. And it is worthy of note that the wage earners who produced these manufactured goods did not purchase their foods, and so forth, from the reclamation projects, but from nearby farms. Industry, therefore, made a clear profit on the transaction.

As an example of how the prosperity of industry is inextricably bound up with agriculture and reclamation, I call attention to the freight supplied by reclamation projects to the railroad systems of the country. Nine transcontinental railroads traverse the Federal projects and tap remoter sections of the projects with spur lines. According to the late Dr. Elwood Mead (E, p. 18):

> During the depression, and especially during the drought of 1934, freight originated by Federal reclamation projects contributed a major and stabilizing item of commerce to our transportation systems. It is notable that freight to and from the Boise project in Idaho in recent years has exceeded in volume the traffic of the entire State prior to the development of this project. Whole trains are used to carry melons and vegetables from Arizona and Colorado projects to the eastern seaboard at seasons when carloadings in other agricultural areas are at lowest ebb.

In 1935 the Yakima project shipped 24,152 carloads of apples, pears, potatoes, and other crops by rail. (See ms. table attached.) The chief engineer of the Oregon Short Line is quoted as saying:

> It is one of the mottoes of the Union Pacific system that our company will build a railroad to a haystack but not to a mine.

In an address appearing on pages 7625–7626 of the CONGRESSIONAL RECORD for May 20, 1936, I quoted facts and figures to show the economic importance of reclamation projects to the industry of the Nation. The record of the Minidoka project in Washington will further illustrate the relationship of interdependence which exists between irrigation projects and industrial enterprise. Prior to the construction of this project the region where it is now situated was a desolate sagebrush plain, uninhabited, and forbidding exploitation. Today the population of the project, which comprises 110,000 acres of irrigated land, is 15,361, almost equally divided between the farms and the town. The Bureau of Reclamation estimates that at least an additional 8,000 people, living and working in the industrial and commercial centers which supply the project with manufactures, are entirely supported by the project (E., p. 13).

The lesson to be learned from these statistics, and which is repeated by every careful survey of the economics of the modern world, is that industry and agriculture are mutually interdependent. Agriculture is indispensable to civilization and all other forms of economic endeavor are dependent upon this great basic industry. Viewed from the vantage point of economic philosophy, manufacturing, commerce, transportation, and so forth, are the tools by which the products of the farms are produced and distributed. Industry is the handmaid of agriculture.

Sectionalism produces civil wars. Sectionalism is anarchy and anarchy leads to chaos. I think that when the recent years of ruin come to be studied objectively it will be found that the major cause of the depression was industrial anarchy. Our political leaders and our captains of industry failed to coordinate the diverse factors entering into our economic life. Industrialists and agriculturalists, because they failed to recognize that prosperity is a condition of reciprocally stimulated well-being, found themselves at war with each other and both suffered as a result. Agricultural areas and industrial areas ignored the social benefits of cooperation and mutual support, with the result that economic sectionalism divided into a hodgepodge of panic-ridden, oppositional sections. This economic sectionalism, I believe, produced the depression and led us to the verge of civil strife. If we are to recover, we must mend our ways.

Enduring prosperity can only come to America when all sections of the country, agricultural and industrial, learn to move forward together. Our production, our transportation, and our distributive facilities must be coordinated, so that each will complement and supplement the other, so that all will function smoothly as the gears of social betterment. The West must know that there can be no prosperity for it unless the other sections of the land are also prosperous. The East and South must also learn this lesson.

Federal harbor projects are, by nature, restricted to the seashore. But the improvement of our harbors, through which the commerce of the Nation passes, benefits the Nation as a whole. Would it not be stupid, as well as unsocial, if we who represent the inland regions were to oppose, on the miry ground of sectional bigotry, all harbor projects? Likewise, is it not unwise and injudicious for those Members

of the House who so ably represent the industrial and commercial centers of the Nation to oppose, on no better ground than short-sighted sectionalism, the construction of irrigation projects which will, in time, feed and clothe their own constituents?

WHO PAYS FOR RECLAMATION?

The mistaken impression seems to be prevalent that reclamation projects cost the Government huge sums of money. Even a casual study of the reclamation fund reveals the inaccuracy of this view. It is true, of course, that during the depression, when every group, even the foreign debtor, has begged and obtained moratoria on obligations owing to the Government, the collection of installments on reclamation repayment contracts has been suspended. But let us look at the record of normal years. At the close of the fiscal year ending June 30, 1935, omitting installments suspended by law, the landowners and water users of 11 Federal reclamation projects had paid 100 percent of the amount due the Government on the repayment contracts. On six other projects the settlers had repaid more than 99 percent. On only two projects had less than 90 percent been repaid. (See table IV.) These figures show that even on the cold and calculating basis of contractual repayments the reclamation program has proved to be a sound investment of Government funds.

Striking an average for all projects, 98.9 percent of the money due under the repayment contracts has been paid by the project settlers. According to the late Dr. Mead, up to June 30, 1935—

Even considering write-offs and adjustments made by Congress in repayment contracts of water users, the collections have been approximately 85 percent. (E., p. 6.)

Thus, it is apparent that reclamation was the first—and perhaps the only—great Federal self-liquidating project. The Government, then, has not had to invest a penny of funds in reclamation without practically 100-percent collateral, and in addition the people of the Nation have profited beyond measure from the investment. I challenge any other Government agency—I challenge the Reconstruction Finance Corporation, which has loaned billions to banks and railroads; I challenge the Treasury itself, which has loaned bililons to foreign nations now in default—to show so clean a record.

A WORD OF PROPHECY

And now I venture to make a prediction based on history. The pioneers who first settled on the eastern shore of this continent were largely agriculturists. The civilization they planted in the East was based on farming. But as the settlements grew and the colonists prospered other industries sprang up. The new industries rapidly displaced the farms on the eastern seaboard. Manufacturing and commerce monopolized the settled land, and agriculture turned its face to the virgin West. Through the years this process has been repeated many times and steadily, and each time the agricultural center of the Nation has shifted westward. Today the pleasant lands, once bursting with potential abundance, have been settled and exploited. And still the regions conquered and retained by industry expand. It is my firm conviction that American agriculture will some day find its center in the bleak, forbidding deserts of the West. Reclamation projects which have previously been undertaken and these projects which the Congress is now considering may yet become the granaries of the world.

It is the duty of statesmen to look to the future.

RECLAMATION AND AGRICULTURE

Preachers of the false gospel of scarcity have said that the reclamation program is antithetical to the agricultural program. The facts explode this fallacy. The acreage embraced in the Federal reclamation program amounts to only 7.5 percent of the total irrigated area of the United States and less than one-half of 1 percent of the cropped area of the country. The total value of crops produced on Federal reclamation projects is less than 1 percent of the value of the Nation's crops (E, p. 8). Obviously, Federal reclamation has not yet appreciably affected agricultural production.

Farmers fortunate enough to operate lands not situated in the reclamation districts have cause for no concern from that quarter. Products from irrigated western farms do not enter into competition with the agricultural products of sections blessed with a plenteous rainfall. Long-staple cotton is grown on irrigated land in Arizona, but it does not compete with the short-staple variety produced in the South. In fact, the United States does not produce nearly enough long-staple cotton to supply the local demand, but, on the contrary, is obliged to import large quantities from foreign countries. Alfalfa which is grown on the irrigated farms of the intermountain region is not shipped to other regions, but is used to supplement the natural forage of the public ranges. Winter fruits and vegetables raised on reclamation projects fill a need in the Nation's diet which cannot be supplied by any other section of the country during the seasons they are harvested, and they could not compete with similar produce from other sections of the country because freight rates on such commodities are prohibitive (E, p. 10).

It is self-evident and undeniable that the function of reclamation is to supplement the Nation's agriculture. To discourage reclamation is to encourage scarcity. I quote from the Haw-Schmitt report, which report should be carefully studied by every Member of Congress and everyone interested in our country's progress:

Any adequate view of reclamation must include in its perspective not alone the quantitative facts of irrigation development previously indicated but also the far-reaching social and economic changes which have taken place in the West during the last third of a century. Just as irrigation gave human settlement its first foothold in the mountain valleys and on the fringes of the deserts that separated the Mississippi Valley from the narrow Pacific coast belt, so Federal reclamation initiated a further stage of development. In the days of the cowboy, the isolated prospector, and the covered wagon, communities existed only at wide intervals and the supply bases for existence were few and small. Roads were few and communication across the arid belt was slow, but the pioneering impulse and the continuous westward drift from the well-settled regions of the East were causing ever larger numbers to seek their opportunity in the mountain and intermountain country. It was under such circumstances that reclamation brought Federal aid to the support of irrigation development. The score of well-watered farming areas which it created helped to make possible the subsequent diffusion of population and growth of wealth. Reclamation provided a secure foundation for the development of the West and contributed toward integrating the Nation.

The effects and success of reclamation are measured by these achievements. All the present prosperity of the domain that extends westward more than a thousand miles from the middle of the Great Plains came about because of the extension of irrigation, largely during the past four decades; and since 1902 this growth has been led and dominated by Federal reclamation. Without the spread of population through the deserts and the production of wealth which resulted from it, balanced growth of the Nation as a whole could not have been achieved. In broadening the base of the country's food supply, in strengthening and supporting its industry, in enlarging and building up the Nation's transportation system, reclamation has been a fundamental agency of public welfare.

RECLAMATION AND THE WEST

Dr. Mead said:

Abandon reclamation development, abandon development of the western water resources, and the Nation has abandoned the future of the West (E, p. 11).

It should be remembered that when the Western States were admitted to the Union, title to the minerals within their borders and title to much of the land itself was retained by the Federal Government. Thus, even at this late period, 80 percent of the total land area of the State of Nevada belongs to the Federal Government; of Arizona, 66 percent; of Utah, 58 percent. Of the total land area of the 11 Western States, title to 46 percent is vested in the Federal Government. (See table VI.) This western land which belongs to the United States is not, of course, taxable by the States. To choose the extreme example, Nevada, with an area almost twice as great as that of New England, must maintain its schools and police its wide domain with taxes derived from an area comparable to that of New Hampshire and Vermont. (See manuscript table attached.) We westerners have reason to believe, and particularly in this

instance, that the Federal Government has not been overgenerous with our States.

Government statistics reveal that the average rainfall in the western third of the United States varies between 6 and 20 inches a year (D, p. 31). In the entire area which lies west of the one hundredth meridian, with the exception of a narrow strip along the Pacific coast, the annual rainfall is insufficient to produce crops without supplemental irrigation. Reclamation, therefore, is of vital importance to the western third of our country. To curtail reclamation is to stunt the growth of this region. To halt the reclamation program is to kill the West.

On the other hand, the meager water supply with which Providence has provided the West can, with the aid of the genius and perseverance of man, be so utilized as to transform the western desert into a land of plenty. The West beseeches Congress not to waste one-third of the Nation's inheritance. Do not, we say to you, permit farms and men to die in the desert from want of water which can be supplied without one cent of cost to you, and which will secure for you the richest reward that can come to any nation—a community of happy, loyal, and prosperous farmers.

RECLAMATION IS NONPARTISAN

Let me, needlessly perhaps, remind the gentlemen on the Republican side of the House that it was your great American President, Theodore Roosevelt, who fathered the reclamation program, because, as he said, it would build homes and thereby build up the Nation. It was Theodore Roosevelt who sponsored and recommended the enactment of the Reclamation Act of 1902 (E, p. 11).

And now, for the special attention of the majority, let me quote the greatest American of half a centry on this question. In his telegram to the National Reclamation Association, dated November 27, 1933, Franklin D. Roosevelt said:

> Reclamation as a Federal policy has proven its worth and has a very definite place in our economic existence. Spread over one-third of the territory of the United States and creating taxable values and purchasing power affecting municipal, State, and Federal Governments and private industry, it is only reasonable that we should all take pride in its achievements and success.

The West has been, is, and shall ever be the home of independent, self-reliant American citizens. We have never asked, we do not ask now, for Federal philanthropy. We say to you, cooperate with us—since we have always given you the fullest measure of cooperation—in our struggle against drought help us to store up for future use the tiny streams of water that trickle through our desert lands, which else would be absorbed and lost in that gigantic sponge which now is wasteland. Help us now, and we will again, as we have done so many times before, assault the lifeless mountains, subdue the desert, and conquer for America an empire more fruitful than the promised land.

NOTE.—Symbols in the text enclosed in parentheses refer to the list of references designated as table I. Thus D, p. 22, refers to pages 22 of the Report on Federal Reclamation to the Secretary of the Interior, by John W. Haw and F. E. Schmitt. My purpose in making the above address has been to assemble statistics and other information relating to reclamation in such a manner as to call attention to the function of reclamation in our national economy. I have therefore borrowed freely from the references cited.

TABLE I. REFERENCES

A. Irrigation in Utah, by Charles Hellman Brough (Baltimore, 1898).

B. Irrigation, Water Rights, and Appropriation of Waters, by C. S. Kinney.

C. Cooperation Among the Mormons, by Hamilton Gardner. (Quarterly Journal of Economics, vol. 31, p. 461.)

D. Report on Federal Reclamation to the Secretary of the Interior, by John W. Haw and F. E. Schmitt, December 1, 1934. (Government Printing Office, 1935.)

E. Federal Reclamation. An unpublished treatise by Dr. Elwood Mead, the late Commissioner of the Bureau of Reclamation, dated June 25, 1935.

TABLE II.—SUMMARY OF CHANGES IN RECLAMATION LAWS

(From Haw-Schmitt report, pp. 32–33)

1906—Relates to town-site and power development.

1910—Authorizing an advance of $20,000,000 to the reclamation fund and repealing the State allocation section (9) of the act of 1902.

1911—Curtis Act, authorizing the Secretary of the Interior, in his discretion, to withdraw public notice heretofore issued which prescribed the payment of construction charges.

1911—Warren Act, providing for the sale of surplus water.

1911—Development and lease of surplus power.

1914—Reclamation Extension Act, which permitted the period of repayments to be extended to 20 years.

1917—Development of the Yuma auxiliary reclamation project, Arizona.

1920—Receipts from oil leases to be paid into the reclamation fund.

1920—Receipts from Federal water-power licenses to be paid into the reclamation fund.

1921—Relief to water users on Federal projects.

1922—Relief to water users on Federal projects.

1923—Relief to water users on Federal projects.

1924—Relief to water users on Federal projects.

1925—Fact Finders Act, providing for selection of settlers; classification of land; construction payments based on productive power; profits from power plants, leases of land, sale of town lots, and sale or rental of water to be credited to water users when they take over the care and operation of projects.

1925—Appropriation act of March 3, providing for appraisal of private lands on the Vale project, Oregon, and the Kittitas division of the Yakima project, Washington.

1926—Appropriation act of May 10, providing for appraisal and sale of excess lands on Sun River project, Montana; Owyhee, Vale, and Baker projects, Oregon; also the Spanish Springs division of the Newlands project, Nevada.

1926—Application of power revenues, Minidoka project, Idaho.

1926—Omnibus adjustment act, providing for a charge-off on 17 projects, amounting to $13,708,016, and the appraisal and sale of excess land. Repealed provision of Fact Finders Act of 1925 permitting repayments based upon productive power of land.

1928—Boulder Canyon Act.

1928—Taxation of lands of homestead and desert-land entrymen authorized.

1929—Application of power revenues, Boise project, Idaho, and Shoshone project, Wyoming.

1930—Taxation of unpatented entries authorized.

1930—Sale of temporarily and permanently unproductive lands authorized.

1930—Rehabilitation of Bitter Root project, Montana.

1930—Construction of Prosser power plant and application of power revenues, Kennewick unit, Yakima project, Washington.

1931—Advance of $5,000,000 to reclamation fund.

1931—Relief extended to Uncompahgre project, Colorado.

1931—Sale of surplus power developed under Grand Valley project, Colorado.

1932—Moratorium on construction charges for 1931 and 1932.

1933—Moratorium on construction charges for 1932 and 1933.

1934—Moratorium on construction charges for 1934.

TABLE III.—*Projects constructed with allotments from reclamation fund*

[From Haw-Schmitt report, p. 27]

Project	Adjusted cost to June 30, 1934	Irrigable area [1]	Construction authorized	Water first available
Salt River	$12,350,576	245,648	Mar. 14, 1903	1907
Yuma	6,416,730	65,626	May 10, 1904	1907
Orland	2,365,571	20,634	Oct. 5, 1907	1919
Grand Valley	4,288,769	30,380	Sept. 23, 1912	1915
Uncompahgre	5,634,895	75,654	June 7, 1904	1908
Boise	17,168,518	167,776	Mar. 27, 1905	1906
King Hill	1,498,415	8,269	July 2, 1917	1918
Minidoka	7,194,919	116,054	Apr. 23, 1904	1907
Garden City	534,475	[2] 10,677	Oct. 5, 1905	1908
Bitter Root	717,641	18,083	July 3, 1930	1931
Huntley	1,868,875	27,947	Apr. 18, 1905	1908
Milk River	5,576,831	134,557	Mar. 25, 1905	1911
Sun River	7,572,046	56,721	Feb. 26, 1906	1909
Lower Yellowstone	4,161,209	46,279	May 10, 1904	1909
North Platte	21,259,556	234,609	Mar. 14, 1903	1908
Newlands	3,507,677	75,000	....do....	1908
Carlsbad	1,115,686	25,055	Feb. 24, 1906	1907
Hondo	371,738	[2] 10,000	Sept. 6, 1904	.....
Rio Grande	14,306,913	155,000	Dec. 2, 1905	1908
North Dakota pumping	643,732	[2] 26,278	Jan. 23, 1906	1908
Baker	276,762	7,124	Mar. 18, 1931	1932
Owyhee	12,244,317	106,000	Oct. 12, 1926	.....
Umatilla	3,316,678	13,444	Dec. 4, 1905	1908
Vale	3,692,007	15,854	Oct. 21, 1926	1929
Klamath	6,205,533	61,262	May 15, 1905	1907
Belle Fourche	4,795,716	61,030	May 10, 1904	1908
Echo Reservoir	2,873,487	77,000	Jan. 8, 1927	1931
Strawberry	3,591,063	42,055	Dec. 15, 1905	1915
Okanogan	424,199	5,800	Dec. 2, 1905	1908
Yakima	25,802,888	204,409	Dec. 12, 1905	1907
Riverton	3,964,060	32,000	Jan. 19, 1920	1925
Shoshone	8,848,868	66,736	Feb. 10, 1904	1908
Total	193,620,400	2,242,958		

[1] Area to which water can be supplied in 1934. [2] Abandoned.

TABLE IV.—*Department of the Interior, Bureau of Reclamation, status of construction account repayments, June 30, 1935*

State	Project	Construction account repayable June 30, 1935	Value of repayment contracts	Amounts of repayment contract due on June 30, 1935	Balance of repayment contract deferred (not due)	Amounts paid on amounts due	Amounts uncollected of amounts due	Percent repaid of amounts due
Arizona	Salt River	$10,209,450.37	$10,209,450.37	$6,658,744.41	$3,550,705.96	$6,658,744.41		100.0
Arizona-California	Yuma	9,723,931.21	5,208,588.35	3,814,253.74	1,394,334.61	3,810,782.16	$3,471.58	99.9
California	Orland	2,369,392.45	2,475,403.48	819,243.96	1,656,159.52	773,815.10	45,428.86	94.5
Colorado	Grand Valley	4,082,334.78	4,082,334.78	159,183.29	3,923,151.49	159,183.29		100.0
Do	Uncompahgre	5,768,296.19	7,288,114.04	490,112.77	6,798,001.27	490,112.77		100.0
Idaho	Boise	16,740,192.75	14,405,457.24	4,016,041.72	10,389,415.52	4,016,041.72		100.0
Do	Minidoka	18,131,216.98	17,119,650.31	8,004,607.86	9,115,042.45	7,982,681.79	21,926.07	99.7
Do	Upper Snake River	177,561.53						
Montana	Bitterroot	747,641.05	750,000.00		750,000.00			
Do	Chain Lakes	33,754.26						
Do	Frenchtown	3,172.77						
Do	Huntley	1,871,604.83	1,825,834.64	559,136.18	1,266,698.46	559,136.18		100.0
Do	Milk River	5,631,306.45	5,501,104.25	76,762.76	5,424,341.49	3,002.76	73,760.00	3.9
Do	Sun River	7,740,889.18	10,042,834.35	218,910.46	9,823,923.89	218,814.45	96.01	99.9
Montana-North Dakota	Lower Yellowstone	4,169,608.05	4,096,817.21	292,157.95	3,804,659.26	292,157.95		100.0
Nebraska-Wyoming	North Platte	20,976,618.14	22,164,215.12	3,977,258.65	18,186,956.47	3,920,120.65	57,138.00	98.6
Nevada	Humboldt	595,794.46	1,500,000.00		1,500,000.00			
Do	Newlands	3,513,715.82	3,289,004.34	1,185,020.66	2,103,983.68	1,183,729.38	1,291.28	99.9
Do	Truckee storage	28,293.12						
New Mexico	Carlsbad	1,107,672.79	1,113,131.52	885,694.99	227,436.53	885,694.99		100.0
New Mexico-Texas	Rio Grande	13,227,370.50	13,721,208.87	3,092,524.45	10,628,684.42	3,092,524.45		100.0
Oregon	Baker	276,761.73	225,187.63		225,187.63			
Do	Stanfield	83,412.64	100,000.00		100,000.00			
Do	Umatilla	4,393,974.62	3,380,685.01	540,573.88	2,840,112.13	404,861.08	135,712.80	74.9
Do	Vale	4,235,695.83	5,000,000.00		5,000,000.00			
Oregon-California	Klamath	6,230,294.54	4,161,724.64	1,144,452.14	3,017,272.50	1,135,830.01	8,622.13	99.2
Oregon-Idaho	Owyhee	14,223,020.08	18,000,000.00		18,000,000.00			
South Dakota	Belle Fourche	$4,796,058.76	$5,324,253.80	$624,129.09	$4,700,124.71	$624,129.09		100.0
Utah	Hyrum	757,463.66	930,000.00		930,000.00			
Do	Moon Lake	95,989.95	1,500,000.00		1,500,000.00			
Do	Ogden	961,214.80	2,935,000.00		2,935,000.00			
Do	Salt Lake Basin	2,883,920.78	2,883,945.78	1,222.50	2,882,723.28	1,222.50		100.0
Do	Provo River	27,149.72						
Do	Sanpete	14,376.68	365,000.00		365,000.00			
Do	Strawberry Valley	3,348,835.32	3,348,835.32	1,373,745.50	1,975,089.82	1,348,049.84	$25,695.66	98.1
Washington	Grand Coulee	11,364,260.37						
Do	Okanogan	426,998.38	426,998.38	134,649.92	292,348.46	134,649.92		100.0
Do	Yakima	25,741,646.69	21,548,147.57	6,734,512.96	14,813,634.61	6,626,387.34	108,125.62	98.4
Wyoming	Casper-Alcova	1,772,349.08						
Do	Riverton	4,243,101.64	5,101,808.70		5,101,808.70			
Do	Shoshone	8,575,463.33	5,456,508.91	982,310.42	4,474,198.49	982,116.01	194.41	99.9
Total		221,301,806.29	205,481,245.61	45,785,250.26	159,695,995.35	45,303,787.84	481,462.42	98.9

TABLE V.—*Department of the Interior, Bureau of Reclamation, railway mileage on irrigation projects*

Project	Railroad	Mileage: Each road	Mileage: Total
Belle Fourche, S. Dak	Chicago & North Western R. R	23	35
Do	Vale Beet spur	12	
Boise, Idaho	Oregon Short Line R. R	177	255
Do	Intermountain Ry	18	
Do	Boise Valley Traction Co. (electric)	60	
Carlsbad, N. Mex	Atchison, Topeka & Santa Fe R. R	23	23
Grand Valley, Colo	Uintah Ry	11	56
Do	Denver & Rio Grande Western R. R	32	
Do	Grand Junction & Grand Valley Electric R. R.	13	
Huntley, Mont	Northern Pacific	25	44
Do	Chicago, Burlington & Quincy R. R	19	
King Hill, Idaho	Oregon Short Line R. R. (14 miles within district, 28 miles along district, mile or 2 outside).	42	42
Klamath, Oreg.-Calif	Oregon, California & Eastern Ry	21	50.5
Do	Southern Pacific Ry	15	
Do	Proposed Modoc Northern Ry	14.5	
Lower Yellowstone, Mont	Great Northern R. R	66	66
Milk River, Mont	do	159	159
Minidoka, Idaho	Oregon Short Line R. R	43	43
Newlands, Nev	Southern Pacific Ry	69	69
North Platte, Nebr	Chicago, Burlington & Quincy R. R	145	256
Do	Union Pacific	95	
Do	North Platte Valley Ry	16	
Okanogan, Wash	Great Northern	12.5	12.5
Orland, Calif	Southern Pacific Ry	7	7
Owyhee, Oreg	Oregon Short Line Ry	56	80
Do	Construction railway to dam	24	
Rio Grande, Tex	Atchison, Topeka & Santa Fe R. R	83	149
Do	Southern Pacific R. R	58	
Do	National Railway of Mexico	8	

TABLE V.—*Department of the Interior, Bureau of Reclamation, railway mileage on irrigation projects*—Continued

Project	Railroad	Mileage: Each road	Mileage: Total
Salt River, Ariz	Atchison, Topeka & Santa Fe R. R	17	62
Do	Southern Pacific	45	
Shoshone, Wyo	Chicago, Burlington & Quincy R. R	64	64
Strawberry Valley, Utah	Denver & Rio Grande Western R. R	30	78
Do	Union Pacific R. R	17	
Do	Salt Lake & Utah R. R. (electric)	23	
Do	Utah-Idaho Sugar Co. R. R	8	
Sun River, Mont	Chicago, Milwaukee, St. Paul & Pacific R. R.	45	132
Do	Great Northern R. R	87	
Umatilla, Oreg	Oregon-Washington R. R. & Navigation Co.:		
	Within project area	60	
	Partly in Coyote cut-off	12	90
	To McKay Dam	18	
Uncompahgre, Colo	Denver & Rio Grande Western R. R	51	51
Vale, Oreg	Oregon Short Line R. R	66	66
Yakima, Wash	Chicago, Milwaukee, St. Paul & Pacific R. R.	57	423
Do	Northern Pacific	273	
Do	Oregon-Washington R. R. & Navigation Co.	86	
Do	Yakima Valley Transportation Co. (electric).	12	
Yuma, Ariz	Yuma Valley R. R	25	42
Do	Southern Pacific	17	
Total			2,360

TABLE VI.—*Federal lands in the Western States*

[From Haw-Schmitt report, p. 27]

State	Total area	Vacant public land	Indian reservations	Forest reserves	Parks and monuments	Total public	Percent
Arizona	72,500,000	13,078,560	22,391,108	11,388,053	1,099,793	47,957,514	66
California	101,000,000	15,795,669	631,210	19,175,640	2,888,117	38,491,336	38
Colorado	66,600,000	7,552,197	435,221	13,543,050	360,219	21,836,687	33
Idaho	53,700,000	10,069,092	499,015	19,620,454	48,342	30,236,903	56
Montana	94,000,000	5,878,931	6,035,172	16,127,836	965,820	29,007,759	31
Nevada	70,800,000	50,975,749	847,098	4,985,104	593	56,808,544	80
New Mexico	78,500,000	11,783,265	5,189,469	8,544,053	179,127	25,695,914	33
Oregon	62,060,000	12,919,345	1,631,630	13,434,222	158,867	28,144,064	45
Utah	54,400,000	22,532,110	1,069,725	7,523,763	142,102	31,267,700	58
Washington	44,200,000	692,751	2,401,914	9,607,280	539,299	13,241,244	30
Wyoming	62,700,000	13,813,200	1,998,487	8,481,264	2,286,506	26,579,457	42
Total area	760,400,000	165,090,869	43,130,749	132,430,719	8,674,785	349,327,122	
Percent each type of land bears to the total area	100	22	6	17	1+	46	46

NOTE.—Public lands are exclusive of approximately 50,000,000 acres withdrawn, pending and unperfected entries.

Mr. TAYLOR of Colorado. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider the vote by which the several motions were agreed to was laid on the table.

THE LATE RICE A. PIERCE

Mr. COOPER of Tennessee. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an announcement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER of Tennessee. Mr. Speaker, it is with very deep regret that I announce the death of a distinguished former Member of the House of Representatives who was one of my predecessors in representing the district which I now have the honor to serve, Hon. Rice A. Pierce, of Tennessee.

Mr. Pierce passed away at his home in Union City, Tenn., last Friday, and, of course, the House has not been in session since that time and this is the first opportunity I have had to make this announcement.

Mr. Pierce was born in Dresden, Weakley County, Tenn., July 3, 1848; attended the common schools of Tennessee; pursued an academic course; during the Civil War served in the Eighth Tennessee Cavalry; studied law, was admitted to the bar of the supreme court in Raleigh, N. C., in 1868, and commenced practice in Union City, Tenn., in 1869; elected district attorney general of the twelfth judicial circuit in 1874, and reelected in 1878 for 8 years.

Mr. Pierce was first elected to Congress in 1882, 54 years ago, to the Forty-eighth Congress. So far as my knowledge extends, he was the only surviving Member of that Congress. His last service was in the Fifty-eighth Congress, and there are no Members of this Congress now serving in the House and only Vice President Garner and Senator GLASS serving in the Senate were here at that time.

Mr. Pierce was one of the most distinguished and highly respected citizens of Tennessee and a bulwark of strength for the Democratic Party in our State. He served in recent years as commander in chief of the United Confederate Veterans, having followed the flag of Dixie during the Civil War until its folds were furled in fadeless glory.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. BLANTON. Mr. Speaker, I call up the conference report on the District of Columbia appropriation bill.

The clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

[To accompany H. R. 11581]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year 1937 and for other purposes having met, after full and free conference, have been unable to agree.

THOMAS L. BLANTON,
B. M. JACOBSEN,
GEO. W. JOHNSON,
Managers on the part of the House.

ELMER THOMAS,
CARTER GLASS,
GERALD P. NYE,
HENRY W. KEYES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference of the two Houses on the amendments of the Senate to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, submit the following statement in connection with the action of the conferees on such amendments:

The committee of conference report that they have been unable to agree.

THOMAS L. BLANTON,
B. M. JACOBSEN,
GEO. W. JOHNSON,
Managers on the part of the House.

Mr. BLANTON. Mr. Speaker, there are 87 amendments placed on this bill by the Senate that are in disagreement. The House conferees are so very anxious on behalf of the people of the District of Columbia to get an appropriation bill and avoid a continuing resolution that they have been willing to be more than generous in agreeing to many Senate amendments which heretofore the House has never been willing to agree to.

There are 49 Senate amendments on the bill which the conferees have gone over carefully, and they embrace a total of approximately $485,000; and in order to try to reach an agreement with the Senate so that a bill may be passed for the benefit of the District of Columbia, the conferees have instructed me to submit a motion to recede and concur on all of these 49 Senate amendments. We hope thereby that the Senate will then accept the bill and pass it tomorrow.

To save the time of taking these 49 amendments up separately, which would require all day, I am going to ask unanimous consent to consider these 49 Senate amendments en bloc; and if the request is granted, I am going to move to recede and concur in all of the 49 Senate amendments. Mr. Speaker, I ask unanimous consent to consider the 49 Senate amendments referred to en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I move that the House recede and concur in the Senate amendments as contained in the motion which is at the Clerk's desk.

The Clerk read as follows:

Mr. BLANTON moves that the House recede from its disagreement to the following amendments of the Senate and concur therein:

Senate amendment no. 2: Page 3, line 21, strike out "$113,360" and insert "$122,860".

Senate amendment no. 3: Page 3, line 23, strike out "$73,390" and insert "$43,690".

Senate amendment no. 4: Page 3, line 24, strike out "$37,690" and insert "$43,990".

Senate amendment no. 6: Page 4, line 23, strike out "$45,900" and insert "$47,900".

Senate amendment no. 8: Page 5, line 17, strike out "$500" and insert "$1,000".

Senate amendment no. 9: Page 5, line 20, strike out "$39,900" and insert "$40,400".

Senate amendment no. 10: Page 5, line 24, strike out "$10,180" and insert "$10,600".

Senate amendment no. 12: Page 8, line 8, strike out "$73,260" and insert "$80,000".

Senate amendment no. 13: Page 8, line 11, after the figures "$2,500" strike out the remainder of the line and all of lines 12 to 15, inclusive.

Senate amendment no. 14: Page 9, line 23, strike out "$69,600" and insert "$74,640".

Senate amendment no. 15: Page 10, line 22, strike out "$97,380" and insert "$104,580".

Senate amendment no. 18: Page 12, line 3, strike out "$40,000" and insert "$43,000".

Senate amendment no. 19: Page 12, line 20, strike out "$58,340" and insert "$60,467".

Senate amendment no. 20: Page 12, line 24, strike out "in all, $72,980" and insert "Executive office, three, $6,300; and one ambulance for the Board of Public Welfare, $1,660; for purchase of two passenger-carrying automobiles, $1,160, and two station wagons, $1,500; in all, "$85,727".

Senate amendment no. 21: Page 14, line 11, strike out "$9,500" and insert "$10,400".

Senate amendment no. 22: Page 16, line 6, strike out "$1,500" and insert "$2,500".

Senate amendment no. 23: Page 16, line 9, strike out the word "investigations" and insert "purposes".

Senate amendment no. 25: Page 17, line 23, strike out "$40,000" and insert "$60,000".

Senate amendment no. 29: Page 25, after line 21, insert "For construction of pier at fish wharf and market, including approaches, preparation of plans and specifications, and personal services, $20,000".

Senate amendment no. 31: Page 27, line 24, strike out "$157,211" and insert "$190,403".

Senate amendment no. 32: Page 28, line 23, strike out "$825,000" and insert "$850,000".

Senate amendment no. 36: Page 30, line 5, strike out "$135,300" and insert "$142,500".

Senate amendment no. 40: Page 33, line 16, strike out "$29,400" and insert "$32,400".

Senate amendment no. 41: Page 34, line 12, strike out "$91,360" and insert "$94,180".

Senate amendment no. 43: Page 36, line 15, strike out "$932,202" and insert "$937,730".

Senate amendment no. 45: Page 37, line 6, strike out "$300,000" and insert "$325,000".

Senate amendment no. 46: Page 37, line 15, strike out "$5,000" and insert "$6,800".

Senate amendment no. 47: Page 37, line 16, strike out "$121,500" and insert "$124,500".

Senate amendment no. 48: Page 37, lines 16 and 17, after the word "available" insert "of which not to exceed $1,200 may be expended for tabulating school census cards either by contract or by day labor as the Commissioners may determine".

Senate amendment no. 55: Page 44, line 12, strike out "$121,700" and insert "$129,260".

Senate amendment no. 59: Page 49, line 23, strike out "$41,960" and insert "$45,380".

Senate amendment no. 60: Page 50, line 22, strike out "$70,760" and insert "$84,000".

Senate amendment no. 61: Page 51, line 3, strike out "$1,800" and insert "$3,300".

Senate amendment no. 62: Page 52, line 18, strike out "$59,940" and insert "$65,380".

Senate amendment no. 63: Page 53, line 11, strike out "$96,830" and insert "$100,550".

Senate amendment no. 67: Page 61, line 3, strike out "$408,800" and insert "$416,300".

Senate amendment no. 68: Page 64, line 1, insert:

"For construction, repair, improvement, and extension of buildings at the National Training School for Girls in accordance with plans to be approved by the municipal architect and the Commissioners; and for additional personnel and maintenance at that institution, $100,000".

Senate amendment no. 69: Page 64, line 11, strike out "$50,000" and insert "$75,000".

Senate amendment no. 70: Page 64, line 12, strike out "$55,000" and insert "$65,000".

Senate amendment no. 71: Page 64, line 14, strike out "$25,000" and insert "$40,000".

Senate amendment no. 72: Page 64, line 22, strike out "$126,000" and insert "$141,500".

Senate amendment no. 73: Page 65, line 9, after the word "vehicles", strike out "$75,000; in all, $78,000" and insert "$80,000; in all, $83,000".

Senate amendment no. 74: Page 65, line 13, strike out "$106,330" and insert "$116,350".

Senate amendment no. 76: Page 66, line 7, strike out "$418,340" and insert "$423,380".

Senate amendment no. 77: Page 67, line 9, strike out "$84,000" and insert "$85,000".

Senate amendment no. 80: Page 72, line 24, strike out "$15,000" and insert "$25,000".

Senate amendment no. 81: Page 74, line 8, after the word "service'" strike out "$10,000; in all, $37,300" and insert "$15,480; in all, $42,780".

Senate amendment no. 82: Page 80, after line 14, insert:

"For purchase and erection of one 500,000-gallon capacity elevated water tank and appurtenances to replace the existing 138,000-gallon tank situated on District of Columbia property at Stanton School, $35,000, to be immediately available."

Senate amendment no. 87: Page 87, after line 20, insert:

"SEC. 9. Paragraph (7) of section 1 (b) of the District of Columbia Unemployment Compensation Act, as amended, is amended to read as follows:

"'(7) Service performed in the employ of a corporation, community chest, fund, or foundation organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual.'"

Mr. BLANTON. Mr. Speaker, as I said, this motion embraces a total of $484,907, to be exact. Were it not for the fact that this bill has been in conference for about 2 months and the session is drawing to a close, and that unless an agreement is reached with the Senate it would necessitate the passing of a continuing resolution, which would prevent any new construction whatever for the District, and would otherwise leave the District in a sad plight on many matters, your conferees would never have thought of making this motion to recede and concur on all of these 49 amendments. We are proposing by our action to day to go far more than half way with the Senate on agreeing to the 87 Senate amendments, so that if the Senate really wants a bill it can have one by approving tomorrow the action the House is taking today.

Unless we can reach an agreement with the Senate and can pass a bill, there is much badly needed new construction, which the District is entitled to and which the House gave, that cannot be completed, and will be denied to the District. For instance, the House, not the Senate, passed an appropriation for the new Eastern High School, something that is badly needed there, where there is great congestion, where the health and safety of the students are involved. The Budget did not authorize it, but your House committee unanimously agreed and the House agreed and passed a provision to give that new Eastern High School building. That would not be allowed if there was a continuing resolution.

There is a lot of absolutely necessary fire apparatus, equipment,, trucks, and so forth that is badly needed in the District for the safety of the people. The Budget did not authorize that expenditure, but your House committee and the House itself passed these provisions unanimously and granted this new fire apparatus. That would be eliminated under a continuing resolution.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. CHRISTIANSON. Does the list include any that have been matters of controversy in the House?

Mr. BLANTON. Some of them.

Mr. CHRISTIANSON. Would the gentleman enumerate them so that the House might know what they are?

Mr. BLANTON. For instance, the National Training School for Girls. We have recognized for a long time that there is a fire trap out there; that it is not safe for those girls; that they need a new building; but the Budget had not recommended it, and the Commissioners had not made it a priority, and the House committee had given so many things over the Budget that we did not feel authorized to do it; but the Senate passed an amendment granting $100,000 for that new construction. We House conferees feel we are willing to agree to it because it is a matter of necessity, although it exceeds the Budget.

It is amendments like that which are among the 49 Senate amendments we are proposing to concur in, and which we are willing to go along with in order to try to get a bill.

Let me mention one or two other important matters that would be eliminated by a continuing resolution. There is the proposed new Chain Bridge here that has been needed for years, crossing the Potomac over into Virginia. If we did not pass this bill, and it were supplanted by a continuing resolution, that new, badly needed bridge would not be authorized. Even though the Budget did not authorize it, your House committee unanimously agreed to appropriate for that Chain Bridge, and the House passed it. That is one of the items where the Senate increased the amount above the demand made by the Commissioners. That will come up under disagreement in a moment. But I am mentioning some of the important items that would be disallowed, if a continuing resolution were passed. They would not be granted, although they are sadly needed here.

For 10 years they have needed a new police court building. I wish some of you could go down there and witness the congestion where men and women are huddled into little groups in a barred pen down there waiting for trial.

They have needed this new police court building badly for 10 years. The Budget did not authorize it. But your House committee felt so strongly that it was badly needed as an emergency, and we overrode the Budget and unanimously put in an appropriation provision for that new court building.

Mr. CHRISTIANSON. Did the gentleman state how much money was involved in these additions? I mean the total amount.

Mr. BLANTON. The amount involved in these 49 amendments that I am asking the House to recede and concur in embraces a total of $484,907, but it is our only chance to get the Senate to agree, and to pass a bill, else I know the House would never agree to it.

Mr. Speaker, I move that the House recede and concur in the 49 Senate amendments which the Clerk read.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Certainly.

Mrs. NORTON. Do any of these amendments have to do with the $5,700,000 appropriation?

Mr. BLANTON. No. These 49 amendments have nothing to do with the Senate amendment no. 1. That will come up later. When that amendment comes up I will be glad to yield the gentlewoman time, and I will yield her

time now if she wants to discuss any of these other 49 Senate amendments.

Mrs. NORTON. Well, I do not know what the other amendments are. I do not think the House knows what they are. I would like very much to know what they are.

Mr. BLANTON. We are moving to recede and concur in those amendments. If the gentlewoman has any objection to receding and concurring in the said 49 Senate amendments, I can take them up and read each of them separately, if she insists that should be done.

Mrs. NORTON. I will be very glad to hear the amendments.

Mr. BLANTON. That would take an hour's time at least. The bill, with all of the 87 Senate amendments, has been printed for about 2 months and has been accessible to all Members.

Mrs. NORTON. Mr. Speaker, it is very difficult to recede and concur in something that you do not understand. I do not understand what these 49 amendments are, and I think I speak the sentiment of the House when I say the House does not understand them.

Mr. BLANTON. I will state to the gentlewoman from New Jersey that every item that has been in particular controversy is going to be taken up separately for a separate vote.

Mrs. NORTON. Does the gentleman mean the $5,700,000 appropriation?

Mr. BLANTON. Certainly. In other words, amendment no. 1, which involves the $5,700,000, is going to be taken up after a while by itself. The three amendments involving character education will be taken up and considered en bloc if the House agrees to it. The amendment with regard to holding outside employment will be taken up by itself. The amendment with regard to establishing pay parking meters over Washington, which is legislation and ought to come through the gentlewoman's legislative committee, will be taken up separately. Upon all those amendments I will be glad to yield time to the gentlewoman from New Jersey if she wants it.

Mrs. NORTON. That will be perfectly satisfactory.

Mr. BLANTON. And I will yield time to any other Member who desires to discuss the matter.

Mr. LUNDEEN. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. LUNDEEN. I would like to inquire concerning the Chain Bridge. Will there be any information given as to what has happened there? There ought to be a new Chain Bridge. Why patch up this old decrepit structure? It is dangerous to the public. I lived out there some months and I know there is not even a sidewalk for pedestrians. The ice jam and flood of last spring put the bridge out of commission. Now is the time to build. Our building trades will benefit and the public will be rid of a nuisance—a dangerous out-of-date bridge.

Mr. BLANTON. That will come up under another amendment. There will be a new Chain Bridge, first class in every respect. When it is brought up I will be glad to grant the gentleman time. It is not involved in this motion.

The SPEAKER pro tempore. Without objection, the amendments will be printed in the RECORD just prior to the remarks of the gentleman from Texas.

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas to recede and concur in the Senate amendments.

The motion was agreed to.

Mr. BLANTON. There are several amendments not so very consequential in amounts, but very consequential and most important in principle, which the House has been considering for a long time. I shall move that the House further insist upon its disagreement to these amendments of the Senate.

To save time, Mr. Speaker, I ask unanimous consent that the following Senate amendments may be considered en bloc: Nos. 5, 11, 16, 17, 24, 26, 28, 30, 33, 34, 35, 42, 44, 49, 50, 58, 66, and 79.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent to consider en bloc Senate amendments nos. 5, 11, 16, 17, 24, 26, 28, 30, 33, 34, 35, 42, 44, 49, 50, 58, 66, and 79.

Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the amendments will be printed in the RECORD at this point.

The amendments referred to follow:

Senate amendment no. 5: Page 4, line 7, strike out "$11,000" and insert "$18,000".

Senate amendment no. 11: Page 7, line 12, strike out "$69,000" and insert "$75,000".

Senate amendment no. 16: Page 11, line 13, strike out "$1,000" and insert "$2,000".

Senate amendment no. 17: Page 11, line 22, strike out "$26,000" and insert "$27,000".

Senate amendment no. 24: Page 17, line 20, strike out "$352,020" and insert "$354,020".

Senate amendment no. 26: Page 20, after line 10, insert the following:

"Northwest: Runnymede Place, Broad Branch Road to Nevada Avenue, and Nevada Avenue, Runnymede Place to Western Avenue, $8,500".

Senate amendment no. 28: Page 23, line 22, strike out "$2,161,200" and insert "$2,169,600".

Senate amendment no. 30: Page 26, line 20, strike out "$226,820" and insert "$230,170".

Senate amendment no. 33: Page 29, line 8, strike out "$116,000" and insert "$122,500".

Senate amendment no. 34: Page 29, line 16, strike out "$39,000" and insert "$40,800".

Senate amendment no. 35: Page 29, line 24, strike out "$28,000" and insert "$29,700".

Senate amendment no. 42: Page 36, line 8, strike out "$50,000" and insert "$75,000".

Senate amendment no. 44: Page 36, line 21, strike out "$22,000" and insert "$26,000".

Senate amendment no. 49: Page 38, line 13, strike out "$90,000" and insert "$113,000".

Senate amendment no. 50: Page 38, line 17, strike out "$127,000" and insert "$150,000".

Senate amendment no. 58: Page 48, line 10, strike out "$18,150" and insert "$185,790".

Senate amendment no. 66: Page 58, line 11, strike out "$113,140" and insert "$115,300".

Senate amendment no. 79: Page 70, after line 21, insert the following:

"NATIONAL LIBRARY FOR THE BLIND

"For aid and support of the National Library for the Blind, located at 1800 D Street NW., to be expended under the direction of the Commissioners of the District of Columbia, $5,000."

Mr. BLANTON. Mr. Speaker, these are the controversial items I have spoken of. Mr. Speaker, I move that the House further insist upon its disagreement to amendments of the Senate numbered 5, 11, 16, 17, 24, 26, 28, 30, 33, 34, 35, 42, 44, 49, 50, 58, 66, and 79.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

CALL OF THE HOUSE

Mrs. NORTON. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. BLANTON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 119]

Adair	Collins	Ekwall	Lee, Okla.
Amlie	Connery	Ellenbogen	Lemke
Andresen	Cooley	Ferguson	McClellan
Andrews	Creal	Fernandez	McFarlane
Ayers	Crowe	Piesinger	McLeod
Berlin	Crowther	Flannagan	Maloney
Boehne	Culkin	Gasque	Marcantonio
Bolton	Daly	Gassaway	Marshall
Brennan	Darden	Gillette	Maverick
Brooks	Dear	Hamlin	Montague
Buckley, N. Y.	Deen	Hancock, N. C.	Montet
Bulwinkle	DeRouen	Harter	Nelson
Burch	Dies	Higgins, Conn.	Nichols
Burnham	Dingell	Higgins, Mass.	Rankin
Cannon, Wis.	Ditter	Hill, Knute	Reed, N. Y.
Cary	Driver	Hoeppel	Robertson
Casey	Duffey, Ohio	Hollister	Robsion, Ky.
Chandler	Dunn, Miss.	Kee	Rogers, N. H.
Claiborne	Eagle	Lanham	Rogers, Okla.

Ryan	Scrugham	Thom	Weaver
Sadowski	Sirovich	Tobey	Werner
Sanders, La.	Smith, Va.	Tolan	White
Sandlin	Stewart	Treadway	Woodruff
Schaefer	Sumners, Tex.	Wadsworth	Zioncheck
Schuetz	Sutphin	Wearin	

The SPEAKER. Three hundred and twenty-four Members have answered to their names, a quorum.

On motion of Mr. BLANTON, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to include in connection with my remarks of a few minutes ago on the Interior Department appropriation bill conference report a copy of the Colorado River compact, which is a short document.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1937

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 1: Page 2, line 4, strike out "$2,700,000" and insert in lieu thereof "$5,700,000".

Mr. BLANTON. Mr. Speaker, when this bill was before the Committee of the Whole House for amendment, prior to the passage of the bill, this identical contention was made by our colleague the gentlewoman from New Jersey, who proposed to make the Federal contribution $5,700,000 on District expenses. A vote was taken in the Committee of the Whole and only 11 Members voted for the amendment.

When the bill got back into the House, objection was raised by the gentlewoman from New Jersey to the passage of the bill because it did not carry a Federal contribution of $5,700,000, and she asked Members to vote against the bill and she forced a roll call. A roll call was had on the final passage of the bill, at the instance of the gentlewoman from New Jersey, and 26 Members voted against the bill. Thus the bill, embracing 84 pages, passed the House after 3 days of debate without any amendments.

The House allowed $2,700,000. The Senate raised the amount to $5,700,000. There has been this difference in conference between the House and the Senate. The House conferees came back to the House recently and had the House instruct them on it. The House instructed the conferees to insist on the House provision of $2,700,000 by quite a substantial vote. But we find there is not a chance to reach an agreement with the Senate and to get a bill unless we raise this amount. The House conferees do not want the people of the District of Columbia to suffer because of an arbitrary stand made by the Senate conferees.

We have tried every way on earth to get together with them on this issue, but we have not had any success. We believe, however, that with the proposition I am going to make to the House there will be a chance of the Senate, if it really wants a bill, of agreeing to our action and passing the bill; so our conferees have agreed that concerning the two amounts, the one provided by the House and one proposed by the Senate, that the House conferees would move to split the difference in half and thus meet the Senate halfway on the disagreement. I, therefore, offer the following motion, which my subcommittee has given me to offer, which I ask the Clerk to read.

The Clerk read as follows:

Mr. BLANTON moves that the House recede from its agreement to amendment of the Senate no. 1, and agree to the same with an amendment as follows: In lieu of the sum inserted by Senate amendment, insert the following: "$4,200,000".

Mr. BLANTON. Mr. Speaker, from 1878 until a comparatively few years ago the United States paid one-half of all the expenses of the District. The United States already owned the original water system of the District and now owns the original water conduit, and since then has spent $24,000,000 perfecting the water system.

The United States paid one-half of all the paving of the streets in the years gone by, one-half of the building of the fine bridges here, including the million-dollar bridge on Connecticut Avenue. The United States paid one-half of the improvements of the sidewalks that have been repaired and replaced during those years gone by.

It paid one-half of the sewer system, and paid one-half of the cost of all District buildings, and one-half of about 150 school buildings, there being now 175 in the District. Half of the Municipal Building was paid for by the United States, as well as half of the District courthouse, the jail, and penitentiary. Half of all of these city improvements was paid by the United States.

If the people of the District of Columbia were overtaxed, I would be in favor of continuing this contribution; but in 1927 the tax rate was $1.80 on the $100, and with that tax rate of $1.80 on the $100, there was a surplus here of about $3,500,000 a year left unexpended. Then in 1928, the tax rate was cut down from $1.80 to $1.70, which rate was in effect until 1934. In 1934, the District Commissioners, who can raise or lower the tax at will under the law, reduced the rate from $1.70 to $1.50 on the $100.

In that same year they also arbitrarily reduced the assessed value of real estate $80,000,000, giving the property owners of the District the benefit of that reduction. In 1935 they again made an arbitrary reduction of the assessed value of real estate another $50,000,000. So that in the last 2 years the District Commissioners have arbitrarily reduced the assessed valuation of real estate here $130,000,000, and yet there is a surplus when the tax is only $1.50 per $100 on real estate and personal property.

In the District of Columbia, but in no other city in the United States, all private libraries, law and otherwise, whether worth $5 or $50,000, are exempt from taxes.

In the District of Columbia, but in no other cities, all wearing apparel, whether worth $5 or $50, is exempt from taxes.

In the District of Columbia there is allowed to every family an exemption of $1,000 of household furniture which is absolutely exempt from taxes. In my State only $250 is allowed, so there exists in Washington four times the exemption that exists in my own State.

In the District of Columbia the tax on gasoline is only 2 cents a gallon. Go 3 miles from this Capitol into Virginia and you will find the tax on gasoline is 5 cents a gallon. Go just 3 or 4 miles from this Capitol, back the other way, into Maryland, and the tax on gasoline is double that in the District, or 4 cents a gallon, plus a general sales tax, which exists in so many States in the West, and also in West Virginia and other States.

Let us take the sewer system in the District. Let us assume you owned a residence 40 years ago and you then paid for a connection with the sewer system. You have not been charged during that 40 years with $1 for sewer service. In my home city, for instance, whether I am there or not, I pay $3.75 every month for sewer service to my residence, whether I occupy it or not. In the District after you once pay for the connection you never have to pay another annual charge for this service. That is another special benefit they get because it is embraced in the $1.50 per $100 tax levied on real estate.

That $1.50 per $100 tax which is levied on real estate covers a lot of special privileges, and it is the only tax the people pay with respect to all these privileges. It is all included in the $1.50 per $100 on real estate and $1.50 per $100 on tangible personal property. On intangible personal property they pay one-half of 1 percent, the cheapest tax known anywhere in the United States.

Here in the District of Columbia the annual registration for automobiles, the license-tag fee is $1, no matter whether it is a Ford, a Chevrolet, or a $10,000 Rolls-Royce. It does not make any difference what make car it is, the license-tag fee is only $1 per car per year.

No wonder these great newspapers are fighting me and our committee on this question. Just look at that great big string of cars the Star owns and then note the personal-property

tax which they pay and see what they get registered for $1 a year, and they run these automobiles on gasoline with a tax of 2 cents a gallon. You can readily see why they are making this fight on our committee, but the committee is able to stand it. They do not hurt you by playing you up wrongfully in the press. When you are right they cannot hurt you. That is the proposition I go on. It is only when you are wrong that they can hurt you.

Let us consider sidewalks. In my own city and in every other city, when they pave the sidewalk in front of your residence, or it is repaired, you pay for it. Here the people do not have to pay for such repairs or repairing. It is paid for out of that $1.50 per $100 property tax.

In some cities besides a city tax there is paid a county tax, a State tax, and in addition some pay a special school tax, special water taxes, special jail taxes and special courthouse bond taxes. Here the people have none of that. In other places they have to pay a road tax, as my colleague suggests. Here they have none of that. They have just the one property tax of $1.50 per $100, yet the Commissioners arbitrarily reduced the assessed valuation $130,000,000 in 2 years.

In every State, practically, in addition to the regular Federal taxes which citizens in all cities pay, they have other taxes to pay. For instance here in the District outside of the Federal tax, which people in all cities pay, District citizens pay no estate tax here. They pay no inheritance tax here. They pay no gift tax here. They pay no income tax here. They pay no general sales tax, such as there is in Maryland and in many of the other States. Why, go over here to West Virginia and get in a taxicab, and in addition to the taxi fee they will charge you a sales tax. Go into a restaurant or hotel in West Virginia, and in addition to the regular bill they charge you a general sales tax.

I traveled through some of the Western States last year, and every bill I paid, every time I bought a gallon of gasoline or an automobile tire or had any work done on my car or got anything to eat or put up at a hotel, I had to pay a general sales tax; but you do not have to pay such a tax in Washington, D. C. The people here are exempt from it.

Now, Mr. Speaker, I do not think I ought to take any more time of the House on this question. If you will look at the hearings, you will see that Commissioner Hazen, who has been on the District pay roll here in one position or another for thirty-odd years and knows conditions better than any other man in Washington, testified officially before our subcommittee that—

> The people of Washington are the best treated, have more privileges, and pay the least taxes of any people anywhere in the United States.

That came from the chairman of the Board of Commissioners here.

Now, with such low taxation and with the many privileges they have here, why do you want to continue taking out of the Public Treasury, from the taxes of the already overburdened taxpayers of the United States, who have to pay their own big taxes back home, $5,700,000 a year as a payment on the taxes of the people of Washington? It is not right to the people of Maryland, it is not right to the people of Virginia, it is not right to the people of Oklahoma, or New Jersey, or any of the 48 States of the Union.

One other word and I am done. We have chambers of commerce in every city of the United States. I belong to my chamber of commerce at home, and pay them regularly by the year. I also belong to the West Texas Chamber of Commerce, one of the largest organizations in the State, and I pay them every year. What are these institutions for? They are to attract people down there, to get people to come down there and locate, to get people to visit the cities and towns and States. They do not have to do this in Washington. In the last 20 years this Government has spent here, for permanent improvements that attract people from all over the globe, over $200,000,000 in spot cash.

This splendid memorial bridge down here that cost $14,750,000, this splendid memorial highway down to Mount Vernon, the Washington Monument, the Lincoln Memorial, all of these fine department buildings here that you get lost in when you try to find an office somewhere, the splendid $10,000,000 Supreme Court Building, the fine Congressional Library, the wonderful Capitol Building, all attract the people here. And during the last 5 years tourists from the States visiting here spent the enormous sum of $221,547,992 in Washington.

Mr. SCOTT. Mr. Speaker, I make the point of order the House is not in order. This is something new, and I want to hear it.

Mr. DUNN of Pennsyvania. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In a minute I will yield to the gentleman from Pennsylvania. I want to answer first the point of order of the gentleman from California.

I am wondering if the rich multimillionaire plutocrats out in the district of my friend from California [Mr. SCOTT] who have so much money to pay all their taxes that they are perfectly willing to be taxed extra to pay $5,700,000 on the taxes of Washington, would approve of the gentleman's interruption and his facetious remarks. With all their ideas of "epic this" and "epic that" out there, I wonder if they would approve of it.

Why, Mr. Speaker, the editor of the Washington Post, Eugene Meyer, who made his millions off of this Government, a few years ago offered $5,000,000 for the Post. When he could not get it he formed a combine with a paper company that had an indebtedness against it and had a receiver appointed and had it sold under receivership and through a dummy bought it in at $825,000, and immediately had it incorporated at $1,250,000, and he has the real property of the Post rendered at $117,860, the personal property at $320,260, its intangibles assessed at $218,456, making its total rendition only $656,576, upon which it pays $1.50 per $100 on real and personal property and only one-half of 1 percent on intangibles. This is the way they have managed the thing and this is the reason they have been trying to raise campaign funds to defeat me in my district and try to get me out of Congress.

Mr. MILLARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Texas yield for the parliamentary inquiry?

Mr. BLANTON. No; I do not yield, Mr. Speaker. Oh, the gentleman will have his picture in the paper tomorrow for this interruption. Anyone who will interrupt me they will play him up in the paper.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. RICH. I understood the gentleman from Texas to make the statement that the assessed valuation of the property in Washington has been reduced in the past 2 years by $130,000,000?

Mr. BLANTON. Yes. That is what the chairman of the board, Commissioner Hazen, and the tax assessor, Mr. Richards, both testified to in our hearings. Eighty million dollars in 1934 and $50,000,000 more in 1935, making a total of $130,000,000 reduction in assessed valuation of real estate in 2 years, Commissioner Hazen testified.

Mr. RICH. I understood the gentleman to say that the tax rate on the assessed valuation was $1.80 several years ago, and they reduced it twice, until it is now $1.50?

Mr. BLANTON. I spoke of 1927 when it was $1.80.

Mr. RICH. In other words, they reduced it 30 cents per hundred?

Mr. BLANTON. They first reduced it to $1.70 in 1928, and then to $1.50 on the $100 in 1934.

Mr. RICH. That would be 30 cents a hundred on the assessed valuation?

Mr. BLANTON. Yes.

Mr. RICH. If the Commissioners would now raise the tax rate back to $1.80 they would have enough money?

Mr. BLANTON. They would have so much money they would not know how to spend it. And they ought to raise it to $1.80 on the $100. That is not a high tax rate—$1.80 per hundred.

Mr. RICH. Will the gentleman yield further?

Mr. BLANTON. In just a moment.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. That would give $4,900,000 increased taxes if they had not disturbed the former tax rate?

Mr. BLANTON. It now would give much more than that.

Mr. RICH. So the proposal is now made by the committee to give them $1,500,000 as a compromise. That, even, is quite high, is it not?

Mr. BLANTON. Certainly. Entirely too much. We have gone more than halfway with them on our difference. But it is necessary to pass this bill.

Mr. RICH. Are you weakening or trying to get an agreement?

Mr. BLANTON. We are trying to pass the bill and avoid having a continuing resolution. Did the gentleman ever see me weaken?

Mr. RICH. No.

Mr. BLANTON. We are trying to get a bill. We do not want this bill to fail. We are doing everything on earth that a committee can do to get a proper bill. We are making every kind of concession to the Senate to get a bill.

Mr. RICH. Now you recommend that we give them a million and a half. Why do you not propose that to the House and let them settle it right now?

Mr. BLANTON. I am doing that. Last year when they went to the President on this matter—this has been up every year—the President had the Treasury Department make a careful investigation of 15 comparable cities embracing populations from 300,000 to 825,000. The President sent our committee a report which stated that of these comparable cities Washington paid the lowest tax rate of them all. That came from the President of the United States.

Mr. Speaker, I now yield to the gentlewoman from New Jersey.

Mrs. NORTON. Is it not a fact that there is a law on the statute books which compels or should compel the Federal Government to pay 40 percent of the expenses of the District of Columbia, and the District to pay 60 percent? And has this law ever been repealed? Is it not a fact that under this reduction from $5,700,000 to $2,700,000, which the gentleman seems to think is sufficient, that instead of the Federal Government contributing 40 percent the District would get but 6½ percent from the Federal Government? Why has this law not been repealed if the gentleman feels that $2,700,000 is sufficient for the District?

Another observation I would like to make is that the gentleman himself, I understand, was one of those most anxious to reduce the taxes of the District a few years ago.

Is it not a fact that if the people of the District paid $1.80 a hundred tax, or $18 on $1,000, they would not be permitted to spend one penny more than the Budget Bureau recommends?

Is it not a fact that the Bureau of the Budget recommended $5,700,000? I think we all will admit that the Bureau of the Budget never recommends one penny more than they think is necessary.

Let me state also that again and again the President of the United States has come out in favor of a $5,700,000 contribution by the Federal Government to the District of Columbia.

Why is it the gentleman from Texas constitutes himself a committee of one to tell the District what it needs and absolutely disagrees with everybody else in the District?

Mr. BLANTON. I will answer the numerous questions. When the gentlewoman from New Jersey made a motion in the Committee of the Whole House to give $5,700,000 to the District she got only 11 votes.

Mrs. NORTON. Mr. Speaker, will the gentleman yield right there?

Mr. BLANTON. One minute.

Mr. Speaker, I do not yield. I am going to answer all of the questions.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Texas yield for a parliamentary inquiry?

Mr. BLANTON. I do not, Mr. Speaker.

Mr. HOFFMAN. I am addressing the Chair.

The SPEAKER pro tempore. The gentleman from Texas declines to yield.

Mr. BLANTON. Mr. Speaker, in the first place, the President has not recommended that we give a $5,700,000 contribution. He was misquoted just like they misquoted Speaker Byrns, and I called attention in this House to the fact when Speaker Byrns was alive that he had been misquoted by the newspapers.

The Constitution of the United States does not say that the President shall control the District. The Constitution of the United States says that the District of Columbia shall be controlled by the Congress of the United States.

Mrs. NORTON. Mr. Speaker, will the gentleman yield right there?

Mr. BLANTON. No; I cannot yield. I am going to answer the gentlewoman's many questions.

The Constitution states it is the Congress, not the President, who shall control the District of Columbia. It does not mention the President.

Mrs. NORTON. Mr. Speaker, will the gentleman yield right there?

Mr. BLANTON. No; I am sorry. I will not yield until I answer the many questions she asked me.

Mr. Watson in his work on the Constitution says that clause of the Constitution gives absolute control over this District to the Congress, including the matter of taxation.

Hon. William Howard Taft while Chief Justice of the United States made a speech here in which he reiterated this principle. He said the Constitution gave control of the seat of government to Congress because it had been bothered to death in its other places of meeting and had had to move from place to place.

The Supreme Court of the United States in seven different cases has announced its decision that the absolute control of the District of Columbia is in the Congress of the United States. Until the Congress delegated the power to the President to appoint the Commissioners he did not have that power. The only reason the President has power now to appoint the Commissioners is because we have delegated it to him.

The President does not expect Congress to appropriate the full amount of the Budget. How much did your chairman [Mr. BUCHANAN] tell you that the last conference report in connection with the Interior bill was under the Budget? It was some $33,000,000. Why, in connection with the last action this House took on the Interior bill today you reduced it below the Budget to the extent of $33,000,000. In this bill we do not stick to the Budget. If the distinguished gentlewoman from New Jersey would stick to the Budget we would not have the Eastern High School, because the President's Budget did not authorize it. You would not have any Chain Bridge, because the Budget did not authorize it. You would not have all of the fire apparatus we have given the District, because the Budget did not authorize it. You would not have this police court built, because the Budget did not authorize it.

Why, the Congress goes over the Budget or under the Budget at will. The Budget is a mere outline. The President, in connection with general appropriations, expects us to keep under the Budget and not go over it.

Mr. Speaker, I want to say something about this 60-40 law. Did you know this Congress can pass a law today providing that we pay all of the expenses of the District, if it wanted to? The next Congress might say we should not contribute one penny.

Mrs. NORTON. Will the gentleman yield?

Mr. BLANTON. No; I am not going to yield until I answer the questions first. There were a lot of questions put to me at a running gait, and I am going to answer them.

One Congress is not controlled by a preceding Congress. The Congress used to believe that half should be paid and that was appropriated for years. Then a Congress said

60–40 should be the division and it was held at that for several years. Then a Congress came along and stated that was too much. They said, "We are going to give them a lump sum." Then $11,000,000 was appropriated. Then it was $9,000,000. Every year since that each Congress has exercised its prerogative to say exactly what it thinks it ought to pay.

Mr. Speaker, that is the answer to the gentlewoman from New Jersey. This Congress has the right to say exactly what shall be paid. This Congress has the right to say that not a cent shall be paid or that $2,700,000 shall be paid or $4,200,000 or $20,000,000 shall be paid. It is for this Congress to decide. That becomes the law until it is changed by another Congress.

Mr. Speaker, I do not care to take up any more time.

I yield the gentlewoman from New Jersey 5 minutes.

Mrs. NORTON. Mr. Speaker, I would not attempt to answer all of the arguments made by the gentleman from Texas because to do so would take up the time of the Members of the House foolishly. First of all, the gentleman knows, and the Members of the House know, that the people of the District of Columbia have nothing whatever to say about what taxes they shall pay. In fact, the people of the District do not have a vote, nor do they have a voice in anything concerning their government. They are the only people in the whole country, I presume, who pay taxes without representation. Because they have no representation is the reason the gentleman from Texas can talk to the House and get away with anything, if there are not enough Members present to oppose him.

As a rule, when bills affecting the District come up on the floor of the House for consideration, we seldom have a quorum, because it is not the particular business of anybody. Therefore the Members of the House know very little about what is going on in the District. As a matter of fact, numerous people in the District say to me, "We do not mind paying more taxes, but we want to be able to say what shall be done with our own money when we pay the taxes. We are not able to tell the Appropriations Committee of the House anything about our own necessities. It is true we come before the committee, but if we attempt to really go into the question we are told we must answer categorically 'yes' or 'no', while certain individuals on that committee make speeches."

By the time the speech is finished the question is lost sight of. The whole question is so muddled that it is difficult to say exactly what is involved.

Now, this amendment is most unfair. We are not complying with the law, because the Congress has never repealed the 60–40 law, no matter what the gentleman from Texas may say to the contrary. This law has never been repealed. It provides that the Federal Government shall contribute 40 percent and the District government 60 percent to the expenses of the District government. If we do not enforce it, then I say that we ought to repeal it. When I first came to Congress the Federal contribution to the District was $9,000,000. Since that time the contribution has been whittled down every year until now the committee insist on a contribution of only $2,700,000, in spite of the fact that since that time the Federal Government has taken over a great deal more of the taxable property in the District. I do not think anyone can say it is fair to reduce the Federal contribution from $9,000,000 to $2,700,000.

Another point that I think should be stressed particularly is the fact—and it is a fact—the President has recommended the $5,700,000 contribution by the Federal Government. The Budget Bureau has also endorsed this amount and the Senate conferees are insisting upon it. I think the House by all means should vote down the proposed contribution and agree to the Senate proposal that a complete survey be made by an impartial committee to determine what the Government shall pay before we meet again and consider another appropriation bill. I think that is a fair proposition. If this impartial committee decides that $2,000,000 or $3,000,000, or whatever amount is agreed upon, is sufficient, that is something else. But until there is an honest survey made, not by one or two members of the Appropriations Committee, of the necessities of the District of Columbia, I believe we should follow the recommendations of the President and the Budget Bureau and vote for the $5,700,000 contribution.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield to the gentlewoman from New Jersey 2 additional minutes.

Mrs. NORTON. If you were to know the condition of some of the institutions in this District, you would say there is something definitely wrong. I have visited the hospitals here in the District, and I know that no Member of this House would be proud of hospitals of the same type in his district. The people of the District must take what they get. This has been going on for a great number of years, and it is the reason the District has the second highest mortality rating from tuberculosis in the entire country. Just think of it. This beautiful Federal city harboring the greatest menace that the country knows, with thousands of people stricken with tuberculosis and only one hospital, and a very inadequate one, to take care of all of them up to very recently, when finally, the whole country being aroused, we were compelled to build a decent hospital.

Mr. RICH. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I have only a few minutes and I am sorry I cannot yield.

Then there is overcrowded Gallinger Hospital. I could go on and enumerate other deplorable conditions due to lack of adequate funds. The schools of the District, for example. The Training School for Girls is a disgrace. Yet nothing has been done about all of these institutions in the city that each and every one of us is supposed to represent, and which should be the best governed and the finest city in the entire country. All this is due to lack of necessary appropriations.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. JACOBSEN].

Mr. JACOBSEN. Mr. Speaker, I want to take only a few minutes to make myself clear on this subject. For fear the impression may be created that this is TOM BLANTON'S personal matter, I want to impress upon your minds that the entire committee of five was unanimous on this proposal of cutting the appropriations down from $5,700,000 to $2,700,000. It was not a personal matter, but it was a conclusion reached after extensive hearings and after having various local committees before us.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. JACOBSEN. I yield.

Mr. BLANTON. Was our subcommittee at any time discourteous to any witness who came before us?

Mr. JACOBSEN. No, indeed; it was not.

Mr. BLANTON. Did our committee at any time try to cut witnesses off, or refuse to let them testify at length, or did the committee let them give their testimony freely?

Mr. JACOBSEN. They were allowed to testify freely, and you will find that the various witnesses who came before us are well satisfied, and none of them ever complained about their taxes, but all of them wanted more appropriations. You know and we all know it is impossible to make the appropriations that we would like to make. They need more appropriations here for playgrounds and different things, and I suggested that they be given the privilege of just paying the taxes they were paying up until 2 years ago—not increasing the taxes, but simply paying the taxes that they paid all the time up until 2 years ago—but that does not seem to suit the Senate.

We have had a tax expert before us. No doubt he knows all about taxes, but, after all, the meat of the whole thing is the amount of taxes you pay on a piece of property. You can go out here in the city of Washington and pick out a house that compares favorably with your home in your home town, or some other home there, and call up the assessor's office and find out what amount of taxes is paid on that home in Washington and then, knowing what taxes are paid at home, you will realize at once that the taxes here in Washington

are lower than in your own town, I do not care where it may be, if it is a fair-sized town. I have studied the matter and I found that the taxes here are low.

In addition to this, in your home town you have special assessments off and on whenever there is a new street being built on the outskirts of the town, which is zoned off, and you pay toward the improvements. You also pay for paving at intersections. These are special assessments that come up every 2 or 3 years, but here they pay the same taxes throughout all the year.

The committee has gone a long way with respect to the amount of this contribution. We had it firmly in mind to cut the appropriation $3,000,000. I understand now the amount has been increased $1,500,000, and I hope the House will stand by the committee. It seems too bad that we are involved in this controversy, but if we do not get together on a bill they will not have a police building here, they will not have a high school, and they will not have the bridge referred to in the bill next year, and they should have these things, and next year this commission can investigate the matter and find out what should be done; but this year the amount should be reduced. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield to the gentleman from Michigan for a question.

Mr. CRAWFORD. Mr. Speaker, I should like to ask the gentleman from Texas if this statement appearing in the morning Post of June 15, at page 13, is correct?

Mr. BLANTON. Is that today's Post?

Mr. CRAWFORD. Yes. [Reading:]

TUBERCULOSIS DEATHS REACH LOWEST LEVEL—TOTAL OF 51 IN LAST 11 MONTHS SMALLEST IN HOSPITAL'S HISTORY—HIGHEST DAILY AVERAGE OF PATIENTS CARED FOR IN SAME PERIOD

The highest daily average number of patients in the history of the District Tuberculosis Hospital were cared for during the last 11 months, Dr. J. Winthrop Peabody, superintendent, reported to the Board of Public Welfare yesterday.

Mr. BLANTON. I thank the gentleman. That shows that deaths from tuberculosis in the last 11 months have reached its lowest level in the District.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. BLANTON. I yield.

Mr. SNELL. What is the proposition which the gentleman has made to the House?

Mr. BLANTON. The House proposed $2,700,000 contribution out of the Treasury. The Senate proposed $5,700,000. In the hopes of getting a bill, the Senate will accept and to avoid a continuing resolution, your House conferees have made a motion to split that difference of $3,000,000 between the House and Senate and allow an extra $1,500,000, which would make the amount $4,200,000. Then if the Senate does not accept it and forces a continuing resolution, the responsibility of not passing a bill will be upon the Senate, for the House will have done everything within reason to compromise those differences.

Mr. Speaker, I yield to the gentleman from Missouri [Mr. CANNON] such time as he may desire.

Mr. CANNON of Missouri. Mr. Speaker, this is the final effort on the part of the House to get a District bill. The members of the House committee are making every possible effort to reach an agreement with the Senate conferees. It would be most unfortunate, Mr. Speaker, if we were forced to pass a continuing resolution. It would result in loss to the schools, to the police department, to the fire department, to the public health service, and much needed capital expenditures in the District, including:

Purchase of land for repair shop	$15,000
Purchase and installation of traffic lights	25,000
Reimbursement of loan to Federal Emergency Relief, Public Works, for sewage-treatment plant and adult tuberculosis sanatorium	1,000,000
Petworth Branch Library	75,000
Street paving and other works under gasoline-tax fund	1,110,000
Paving alleys and laying cement sidewalks	150,000
Reconstruction of pier, municipal fish wharf, and market	20,000
Construction of sewers	425,000
Purchase of furniture and equipment for new school buildings, etc	183,000
New school-building construction	1,650,500
Purchase of fire-fighting apparatus	92,000
Construction of new police-court building	1,000,000
Construction of additional buildings, workhouse and reformatory, Occoquan and Lorton, Va	135,000
Construction of additional cottages, etc., National Training School for Girls	100,000
Furniture and equipment, Adults' Tuberculosis Sanatorium, Glenn Dale, Md	83,000
Continuing development of Anacostia River Flats	50,000
Reimbursement of park debt under the Capper-Cramton Act	300,000
Construction of water mains	561,300
Grand total	6,974,800

All these items would be lost to the District of Columbia by the failure of the conference committees of the House and Senate to agree on the passage of an appropriation bill.

I sincerely hope the House will support the members of the committee in their effort to avoid a continuing resolution and secure a bill for the next fiscal year.

Mr. MOTT. Mr. Speaker, will the gentleman yield for a question?

Mr. BLANTON. I yield.

Mr. MOTT. Can the gentleman tell us what prospect there is of the Senate conferees agreeing to this proposition if the House accepts it?

Mr. BLANTON. I think the Senate will be glad to accept this compromise rather than to have a continuing resolution. After we have been so very generous in concurring in most of the Senate amendments, and in meeting the Senate more than half way on the principal amendments in controversy, if the Senate refused to approve the action of the House we are taking today, and prevents the District from having a bill, the responsibility will be on the shoulders of the Senate. I know that the people of the District of Columbia would much prefer to have this bill, after it has been changed by the House today, than to have a continuing resolution. This bill, when we get through with it today, will be the best bill, and will give the District of Columbia more money than it has ever had before in its entire history.

In any event the House will have done its full part. It will have been absolutely fair to the District, and at the same time it will have made a conscientious effort to be fair to the people of the United States.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas that the House recede and concur in the Senate amendment with an amendment.

The question was taken; and on a division (demanded by Mrs. NORTON) there were ayes 101 and noes 34.

Mrs. NORTON. Mr. Speaker, I make the point of order that a quorum is not present, and I object to the vote on that ground.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and eighty-two Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 217, nays 86, not voting 120, as follows:

[Roll No. 120]

YEAS—217

Allen	Caldwell	Costello	Eckert
Amlie	Cannon, Mo.	Cox	Eicher
Arends	Carlson	Cravens	Ekwall
Ashbrook	Carmichael	Crawford	Engel
Bacharach	Carpenter	Crosby	Englebright
Barden	Cartwright	Crosser, Ohio	Faddis
Beam	Castellow	Crowe	Farley
Bell	Chandler	Crowther	Fish
Biermann	Chapman	Darrow	Fitzpatrick
Binderup	Christianson	Dempsey	Fletcher
Blackney	Church	DeRouen	Fofd, Miss.
Bland	Citron	Dietrich	Frey
Blanton	Clark, N. C.	Disney	Fuller
Boileau	Cochran	Dobbins	Fulmer
Boland	Coffee	Dockweiler	Gambrill
Boykin	Colden	Dondero	Gasque
Brooks	Cole, Md.	Doughton	Gearhart
Brown, Ga.	Cole, N. Y.	Doxey	Gehrmann
Buck	Colmer	Driver	Gilchrist
Buckler, Minn.	Cooper, Tenn.	Duncan	Gingery

Goldsborough	Kerr	Moran	Spence
Goodwin	Kinzer	Mott	Starnes
Gray, Ind.	Kloeb	Murdock	Steagall
Green	Kniffin	O'Malley	Stefan
Greenwood	Kocialkowski	O'Neal	Tarver
Greever	Kramer	Owen	Taylor, S. C.
Gregory	Lambertson	Parsons	Taylor, Tenn.
Griswold	Lambeth	Patman	Terry
Guyer	Larrabee	Patterson	Thomason
Gwynne	Lea, Calif.	Pearson	Thompson
Haines	Lehlbach	Peterson, Fla.	Thurston
Halleck	Lewis, Colo.	Peterson, Ga.	Turner
Hancock, N. Y.	Lord	Pierce	Turpin
Harter	Luckey	Plumley	Umstead
Hartley	Ludlow	Polk	Utterback
Healey	Lundeen	Powers	Vinson, Ga.
Hess	McGehee	Ramspeck	Vinson, Ky.
Hill, Ala.	McGroarty	Rankin	Warren
Hill, Samuel B.	McMillan	Ransley	Wearin
Hoffman	McReynolds	Reece	Welch
Holmes	McSwain	Rich	Werner
Hope	Mahon	Richards	West
Houston	Main	Richardson	Whelchel
Huddleston	Mapes	Rogers, Mass.	Whittington
Hull	Marcantonio	Romjue	Wilcox
Imhoff	Martin, Colo.	Russell	Williams
Jacobsen	Martin, Mass.	Sabath	Wilson, La.
Jenckes, Ind.	Mason	Sanders, Tex.	Wilson, Pa.
Jenkins, Ohio	Massingale	Sears	Withrow
Johnson, Okla.	May	Short	Wolcott
Johnson, Tex.	Meeks	Smith, Conn.	Wood
Johnson, W. Va.	Michener	Smith, Wash.	Young
Jones	Millard	Snell	
Keller	Mitchell, Ill.	Snyder, Pa.	
Kelly	Mitchell, Tenn.	South	

NAYS—86

Barry	Ford, Calif.	Maas	Robinson, Utah
Beiter	Gavagan	Mead	Schneider, Wis.
Bloom	Gifford	Merritt, Conn.	Schulte
Boylan	Gildea	Merritt, N. Y.	Scott
Brewster	Granfield	Monaghan	Secrest
Brown, Mich.	Gray, Pa.	Moritz	Seger
Cavicchia	Hart	Norton	Shanley
Celler	Hennings	O'Brien	Sirovich
Clark, Idaho	Hildebrandt	O'Connell	Sisson
Cullen	Hobbs	O'Connor	Smith, W. Va.
Curley	Hook	O'Day	Stack
Daly	Kahn	O'Leary	Sweeney
Delaney	Kennedy, Md.	Palmisano	Tinkham
Dirksen	Kennedy, N. Y.	Patton	Tonry
Dorsey	Kenney	Pfeifer	Wallgren
Driscoll	Knutson	Pittenger	White
Duffy, N. Y.	Kvale	Rabaut	Wigglesworth
Dunn, Pa.	McCormack	Ramsay	Wolfenden
Edmiston	McGrath	Randolph	Wolverton
Evans	McKeough	Reed, Ill.	Zimmerman
Fenerty	McLaughlin	Reilly	
Focht	McLean	Risk	

NOT VOTING—120

Adair	Dear	Kopplemann	Rogers, N. H.
Andresen	Deen	Lamneck	Rogers, Okla.
Andrews	Dickstein	Lanham	Ryan
Ayers	Dies	Lee, Okla.	Sadowski
Bacon	Dingell	Lemke	Sanders, La.
Berlin	Ditter	Lesinski	Sandlin
Boehne	Doutrich	Lewis, Md.	Sauthoff
Bolton	Drewry	Lucas	Schaefer
Brennan	Duffey, Ohio	McAndrews	Schuetz
Buchanan	Dunn, Miss.	McClellan	Scrugham
Buckley, N. Y.	Eagle	McFarlane	Shannon
Bulwinkle	Eaton	McLeod	Smith, Va.
Burch	Ellenbogen	Maloney	Somers, N. Y.
Burdick	Ferguson	Mansfield	Stewart
Burnham	Fernandez	Marshall	Stubbs
Cannon, Wis.	Fiesinger	Maverick	Sullivan
Carter	Flannagan	Miller	Sumners, Tex.
Cary	Gassaway	Montague	Sutphin
Casey	Gillette	Montet	Taber
Claiborne	Greenway	Nelson	Taylor, Colo.
Collins	Hamlin	Nichols	Thom
Connery	Hancock, N. C.	Oliver	Tobey
Cooley	Harlan	Parks	Tolan
Cooper, Ohio	Higgins, Conn.	Pettengill	Treadway
Corning	Higgins, Mass.	Peyser	Wadsworth
Creal	Hill, Knute	Quinn	Walter
Cross, Tex.	Hoeppel	Rayburn	Weaver
Culkin	Hollister	Reed, N. Y.	Woodruff
Cummings	Kee	Robertson	Woodrum
Darden	Kleberg	Robsion, Ky.	Zioncheck

So the motion was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Rayburn with Mr. Treadway.
Mr. McFarlane with Mr. Robsion of Kentucky.
Mr. Corning with Mr. Wadsworth.
Mr. Robertson with Mr. Eaton.
Mr. Drewry with Mr. Reed of New York.
Mr. Fernandez with Mr. Bacon.
Mr. Woodrum with Mr. Cooper of Ohio.
Mr. Taylor of Colorado with Mr. Ditter.
Mr. Montague with Mr. Higgins of Connecticut.
Mr. Connery with Mr. Andresen.
Mr. Sumners of Texas with Mr. Burnham.
Mr. Burch with Mr. Doutrich.
Mr. Steagall with Mr. Hollister.
Mr. Flannagan with Mr. Stewart.
Mr. Boehne with Mr. Carter.
Mr. Buchanan with Mr. Taber.
Mr. Cary with Mr. Bolton.
Mr. Dies with Mr. Culkin.
Mr. Bulwinkle with Mr. Andrews.
Mr. Maloney with Mr. Collins.
Mr. Lanham with Mr. McLeod.
Mr. Mansfield with Mr. Tobey.
Mr. Kleberg with Mr. Woodruff.
Mr. Cooley with Mr. Sauthoff.
Mr. McAndrews with Mr. Marshall.
Mr. Miller with Mr. Lemke.
Mr. Dingell with Mr. Burdick.
Mr. Pettengill with Mr. Cannon of Wisconsin.
Mr. Schuetz with Mr. Creal.
Mr. Lewis of Maryland with Mr. Somers of New York.
Mr. Dickstein with Mr. Sutphin.
Mr. Gassaway with Mr. Peyser.
Mr. Buckley of New York with Mr. Higgins of Massachusetts.
Mr. Casey with Mr. Claiborne.
Mr. Sadowski with Mr. Cummings.
Mr. Lamneck with Mr. Sullivan.
Mr. Ferguson with Mr. Montet.
Mr. Weaver with Mr. Quinn.
Mr. Gillette with Mr. Rogers of New Hampshire.
Mr. Darden with Mr. Lee of Oklahoma.
Mr. Fiesinger with Mr. McClellan.
Mr. Nelson with Mr. Scrugham.
Mr. Walter with Mr. Smith of Virginia.
Mr. Kee with Mr. Ellenbogen.
Mr. Hamlin with Mr. Schaefer.
Mr. Knute Hill with Mr. Shannon.
Mr. Thom with Mr. Maverick.
Mr. Nichols with Mr. Tolan.
Mr. Lesinski with Mr. Rogers of Oklahoma.
Mr. Hancock of North Carolina with Mr. Dear.
Mr. Ryan with Mr. Adair.
Mr. Oliver with Mr. Duffey of Ohio.
Mr. Sanders of Louisiana with Mr. Parks.
Mr. Deen with Mr. Ayers.
Mr. Sandlin with Mrs. Greenway.
Mr. Harlan with Mr. Eagle.
Mr. Cross of Texas with Mr. Dunn of Mississippi.
Mr. Berlin with Mr. Brennan.

Mr. MAAS changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the motion was agreed to was laid on the table.

The doors were opened.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 7: On page 5, strike out "$99,520" and insert "$104,120".

Mr. BLANTON. Mr. Speaker, this amendment merely involves the adding of two new employees to the already greatly overmanned office of corporation counsel in the District of Columbia.

I want you to pay close attention to the number of high-salaried lawyers already in that corporation counsel's office and to the big salaries that are paid them, and you will agree with me that they have a bigger set-up than any attorney general's department in any State in the United States outside of New York.

Let me read them to you. The corporation counsel himself, when he is appointed to take the place of Mr. Prettyman, who has resigned, will get $8,000 to start with. Then, under the law, it will be increased to $9,000 a year. That is what Mr. Bride got when he went out.

The principal assistant corporation counsel, Mr. West, gets $7,000 now. He is lecturing in a law school part of his time, showing that he has plenty of time.

The next one is Hinman D. Folsom, who gets $6,500 a year. Walter L. Fowler gets $5,800. Mr. Elwood H. Seal gets $4,600. Mr. Chester H. Gray gets $4,600. Mr. Edward W. Thomas $4,000. Mr. Rice Hooe gets $3,800. Mr. William H. Wahly gets $3,800. Then there is a vacant place, to be appointed in a few days, that gets $3,600, already authorized by law.

T. Gillespie Walsh, a special assistant corporation counsel, gets $3,600. Stanley DeNeale, special assistant corporation counsel, gets $3,300. Raymond Sparks gets $3,200. George Darrell Neilson gets $3,200, Edward M. Welliver gets $3,200, James W. Lauderdale gets $2,600, and John O'Dea gets

$2,600; making in all 17 high-salaried lawyers on the staff of the corporation counsel of this city.

This information was given us by Assistant Corporation Counsel West and is to be found on page 1 of the supplemental hearings of our subcommittee. This makes, besides the corporation counsel himself, who starts in at $8,000 a year, 16 assistants already. In that office they have 17 lawyers—in one corporation counsel's office in one city. It is outrageous. If they quit lecturing in these law schools, and if all of them gave their full time to this office and went to work in dead earnest, the force could be cut in half and the half do the work of this District.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. FLETCHER. Do they get paid salaries for lecturing in the law schools?

Mr. BLANTON. Certainly. To cite one instance, take the case of Mr. Cayton, who was appointed to the municipal court, which is similar to a justice of the peace court in Ohio, where they get about $1,200 a year; he was transferred to the municipal court where he now gets $8,000 a year, yet he is conducting moot court at night in four different law schools here, getting $1,800 a year extra pay besides the $8,000 he draws as his salary from the District. Yet they want to add 2 more lawyers to the force, to make it 19 instead of 17. Our committee, after exhaustive hearings, going into the matter carefully, decided they had too many lawyers there now, and that they ought to go to work and give all their time to the District.

Mr. BREWSTER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Maine, who, when he was Governor, certainly did not stand for that kind of business in Maine.

Mr. BREWSTER. I refer to the transfer of the gentleman from the corporation counsel's office to the municipal court bench, as he happens to be a constituent of mine. I should like to inquire whether or not the chairman is criticizing the transfer or the incumbent's competency to perform the duty of the office.

Mr. BLANTON. Oh, I think he is competent to fill a moot court lecture chair. I think he is competent to fill a place on the municipal court bench; but he cannot serve two masters and serve them both well; he cannot serve in the municipal court at $8,000 and then conduct moot court at night in four different law schools for extra compensation and do both classes of work justice.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. MAY. I should like to know the size of the attorney general's office in the State of Texas, a somewhat larger place than the District of Columbia.

Mr. BLANTON. They have not as many lawyers as there are in this corporation counsel's office now, and they do not receive comparable salaries at all.

Mr. MAY. I may say to the gentleman from Texas that the State of Kentucky has but one attorney general and four assistants, and their combined salaries are less than $20,000 a year.

Mr. BLANTON. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate, no. 7.

Unless someone desires to be heard, I shall move the previous question.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Mr. Speaker, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker, the legislative District Committee has much to do with the corporation counsel's office, and we have had many investigations of the personnel of that office. We have found that the office is by no means overmanned. As a matter of fact, there is an absolute need for the addition of two assistants. I do not believe any Member of this House would forbid an assistant corporation counsel receiving $2,400 or $2,600 a year from making additional money when the extra work in no way interferes or conflicts with his duties in the corporation counsel's office. I should like the Members to think of this matter as I often think of it. We receive $10,000 a year salary as Members of Congress. Suppose somebody said to a Member who conducted a law office in his home city or some business in his own district that he could not conduct that law office or that business because the Government was paying him $10,000 a year to serve in Congress. That would be just as inconsistent as is the gentleman from Texas when he demands that any member of the corporation counsel's office shall be prohibited from teaching in the schools of Washington or from doing any other work they can legally and lawfully do without in any way interfering with their duties in the corporation counsel's office.

And I may say further, Mr. Speaker, that many of these young men are doing splendid service in our schools at very small salaries. It is a patriotic service they are rendering to the District of Columbia, and it would seem outrageous to prohibit them from doing so.

Mr. LEHLBACH. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. LEHLBACH. Does not the proposition go further than the corporation counsel's office, and would it not prohibit anybody in the employ of the District at a salary in excess of $2,400 from engaging in any lucrative employment from the outside?

Mrs. NORTON. Absolutely.

Mr. LEHLBACH. Teachers or anybody else?

Mrs. NORTON. Teaching in any of the colleges, schools, or anywhere else.

Mr. LEHLBACH. Would a school teacher be able to write articles for pay if he or she were making more than $2,400 a year?

Mrs. NORTON. Absolutely not.

Mr. O'CONNOR. Will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from New York.

Mr. O'CONNOR. Is it not a fact that these law schools and other schools which do very satisfactory work in training young men and women who work in the daytime, just could not afford to obtain full-time professors and pay real high salaries unless these officials did serve them at night?

Mrs. NORTON. That is true.

Mr. O'CONNOR. Members of Congress go out and make speeches at night and get paid for it.

Mrs. NORTON. Yes. And many of our Members—and I do not mean to criticize—are engaged in the practice of law and other business.

Mr. O'CONNOR. The same as members of legislatures teach at night?

Mrs. NORTON. Exactly. I sincerely hope the House will not agree to this motion and thereby give the young men in the corporation counsel's office, judges, and other valuable employees of the District a chance to render the patriotic service that they render to the District of Columbia at the present time.

Mr. BLANTON. Mr. Speaker, this motion now before the House in no way involves the question of District employees doing outside work. The motion is offered to prevent two extra lawyers from being added to the already greatly overmanned corporation counsel's office, which already has 17 high-salaried lawyers on its staff. As I stated, it already has 17, nearly four times the number employed in the office of the attorney general of the State of Kentucky, according to the statement of the gentleman from Kentucky [Mr. MAY]. This is merely to keep the number limited to 17 and not let the number be raised to 19 by adding 2 additional ones not needed.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas [Mr. BLANTON], that the House insist upon its disagreement to the Senate amendment.

The question was taken; and on a division (demanded by Mrs. NORTON) there were—ayes 97, noes 38.

So the motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

Amendment no. 27: Page 23, strike out "$150,000" and insert "$450,000".

Mr. BLANTON. Mr. Speaker, over the recommendation of the Budget the committee, by unanimous vote, allowed $350,000 for the building of this new Chain Bridge. The Commissioners stated that even with the unusually big flood which occurred recently the present piers and abutments were in first-class condition. They stated the masonry was the finest in the world and did not have to be touched, except raised a few feet, and that they could build a splendid bridge and have everything they wanted for $350,000. The House appropriated the $350,000.

This went over to the Senate and the Senate added $100,000, making it $450,000. Colonel Sultan and Commissioner Hazen have told me since then that they do not want but $350,000. They do not want the extra $100,000 because it is not at all needed.

For this reason, and in order to keep the amount where they say they want it, I move that the House further insist on its disagreement to Senate amendment no. 27.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BLANTON] moves that the House insist on its disagreement to Senate amendment no. 27.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. BLANTON. Mr. Speaker, with respect to the next three Senate amendments, nos. 37, 38, and 39, they all involve the same item of controversy and I therefore ask unanimous consent that they may be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Senate amendments in disagreement.

The Clerk read as follows:

Amendment no. 37: Page 32, line 5, strike out "$679,995" and insert "$691,795".

Amendment no. 38: Page 32, line 8, strike out "$169,100" and insert "$193,400".

Amendment no. 39: Page 32, line 19, strike out "$6,962,240" and insert: "and including $10,000 for health and physical-education teachers to supervise play in schools of the central area, bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west, $7,113,640, of which not exceeding $5,000 may be expended for compensation to be fixed by the Board of Education and traveling expenses of educational consultants, employed on special educational projects".

Mr. BLANTON. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendments nos. 37, 38, and 39.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BLANTON] moves that the House further insist on its disagreement to Senate amendments nos. 37, 38, and 39.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Amendment no. 51: Page 41, after line 13 insert: "For construction of an addition to the Alice Deal Junior High School, including 10 classrooms and 1 gymnasium, $165,000."

Mr. BLANTON. Mr. Speaker, this motion involves a Senate amendment which appropriates $165,000 for a school that was not authorized by the Budget and it was not on the priority list of the Commissioners of the District of Columbia. We added the Eastern High School over the Budget, but that was on the priority list.

Mr. Speaker, I move that the House insist on its disagreement to Senate amendment no. 51.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BLANTON] moves that the House insist on its disagreement to Senate amendment no. 51.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 52: Page 41, line 17, insert:
"For a stadium and athletic field at the Woodrow Wilson Senior High School, $83,000."

Mr. BLANTON. Mr. Speaker, this involves the construction of certain improvements on a stadium field that we have already bought and now own. These improvements were not authorized by the Budget and were not on the priority list of the District Commissioners and would require $83,000. There were so many other things that were urgent that we thought it best to give priority to the urgent projects that the Commissioners preferred and we did this over the Budget. I therefore move that the House insist on its disagreement to the said Senate amendment.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

Mr. BLANTON. Mr. Speaker, the next amendment, no. 53, is simply the total of the items which we had to report.

The Clerk read as follows:

Amendment no. 53: Page 42, line 3, strike out "$1,402,500" and insert "$1,650,500".

Mr. BLANTON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. BLANTON. Mr. Speaker, the next three amendments, nos. 54, 56, and 57, involve matters that are closely related, and I ask unanimous consent that they may be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Senate amendment no. 54: Page 44, line 11, strike out "$3,286,100" and insert "$3,390,200".

Senate amendment no. 56: Page 45, line 7, strike out "$67,750" and insert "$69,000".

Senate amendment no. 57: Page 46, line 6, strike out "$46,000" and insert "$49,750".

Mr. BLANTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Amendment no. 54: Mr. BLANTON moves that the House recede from its disagreement to the amendment of the Senate no. 54, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$3,330,450".

Amendment no. 56: Mr. BLANTON moves that the House recede from its disagreement to the amendment of the Senate no. 56, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$68,250".

Amendment no. 57: Mr. BLANTON moves that the House recede from its disagreement to the Senate amendment, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$47,500".

Mr. BLANTON. Mr. Speaker, on the Metropolitan Police force in Washington now we have 1,340 men. This is more, comparably, than the police force of any other city of comparable size in the United States. The Senate has added 50 men additional. Our colleague the gentleman from Missouri [Mr. CANNON] has made a very close study of this question for years, and, taking his advice in the matter, and after going into the question thoroughly, our committee became convinced that the force is sufficient, but in order to try to get a bill, and in order to keep from having a continuing resolution, our committee of conference, by way of compromise with the Senate, has agreed to grant an additional

number of 20 men, which is embraced in these amendments, and unless someone wants time I move the previous question.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

Mr. BLANTON. Mr. Speaker, amendments nos. 64 and 65 are closely related, and I ask unanimous consent that they may be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendment no. 64: Page 56, line 5, insert "marshal, $3,600, whose appointment is hereby authorized."

Mr. BLANTON. Mr. Speaker, this amendment is purely legislation. It is a matter that ought to go to the legislative committee of our colleague the gentlewoman from New Jersey and be passed upon by that legislative committee, and I therefore move that the House insist on its disagreement to the said Senate amendment.

The motion was agreed to.

On motion by Mr. BLANTON, a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 65: Page 56, line 10, strike out "$105,500" and insert "$115,400".

Mr. BLANTON. Mr. Speaker, I move to insist on the disagreement to the Senate amendment.

The motion was agreed to.

On motion by Mr. BLANTON, a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 75: On page 65 of the bill insert in line 21: ": *Provided*, That pay patients may hereafter be admitted to the Children's Tuberculosis Sanatorium for care and treatment at such rates and under such regulations as may be established by the Commissioners of the District of Columbia, insofar as such admissions will not interfere with admission of indigent patients."

Mr. BLANTON. Mr. Speaker, the House has built a new children's hospital for tuberculosis patients and has a wonderful fine new building at Glenn Dale for adult patients with tuberculosis, which is to be opened immediately. It has also provided a number of additional beds in Gallinger Hospital for tuberculosis patients. When all of these new improvements are perfected within the next few weeks we will have more than a sufficient number of beds for all tubercular patients in the District.

But this is a legislative item put into this bill by the Senate to allow in these public institutions, built for the benefit of indigent patients who cannot go to pay hospitals, the right to people who are able to pay, to come into these hospitals and get treatment by paying a certain amount. Whenever we start that we will find them taking up the rooms that ought to be used by the poor patients. That is a legislative matter. It is a matter of law. It ought to be carefully considered by the District legislative committee, of which the gentlewoman from New Jersey is chairman, and she should pass on that question after careful investigation.

Mr. Speaker, I move that the House insist on the disagreement to the said Senate amendment.

The motion was agreed to.

On motion of Mr. BLANTON, a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 78: Page 69, line 10, strike out "$1,506,020, of which not to exceed $177,800 shall be available for personal services", and insert "$1,656,200".

Mr. BLANTON. Mr. Speaker, this motion involves the high salaries that are paid to relief officials, officials who are administering relief in the District of Columbia, that are paid for by the District government and mostly by the United States Government. I wish the membership would get copies of our hearings and the committee report and look on page 16 of the committee report at this long list of officials administering relief drawing salaries up to $5,000 a year, some of whom never received one-third of that before, and you would feel it was an outrage on the Treasury. Our committee went into that question carefully and, after extended hearings, made some cuts in those outrageous salaries, and the Senate is trying to put all of those cuts back.

Mr. Speaker, I move to insist on the disagreement to the said Senate amendments.

The motion was agreed to.

On motion by Mr. BLANTON, a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 83: On page 85, after line 8, strike out the following matter:

"SEC. 6. No part of the funds appropriated in this act shall be available for the payment of the salary of any officer or employee of the District of Columbia whose salary as such officer or employee is $2,400 or more per annum who is engaged in any outside business or profession in addition to his official duties."

Mr. BLANTON. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Mr. BLANTON moves that the House recede from its disagreement to the amendment of the Senate no. 83 and agree to the same with an amendment as follows:

"Restore the matter stricken out by said amendment, amend it to read as follows: In lieu of the sum named in said amendment insert '$3,500'."

Mr. BLANTON. Mr. Speaker, when the subcommittee had this matter before them they went into it with a great deal of detail and with an open mind. Beginning at the top, they found that some judges on the circuit court of appeals bench here, receiving $12,500 a year, were lecturing on the outside for pay.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In a moment. When I make my statement I will be glad to yield. If the gentleman insists, I yield now.

Mr. SISSON. In the first place, the judges of the Circuit Court of Appeals of the District of Columbia are not employees of the District of Columbia. I contend, and I have the very best opinion from not only those judges but other judges, that we have no power to place any such inhibition or restriction upon them. In the second place, I want to make this observation: It is much better for law-school classes to listen to a judge, who presumably knows the law, than some neophyte in the practice of law. You are not conferring any benefit upon the District of Columbia by this amendment.

Mr. BLANTON. Mr. Speaker, most of our trouble comes when Members do not understand the proposition. This motion in no way relates to circuit judges or their salaries. I merely started at the top to state the conditions we found in the District. It does not apply to circuit judges, but it applies to all District employees paid partly out of the District treasury and partly out of the Treasury of the United States. I mentioned them because they are at the top, getting $12,500 a year, but lecturing on the outside, interfering with their court work to some extent, at least.

Then we come down to the District Supreme Court, or trial judges, nine of them on the bench of the Supreme Court of the District of Columbia. They are the trial judges who compare with the circuit judges in the States. They do not get $4,500 a year, as the judges do over in Virginia; they do not get $5,000 a year, as the circuit judges do in some of the States; they all get $10,000 a year. Seven of the nine were lecturing on the outside for pay. If they kept up with their

work, it would not be so bad. The question was thoroughly gone into by our committee. Look at the evidence in our hearings. Some years ago one of those judges held up a case 7 years after it was submitted to him before he rendered a decision. It became such a scandal that Senator NORRIS had a bill passed in the Senate to stop it; but the bill did not become law. It was shown in the Senate hearings that another one of the judges, after an important case was submitted to him, held it up a year and 3 months before rendering a decision, and a member of the bar had to make complaint against him to the Senate before that was done.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SISSON. I would like to ask the gentleman if, in line with the campaign which he is now carrying on, it is not a fact that sometime ago when he was running in a primary contest down in the State of Texas he told the voters in his district that he was going to have Congress go to work at 9 o'clock in the morning; that he was going to have Congress meet at 9 o'clock in the morning? That was communistic.

Mr. BLANTON. How is that apropos to this motion? Mr. Speaker, I am afraid my friend from New York has communism on the brain, for communism is not in this motion at all. It merely seeks to prevent high-salaried employees from accepting outside employment. I am reminded of the gentleman's testimony in the hearing the Kennedy subcommittee conducted, where he said he sat at the feet of Dr. Charles A. Beard—sat at his feet like Mary sat at the feet of the Savior. He is a disciple of Dr. Charles A. Beard.

Mrs. NORTON. Mr. Speaker, I make the point of order the gentleman is not speaking to the amendment.

The SPEAKER. The gentleman from Texas will proceed in order.

Mr. BLANTON. Certainly I am in order, Mr. Speaker. I was just answering the gentleman from New York. I do not mind yielding for a fair question; but when he asks wholly unrelated questions like he asked me awhile ago, Mr. Speaker, it was so much like the question he asked of General Fries it amused me. For instance, he asked Gen. Amos A. Fries if he were not opposed to the abolition of child labor, when the sole question before said committee was his Sisson bill, proposing to repeal the law that prevents communism from being indoctrinated in the public schools. I do not yield, Mr. Speaker, as I have not the time. The gentleman must get permission before he interrupts another Member who is talking. Some Members stay here a long time without learning the rules.

Mr. Speaker, we found out that several of the 17 members of the corporation counsel's office were lecturing on the outside for pay; still all the time they are asking for more attorneys.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In just a minute, after I state the facts. We found out that the judges of the municipal court, a position that corresponds with that of justice of the peace in some States—why, their jurisdiction is civil and only from $1 up to $1,000—getting $8,000 a year, were lecturing on the outside. One of them had the audacity to come before us and say it was none of the business of Congress what they did on the outside. When the gentleman from Pennsylvania [Mr. DITTER] pinned him down, however, he finally admited that he was wrong; that Congress did have a right to go into that question. He was conducting moot court in four different law schools here on the outside, getting $1,800 a year extra and in addition to his $8,000 salary as judge.

Mrs. NORTON rose.

The SPEAKER. Does the gentleman from Texas yield to the gentlewoman from New Jersey?

Mr. BLANTON. I yield for a fair question, yes; but not for these stinging questions.

Mrs. NORTON. My questions are always fair. Does not the gentleman know there are many Members of Congress drawing a salary of $10,000 as Members of Congress who do not consider it either unfair or unethical to receive compensation from sources outside of the Government?

Is it not a fact that a great many Members of Congress are conducting their own business at home? So if Members of Congress can do this, is it not inconsistent to insist that the members of the corporation counsel's office, many of whom are very much unpaid, should not be permitted to go out and offer their services to the schools of the District, which is a real patriotic service? This provision also carries the ridiculous stipulation that even judges cannot contribute their services for compensation, no matter how small this compensation may be.

Mr. BLANTON. I shall be glad to answer the several questions. A Member of Congress is different from a salaried judge and a salaried prosecution officer. When I was on the circuit bench 8 years, if I had taken business on the outside I would have been impeached under the laws of Texas. A judge on the bench in Texas could not take business on the outside.

During the first 12 years I was in Congress I took no business of any kind on the outside. I devoted all of my time to the office. I spent all of my vacations here in Washington checking up Government business and Government departments. Every moment of my time for 12 years I devoted to the Government business.

Then I ran for the Senate. I was not elected, and I was out for a year. When I ran for Congress again I stated on the stump that if I were reelected I would do so with the understanding that in vacation I could practice law. I was reelected and for awhile I did take some law cases in vacation which paid me some big fees. I tried some cases in the Federal court before Federal judges. But in the last few years demands on my office increased and I found I could not do it and properly attend to the business of the people, and for the last 2 years I have not taken a case, although I have been offered some big cases with some big fees. That answers the question. If I had plenty of time in vacation there would be no reason why I should not do it.

Now, with regard to lectures, outside speeches, and honorariums, I have been offered my expenses and $200 to make a speech on several occasions. I have turned every one of such proposals down during this session of Congress. Why? I have not had time to leave Washington. I have been busy all the time. The gentlewoman from New Jersey might have pulled something off in my absence, had I left Washington.

Mrs. NORTON. I can assure the gentleman she would have tried to do so.

Mr. BLANTON. She might have put over the Sisson bill. I had to stay here, and I refused to accept pay for several speeches. There is nothing dishonest in it. There is nothing dishonest in these employees here doing this. But it is bad practice when they are on annual salaries.

There are some doctors on the pay roll taking on outside practice when they receive good salaries by the year from the District government. We are proposing that any employee who receives as much as $3,500 per year cannot accept outside employment. Anyone getting below $3,500 may take employment on the outside. It is only those getting $3,500 and above who are restricted from taking outside employment. Is not that a proper provision? Why, I know of a Governor in one State of the Union who gets but $3,500 a year. I know several Governors of States who get only $4,000 a year. The Governor of my State, the State of Texas, a great Commonwealth, only gets a salary of $4,000 a year.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Minnesota.

Mr. CHRISTIANSON. May I ask the gentleman this question: Does he not feel that it probably is a mistaken policy to prohibit judges from lecturing in law schools? I can see where it would be very difficult for some of these law schools to get competent lecturers if they are barred from engaging judges who are sitting on the bench.

Mr. BLANTON. I will answer that. There are 1,200 lawyers here in the District, some of them are the finest lawyers in the United States. They would like to have these lecture positions.

Mr. CHRISTIANSON. But the gentleman knows that he would not put most of them on any law faculty.

Mr. BLANTON. I can name a hundred distinguished lawyers here who would grace the law department of any university in the United States with honor and dignity.

Mr. CHRISTIANSON. The gentleman knows it is the practice in all law schools of the country to engage men who have attained distinction on the bench to lecture in their law schools.

Mr. BLANTON. I can name a hundred lawyers here at the District of Columbia bar who are some of the finest lawyers in the United States. They would make splendid law-school professors. It is not fair to them to let these men drawing big salaries here in the local courts spend part of their time, at the neglect of their business—and the evidence shows they neglected their business—performing this outside work.

Mr. CHRISTIANSON. Does the gentleman have any evidence to show that those engaged in lecture work are neglecting their business?

Mr. BLANTON. I just mentioned a moment ago the fact one lawyer sent us evidence that a judge held up a case 7 years after it was submitted to him before rendering a decision. You will find it in our hearings. There was another judge who held up a case for a year and 3 months after it was finally submitted to him before he rendered a decision, and that very judge was lecturing over here in one of the universities. The lawyers in the case said, "Mr. Judge, please stop lecturing until you render a decision in our case."

Mr. CHRISTIANSON. I would venture the suggestion to the gentleman that same type of judge would have delayed the decision just as much if he had not been lecturing at a law school.

Mr. BLANTON. There are plenty of lawyers here to do the lecturing who want the positions. It is not fair to them to let these judges hold two positions. There are a great many lawyers here who could do this work and receive the pay. That is the reason you find so many people off the pay roll and on relief. It is because we are letting a few men gobble up all the good positions in the country and then permit them to do outside work at the same time.

Mr. CHRISTIANSON. I may say to the gentleman that in the University of Minnesota we have always had judges, many of them justices of the supreme court of the State, lecture at the law school, and there has never been any criticism.

Mr. BLANTON. I want to say to the gentleman that the law department of the University of Michigan is one of the greatest law universities in the United States. Every time you see a graduate who comes from the University of Michigan Law School sitting across the table from you in the courthouse you had better have your case well prepared. Do they let public officials who are getting good annual salaries lecture there for additional pay? Why, they have splendid university law professors who give their full time and attention to the work, just like they do at the Harvard Law School, just like they do at the Yale Law School, just like they do mostly at George Washington University, which has a good law department, and like they do at the University of Texas, my own State. They have professors on an annual salary who prepare their lectures, and when the splendid young manhood of this country go into the classroom they have something to listen to that is worth while.

Mr. Speaker, I move the previous question, unless the gentlewoman from New Jersey wants some time.

Mrs. NORTON. I just want to ask the gentleman if it is not a fact that at the present time in Abilene, Tex., there is a law firm by the name of Blanton, Blanton & Blanton?

Mr. BLANTON. That is another stinging question. I wonder if there is a father here who would not do something for his sons. I allowed my two sons to use my name in their firm, but I get no part of the fees from their business.

Mrs. NORTON. Will the gentleman please answer the question?

Mr. BLANTON. I am answering my colleague from New Jersey.

The SPEAKER. Will the gentleman from Texas yield to the Chair for a moment? What is the motion of the gentleman from Texas?

Mr. BLANTON. The motion is to recede and concur with an amendment making the amount $3,500.

Mr. Speaker, just this one word and I am done when I have answered my colleague from New Jersey. She has mentioned the law firm of Blanton, Blanton & Blanton at Abilene, Tex. I have my two oldest sons, both lawyers, one of them having been practicing 9 years and the other 6 years, associated together as partners in a firm; and because I am known all over west Texas, they asked me to allow my name to go into their firm, and they style their firm as "Blanton, Blanton & Blanton." I do not get one single penny of their fees—not a single dollar. I have allowed my sons to use my name because I have confidence in them and because it means something to them. Is there a father here who would not do the same thing for his sons? If there is, let him stand up and let me see who he is, if there is such a father. If the gentlewoman from New Jersey were a father, she would do the same thing. [Laughter.]

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas to recede and concur in the Senate amendment with an amendment.

The question was taken; and the Chair being in doubt, the House divided; and there were—ayes 41, noes 63.

Mr. BLANTON. Mr. Speaker, I object to the vote on the ground there is not a quorum present, and make the point of order there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-nine Members present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 85, nays 209, not voting 129, as follows:

[Roll No. 121]

YEAS—85

Ashbrook	Doxey	Kloeb	Polk
Barden	Edmiston	Kocialkowski	Rich
Biermann	Eicher	Kramer	Rogers, Okla.
Bland	Faddis	Larrabee	Sanders, Tex.
Blanton	Farley	Lewis, Colo.	Smith, W. Va.
Boykin	Fletcher	Lord	Snyder, Pa.
Brown, Ga.	Ford, Miss.	Ludlow	South
Buckler, Minn.	Gasque	McGehee	Starnes
Carmichael	Gray, Ind.	McSwain	Stefan
Cartwright	Green	Mahon	Tarver
Castellow	Griswold	Mapes	Taylor, S. C.
Cochran	Hill, Samuel B.	May	Thomason
Colden	Hoffman	Mitchell, Ill.	Thompson
Colmer	Houston	Mitchell, Tenn.	Turner
Cooper, Tenn.	Huddleston	Monaghan	Wallgren
Costello	Jacobsen	Moran	Warren
Cox	Jenckes, Ind.	O'Malley	West
Crawford	Johnson, Okla.	Patman	Whelchel
Crowe	Johnson, Tex.	Patterson	Williams
DeRouen	Johnson, W. Va.	Pearson	
Dobbins	Jones	Peterson, Ga.	
Doughton	Keller	Pierce	

NAYS—209

Allen	Boylan	Chapman	Daly
Amlie	Brewster	Christianson	Darrow
Arends	Brooks	Church	Delaney
Bacharach	Brown, Mich.	Citron	Dietrich
Barry	Buck	Cole, Md.	Dirksen
Beam	Buckley, N. Y.	Cole, N. Y.	Dockweiler
Beiter	Burdick	Cooper, Ohio	Dondero
Bell	Caldwell	Cravens	Dorsey
Binderup	Carlson	Crosby	Doutrich
Blackney	Carter	Crosser, Ohio	Driscoll
Bloom	Cavicchia	Crowther	Driver
Boileau	Celler	Cullen	Duffy, N. Y.
Boland	Chandler	Curley	Duncan

Dunn, Pa.	Holmes	Mott	Secrest
Eckert	Hook	Murdock	Seger
Ekwall	Hope	Norton	Shanley
Ellenbogen	Hull	O'Brien	Short
Engel	Imhoff	O'Connell	Sirovich
Englebright	Jenkins, Ohio	O'Connor	Sisson
Evans	Kahn	O'Day	Smith, Conn.
Fenerty	Kelly	O'Leary	Smith, Wash.
Fish	Kennedy, Md.	O'Neal	Snell
Fitzpatrick	Kennedy, N. Y.	Palmisano	Spence
Focht	Kenney	Parsons	Stack
Ford, Calif.	Kinzer	Patton	Steagall
Frey	Kniffin	Peterson, Fla.	Stubbs
Fuller	Knutson	Pettengill	Sweeney
Gavagan	Kvale	Peyser	Taylor, Tenn.
Gearhart	Lambertson	Pfeifer	Terry
Gehrmann	Lambeth	Pittenger	Tinkham
Gifford	Lamneck	Plumley	Tonry
Gilchrist	Lea, Calif.	Powers	Turpin
Gildea	Lehlbach	Quinn	Umstead
Gingery	Luckey	Rabaut	Utterback
Goldsborough	Lundeen	Ramsay	Vinson, Ga.
Goodwin	McCormack	Ramspeck	Vinson, Ky.
Granfield	McGrath	Randolph	Walter
Gray, Pa.	McKeough	Rankin	Wearin
Greenwood	McLaughlin	Ransley	Welch
Greever	McReynolds	Rayburn	White
Guyer	Maas	Reece	Whittington
Gwynne	Main	Reed, Ill.	Wigglesworth
Halleck	Marcantonio	Reilly	Wilson, Pa.
Hancock, N. Y.	Martin, Colo.	Richards	Withrow
Hart	Martin, Mass.	Risk	Wolcott
Harter	Mason	Robinson, Utah	Wolfenden
Hartley	Massingale	Rogers, Mass.	Wolverton
Hennings	Mead	Romjue	Wood
Hess	Merritt, Conn.	Russell	Young
Hildebrandt	Merritt, N. Y.	Schneider, Wis.	Zimmerman
Hill, Ala.	Michener	Schulte	
Hill, Knute	Millard	Scott	
Hobbs	Moritz	Sears	

NOT VOTING—129

Adair	Dempsey	Kopplemann	Sabath
Andresen	Dickstein	Lanham	Sadowski
Andrews	Dies	Lee, Okla.	Sanders, La.
Ayers	Dingell	Lemke	Sandlin
Bacon	Disney	Lesinski	Sauthoff
Berlin	Ditter	Lewis, Md.	Schaefer
Boehne	Drewry	Lucas	Schuetz
Bolton	Duffey, Ohio	McAndrews	Scrugham
Brennan	Dunn, Miss.	McClellan	Shannon
Buchanan	Eagle	McFarlane	Smith, Va.
Bulwinkle	Eaton	McGroarty	Somers, N. Y.
Burch	Ferguson	McLean	Stewart
Burnham	Fernandez	McLeod	Sullivan
Cannon, Mo.	Fiesinger	McMillan	Sumners, Tex.
Cannon, Wis.	Flannagan	Maloney	Sutphin
Carpenter	Fulmer	Mansfield	Taber
Cary	Gambrill	Marshall	Taylor, Colo.
Casey	Gassaway	Maverick	Thom
Claiborne	Gillette	Meeks	Thurston
Clark, Idaho	Greenway	Miller	Tobey
Clark, N. C.	Gregory	Montague	Tolan
Coffee	Haines	Montet	Treadway
Collins	Hamlin	Nelson	Wadsworth
Connery	Hancock, N. C.	Nichols	Weaver
Cooley	Harlan	Oliver	Werner
Corning	Healey	Owen	Wilcox
Creal	Higgins, Conn.	Parks	Wilson, La.
Cross, Tex.	Higgins, Mass.	Reed, N. Y.	Woodruff
Culkin	Hoeppel	Richardson	Woodrum
Cummings	Hollister	Robertson	Zioncheck
Darden	Kee	Robsion, Ky.	
Dear	Kerr	Rogers, N. H.	
Deen	Kleberg	Ryan	

So the motion was rejected.

The Clerk announced the following additional pairs:

Mr. Woodrum with Mr. Treadway.
Mr. Boehne with Mr. Hollister.
Mr. Smith of Virginia with Mr. McLean.
Mr. Dingell with Mr. Thurston.
Mr. Fiesinger with Mr. McClellan.
Mr. Miller with Mr. Lemke.
Mr. Werner with Mr. Cannon of Missouri.
Mr. Sullivan with Mr. Coffee.
Mr. Sabath with Mr. Wilcox.
Mr. Fulmer with Mr. Kee.
Mr. Burch with Mr. Lesinski.
Mr. Shannon with Mr. Dempsey.
Mr. Richardson with Mr. Cannon of Wisconsin.
Mr. Weaver with Mr. Disney.
Mr. Haines with Mr. McMillan.
Mr. Gambrill with Mr. Clark of Idaho.
Mr. Gassaway with Mr. Owen.
Mr. Kerr with Mr. Healey.
Mr. Clark of North Carolina with Mr. Gregory.
Mr. Meeks with Mr. Higgins of Massachusetts.
Mr. McGroarty with Mr. Wilson of Louisiana.

The result of the vote was announced as above recorded.

Mr. BLANTON. Mr. Speaker, I move that the House insist on its disagreement to Senate amendment no. 83.

Mr. BOILEAU. Mr. Speaker, I offer a preferential motion. I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the next three Senate amendments may be considered en bloc as they embrace legislation that ought to go to the District of Columbia Committee.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendment no. 84: On page 85, after line 14, insert:

"SEC. 6. The Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, to secure and to install, at no expense to the said District, mechanical parking meters or devices on the streets, avenues, roads, highways, and other public spaces in the District of Columbia under the jurisdiction and control of said Commissioners; and said Commissioners are authorized and empowered to make and enforce rules and regulations for the control of the parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the privilege of parking vehicles where said meters or devices are installed.

"The Commissioners are further authorized and empowered to pay the purchase price and cost of installation of the said meters or devices from the fees collected, and thereafter such meters or devices shall become the property of said District and all fees collected shall be paid to the collector of taxes for deposit in the Treasury of the United States to the credit of the revenues of said District."

Amendment no. 85: Page 85, after line 9, insert:

"SEC. 7. The Commissioners of the District of Columbia are hereby authorized and empowered to make and enforce regulations to require any person in charge or control of any lot of land, improved or unimproved, within the District of Columbia, fronting or abutting on a paved sidewalk, whether as owner, tenant, occupant, agent, lessee, receiver, trustee, executor, administrator, or otherwise, to remove and clear away, or cause to be removed and cleared away, any snow, ice, and sleet from any said sidewalk in front of or abutting on said lot of land; and, in case the snow, ice, and sleet on such sidewalk shall be frozen so hard that it cannot be removed without injury to the pavement, to require such person in charge or control of any such lot of land to cause said sidewalk to be made safe by strewing the same with such suitable material as the Commissioners may prescribe and to require such person in charge or control of any such lot of land to thoroughly clean said sidewalks of snow, ice, sleet, and such material as soon thereafter as the weather shall permit, and to provide penalties for the violation of such regulations not to exceed $25 for each such violation.

"The act entitled "An act providing for the removal of snow and ice from the paved sidewalks of the District of Columbia", approved September 16, 1922, is hereby repealed."

Senate amendment no. 86: Page 87, line 9, after "Sec.", strike out "7" and insert "8."

Mr. BLANTON. Mr. Speaker, I move that the House insist on its disagreement to Senate amendments 84, 85, and 86.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. BLANTON. Mr. Speaker, I move that the House ask for a further conference with the Senate and that conferees be appointed.

The motion was agreed to; and the Speaker appointed the following conferees: Messrs. BLANTON, CANNON of Missouri, JACOBSEN, JOHNSON of West Virginia, and TABER.

LIQUOR TAX ADMINISTRATION BILL

Mr. SAMUEL B. HILL. Mr. Speaker, I call up the conference report on the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes.

The SPEAKER. The Chair will state to the gentleman from Washington that the Chair had agreed to recognize the gentleman from Iowa [Mr. UTTERBACK] to call up a conference report on another bill. If the gentleman can give the Chair assurance that the matter he is now calling up will only consume a few moments, the Chair will recognize the gentleman.

Mr. SAMUEL B. HILL. I could not guarantee the time it would take, of course, but as far as I can see it ought to take but a little while.

The SPEAKER. The Chair had made an agreement to recognize the gentleman from Iowa [Mr. UTTERBACK]. The Chair trusts the gentleman from Washington will withdraw his request. Perhaps we can take it up later this afternoon.

PRICE DISCRIMINATION

Mr. UTTERBACK. Mr. Speaker, I call up the conference report on the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8442) to amend section 2 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That section 2 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), is amended to read as follows:

"'SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce, where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them: *Provided*, That nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered: *Provided, however*, That the Federal Trade Commission may, after due investigation and hearing to all interested parties, fix and establish quantity limits, and revise the same as it finds necessary, as to particular commodities or classes of commodities, where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce; and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established: *And provided further*, That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade: *And provided further*, That nothing herein contained shall prevent price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

"'(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima-facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however*, That nothing herein contained shall prevent a seller rebutting the prima-facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor.

"'(c) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale or purchase of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

"'(d) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless such payment or consideration is available on proportionally equal terms to all other customers competing in the distribution of such products or commodities.

"'(e) That it shall be unlawful for any person to discriminate in favor of one purchaser against another purchaser or purchasers of a commodity bought for resale, with or without processing, by contracting to furnish or furnishing, or by contributing to the furnishing of, any services or facilities connected with the processing, handling, sale, or offering for sale of such commodity so purchased upon terms not accorded to all purchasers on proportionally equal terms.

"'(f) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, knowingly to induce or receive a discrimination in price which is prohibited by this section.'"

SEC. 2. That nothing herein contained shall affect rights of action arising, or litigation pending, or orders of the Federal Trade Commission issued and in effect or pending on review, based on section 2 of said Act of October 15, 1914, prior to the effective date of this amendatory Act: *Provided*, That where, prior to the effective date of this amendatory Act, the Federal Trade Commission has issued an order requiring any person to cease and desist from a violation of section 2 of said Act of October 15, 1914, and such order is pending on review or is in effect, either as issued or as affirmed or modified by a court of competent jurisdiction, and the Commission shall have reason to believe that such person has committed, used or carried on, since the effective date of this amendatory Act, or is committing, using or carrying on, any act, practice or method in violation of any of the provisions of said section 2 as amended by this Act, it may reopen such original proceeding and may issue and serve upon such person its complaint, supplementary to the original complaint, stating its charges in that respect. Thereupon the same proceedings shall be had upon such supplementary complaint as provided in section 11 of said Act of October 15, 1914. If upon such hearing the Commission shall be of the opinion that any act, practice, or method charged in said supplementary complaint has been committed, used, or carried on since the effective date of this amendatory Act, or is being committed, used or carried on, in violation of said section 2 as amended by this Act, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and serve upon such person its order modifying or amending its original order to include any additional violations of law so found. Thereafter the provisions of section 11 of said Act of October 15, 1914, as to review and enforcement of orders of the Commission shall in all things apply to such modified or amended order. If upon review as provided in said section 11 the court shall set aside such modified or amended order, the original order shall not be affected thereby, but it shall be and remain in force and effect as fully and to the same extent as if such supplementary proceedings had not been taken.

"SEC. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser, in that, any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance, or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity; to sell, or contract to sell, goods in any part of the United States at prices lower than those exacted by said person elsewhere in the United States for the purpose of destroying competition, or eliminating a competitor in such part of the United States; or, to sell, or contract to sell, goods at unreasonably low prices for the purpose of destroying competition or eliminating a competitor. Any person violating any of the provisions of this section shall, upon conviction thereof, be fined not more than $5,000 or imprisoned not more than one year, or both.

"SEC. 4. Nothing in this act shall prevent a cooperative association from returning to its members, producers, or consumers the whole, or any part of, the net earnings or surplus resulting from its trading operations, in proportion to their purchases or sales from, to, or through the association."

And the Senate agree to the same.

HUBERT UTTERBACK,
JNO. E. MILLER,
CHARLES F. MCLAUGHLIN,
U. S. GUYER,
JOHN M. ROBSION,
Managers on the part of the House.

FREDERICK VAN NUYS,
GEO. MCGILL,
WM. E. BORAH,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause, and substituted for the matter struck out the provisions of the Senate bill. The House disagreed to the Senate amendment. The House conferees recommend that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment which inserts in lieu of the matter proposed to be inserted by the Senate, a substitute which has been agreed upon by the conferees.

The differences between the House bill, the Senate amendment, and the substitute agreed upon by the conferees are noted in the following discussion, except for clerical amendments and incidental changes made necessary to harmonize various provisions affected by the agreement reached.

SECTION 1

The first section both of the House bill and the Senate amendment amend section 2 of the Clayton Act and divide said section 2 into a number of subsections. The subsections hereinafter mentioned, therefore, refer to the subsections into which it is proposed to divide section 2 of the Clayton Act.

SUBSECTION (A)

The Senate amendment made it unlawful to discriminate between purchasers "in price or terms of sale." The House bill did not contain the words "or terms of sale." The Senate receded, and the words "or terms of sale" were stricken. The managers were of the opinion that the bill should be inapplicable to terms of sale except as they amount in effect to indirect discriminations in price within the meaning of the remainder of subsection (a).

The Senate amendment made the law applicable only to commodities "manufactured or produced and sold for use, consumption, or resale." The House bill did not contain the words "manufactured or produced and." The Senate receded, and the words quoted are omitted. This leaves the clause the same as in present section 2 of the Clayton Act.

The word "knowingly" appears in the Senate amendment immediately before the words "receives the benefit of such discrimination." The House conferees accepted this amendment. Its purpose is to exempt from the meaning of the surrounding clause those who incidentally receive discriminatory prices in the routine course of business without special solicitation, negotiation, or other arrangement for them on the part of the buyer or seller and who are therefore not justly chargeable with knowledge that they are receiving the benefit of such discrimination.

The following provision in the House bill was not contained in the Senate amendment:

"And that it shall also be unlawful for any person, whether in commerce or not, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality where in any section or community and in any line of commerce such discrimination may substantially lessen competition in commerce among either sellers or buyers or their competitors or may restrain trade or tend to create a monopoly in commerce or any line thereof;"

This was omitted, as the preceding language already covers all discriminations, both interstate and intrastate, that lie within the limits of Federal authority.

The next difference between the House bill and the Senate amendment consisted of the addition of a proviso in the Senate amendment under which commodities which "are sold for use in further manufacture and in the production of a new product to be sold to the public" were exempted from the provisions of the act. The Senate receded, and the proviso was stricken from the bill.

The Senate amendment also contained a provision for classification of buyers, on which they receded.

A minor change is the elimination as unnecessary of the words "or require" in the House bill after the word "prevent" in the sentence reading: "That nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered."

In the sentence quoted in the foregoing paragraph the words "other than brokerage", which appeared in the Senate amendment immediately after the word "cost", are eliminated, for the reason that the matter of brokerage is dealt with in a subsequent subsection of the bill.

A clause dealing with market changes was contained in the Senate amendment reading as follows: "Nor differentials which are based exclusively upon recognized changes in the market price of the product or products sold." This was also omitted, as its subject matter is fully covered in the last proviso of subsection (a) in the conference text.

Both the House bill and the Senate amendment contained a provision permitting the Federal Trade Commission, after investigation and hearing, to fix and establish quantity limits, above which differentials based on differences in quantities are not permitted. The Senate provision contained a rule for the Commission's guidance, as follows:

"Where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce;"

The House accepted the Senate provision as preferable.

The Senate bill contained a further proviso: "That nothing herein contained shall prevent discrimination in price in the same or different communities made in good faith to meet competition." This language is found in existing law, and in the opinion of the conferees is one of the obstacles to enforcement of the present Clayton Act. The Senate receded, and the language is stricken. A provision relating to the question of meeting competition, intended to operate only as a rule of evidence in a proceeding before the Federal Trade Commission is included in subsection (b) in the conference text as follows:

"Provided, however, That nothing herein contained shall prevent a seller rebutting the prima-facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

SUBSECTION (B)

Subsection (b) of the Senate amendment, relating to certain questions of procedure before the Federal Trade Commission, was identical with subsection (e) of the House bill. In the conference report the subsection keeps the designation as subsection (b) which it had in the Senate amendment.

SUBSECTION (C)

Subsection (c) deals with brokerage. It is the same as subsection (b) in the House bill, which in turn is the same as subsection (c) in the Senate amendment, except that the words "except for services rendered", as contained in the House bill, do not appear in the Senate amendment. In the conference report these words are retained, so that, with adjacent language, it reads, "* * * any allowance or discount in lieu thereof, except for services rendered, in connection with the sale or purchase of goods, wares, or merchandise * * *." With the words of the House bill thus retained, this subsection permits the payment of compensation by a seller to his broker or agent for services actually rendered in his behalf; likewise by a buyer to his broker or agent for services in connection with the purchase of goods actually rendered in his behalf; but it prohibits the direct or indirect payment of brokerage except for such services rendered. It prohibits its allowance by the buyer direct to the seller or by the seller direct to the buyer; and it prohibits its payment by either to an agent or intermediary acting in fact for or in behalf or subject to the direct or indirect control of the other.

SUBSECTIONS (D) AND (E)

The House bill dealt in two subsections with both of the major types of abuses in furnishing and paying for advertising, services, and facilities.

Subsection (d) of the House bill prohibited payments by the seller to the buyer for such services or facilities when undertaken by the buyer unless available to all buyers on proportionally equal terms. This becomes subsection (d) in the conference text.

Subsection (c) of the House bill prohibited the furnishing of any services or facilities by a seller to a buyer upon terms not accorded to all buyers on proportionally equal terms. This becomes subsection (e) of the conference text.

Subsection (e) of the Senate bill set up a new measure of damages for violations of the law, whereas the House bill left the damages to be determined in accordance with the provisions of the existing Clayton Act. The Senate receded.

SUBSECTION (F)

Subsection (f) makes it unlawful for any person engaged in commerce knowingly to induce or receive a discrimination in price which is prohibited by this section. This subsection was not contained in the House bill, but is the same as subsection (f) in the Senate amendment, except that the words "or terms of sale" are eliminated to harmonize with subsection (a).

The Senate amendment contained a subsection (g), which in effect exempted from the operation of the act sales or purchases of "crude mineral products or metals in the form in which they are loaded for shipment." The Senate receded, and this subsection was omitted.

SECTION 2

The provisions of section 2 of the House bill were agreed to without amendment by the Senate. Relating only to pending rights of action and proceedings, and being therefore temporary in purpose, it appears in the conference report as section 2 of the bill itself, rather than as part of the amendment to section 2 of the Clayton Act, which is provided for in section 1 of the present bill.

SECTION 3

Subsection (h) of the Senate amendment, which was not contained in the House bill, was accepted by the House conferees, and, except for the paragraph relating to cooperatives, separately treated in section 4 below, appears in the conference report as section 3 of the bill itself. It contains the operative and penal provisions of what was originally the Borah-Van Nuys bill (S. 4171). While they overlap in some respects, they are in no way inconsistent with the provisions of the Clayton Act amendment provided for in section 1. Section 3 authorizes nothing which that amendment prohibits, and takes nothing from it. On the contrary,

where only civil remedies and liabilities attach to violations of the amendment provided in section 1, section 3 sets up special prohibitions as to the particular offenses therein described and attaches to them also the criminal penalties therein provided.

Section 3 also makes it possible for the person subjected to a discrimination prohibited therein to cause the offender to be prosecuted in the Federal court of the district in which such violation is committed.

SECTION 4

Section 4 provides:

"Nothing in this act shall prevent a cooperative association from returning to its members, producers, or consumers the whole or any part of the net earnings or surplus resulting from its trading operations, in proportion to their purchase or sales from, to, or through the association."

Substantially this same provision is found in the House bill as subsection (g), and in the Senate amendment as a part of subsection (h). However, the words "or a cooperative wholesale association from returning to its constituent retail members", which appeared following the word "consumers" in the Senate amendment, have been eliminated. As so modified, this section serves to safeguard producer and consumer cooperatives against any charge of violation of the act based on their distribution of earnings or surplus among their members on a patronage basis. While the bill contains elsewhere no provisions express or implied to the contrary, this section is included as a precautionary reservation to protect and encourage the cooperative movement. Whether functioning as buyers or sellers, cooperatives also share under the bill the guaranties of equal treatment and equal opportunity which it seeks to accord to trade and commerce generally.

HUBERT UTTERBACK,
JOHN E. MILLER.
CHARLES F. MCLAUGHLIN.
U. S. GUYER.
JOHN M. ROBSION.
Managers on the part of the House.

Mr. UTTERBACK. Mr. Speaker, the bill under consideration has heretofore had the attention of the House in debate covering a period of 2 days. It has been given careful consideration by the Committee on the Judiciary and by the House and Senate conferees. As chairman of the House managers, on June 8, 1936, I submitted to the House the conference report now under consideration, together with the statement of managers on the part of the House. I do not feel it necessary to take further time in debate; therefore I ask unanimous consent to extend my own remarks respecting this matter in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. UTTERBACK. Mr. Speaker, I want to state for the convenience of the Members and, so far as I can, in terms that can be understood and applied by the man in the street some of the outstanding features of the practical operation of the bill. In so doing I want to address myself first to the three principal objections which opponents have urged against the bill. I refer to the claims, first, that it will injure the cooperative movement; second, that it will raise prices to consumers; and, third, that it will ruin small manufacturers.

BENEFIT TO COOPERATIVES

I need not pause to describe the cooperative movement. You are all familiar with it, whether it be a cooperative of farmers to buy what they need or to sell what they produce; a cooperative of consumers to purchase the necessities of life; or a cooperative of independent merchants to buy what they propose to sell across the counter to their consumer customers. I need only remind you that in its essential character the cooperative movement is a device whereby individual smaller units in production, distribution, or consumption associate themselves together in a collective activity for the purpose of achieving the economies and price advantages of larger scale operations. This bill reserves those advantages and expressly authorizes their translation into differences in price wherever those differences represent real economies.

This bill will afford positive protection to cooperatives in two ways: First, it will reduce the menace of oppressive discrimination in favor of larger corporate competitors against which cooperative activity is now defensively necessary; second, it will insure to cooperative enterprise the fuller fruits of its activity. It will guarantee to it the achievement of the full economies and price advantages to which the size and scale of its operations actually entitle it as compared with its larger corporate competitors.

So far as concerns freedom to organize cooperative enterprises, freedom of those enterprises to deal with others, either in the purchase of needs for their members, or in the sale of their members' products; and so far as concerns full freedom to distribute among their members any earnings or surplus resulting from their trading operations, there is nothing whatever in the bill to impede or limit those activities. There is, on the contrary, an express reservation, denying any intent or effect to limit cooperatives in the distribution of their earnings or surplus to their members on a patronage basis.

It is evident, upon a full examination of the bill, that not only is there nothing in it to hurt cooperatives, but that there is much in it to protect and assist them.

BENEFIT TO THE CONSUMER

Equally unfounded is their claim that the bill will increase consumer price levels. Upon what do consumer prices depend? Fundamentally upon the physical economies and efficiencies of production and distribution. There is nothing in this bill to affect them. Its opponents insist that it shackles efficiency. On the contrary, it expressly reserves the rewards of efficiency and economy, whether in manufacture, sale, or distribution, and authorizes their transmission into price differences in favor of the buyer whose methods or quantities make them possible. But they say it will compel the chain to pay more for its goods and they will therefore have to charge more to their customers. It will compel them to pay more only where they are now getting lower prices at the expense of their competitors only where through those lower prices they are now not paying their proper share of the seller's burden of cost, which he must therefore recover in higher prices from his other buyers, to wit: the competitors of the chains. If the bill will compel the chains to pay more for their goods, it will enable their competitors to buy for less and therefore to sell to their consumer customers for less. Remember, that not all chains receive these forbidden allowances. It is only the largest who do so. Out of the several hundreds of corporate chains in the food field, probably not more than 25 receive allowances and discriminations of the kind this bill would forbid; and out of those the larger receive them disproportionately to the smaller. If this bill will raise prices to the consumer who purchases from the few big chains, it will lower prices to the consumers who purchase from all other merchants.

But in any case this claim assumes that the discriminations in price granted to large mass buyers are actually passed on in lower prices to the consumer. There is no evidence that this is true. There is, on the contrary, evidence that it is not true. In the first place, it is still an open question whether the consumer prices offered by large chains and mass distributors are on an average lower than those of their efficient independent competitors, or whether they are due to the elimination of services such as delivery and credit, which throw a corresponding burden upon the consumer, and to unfair merchandising such as the skillful use of the loss-leader, a bargain held out as bait to lure the customer into the store where she buys before she leaves a variety of other and higher-priced articles upon which the real profit is made. But assuming for the moment that big chain prices are lower on the whole than independent competitor prices, and assuming what they also claim, namely that chain methods of distribution are more efficient and economical than those of their independent competitors, then those lower prices may well be accounted for on the basis of that very efficiency; and that efficiency this bill does not in the least disturb.

But there is nothing to indicate that the discriminations and allowances, such as this bill will forbid, ever find their way to any great extent into price reductions to the consumer. There is, on the other hand, a great deal to indicate that those discriminations and allowances go instead to make up the excessive salaries paid to mass buyer executives, and the excessive profits paid to their owners.

Hearings before the House Judiciary Committee and the Patman Special Investigating Committee showed that one large chain received in one year discriminations and allowances aggregating over $8,000,000. Where did it go? Evidently $2,000,000 of it went to pay a list of its chain executives, each of whom received more than $100,000 a year. The other $6,000,000 went to inflate its net profits to a total of $16,000,000 on that year's operations, and of that $16,000,000, 90 to 95 percent evidently went into the pockets of two men, who are its principal stockholders. The remainder went to a few of its employees who share the remainder of its technical ownership.

BENEFIT TO THE SMALL MANUFACTURER

Now as to the small manufacturer. Discriminatory prices and allowances are a millstone around the neck of the manufacturer, large or small; because in granting favors to a selected few of their customers, they give those few a competitive advantage over the rest, and enable them gradually to drive the rest out of business and thereby to destroy them as customers. In granting such discriminations the manufacturer is therefore committing a form of slow suicide, and many a manufacturer has discovered that to his sorrow after it is too late. But so far as they constitute a weapon of competition, they are by nature most effective in the hands of the larger manufacturer against his smaller competitor. Discriminations of the kind forbidden by this bill involve a loss to the seller of his necessary profit and cost on the favored customer's business; and that loss the seller is compelled to make up in higher prices to his other customers, or his business will land in the red. The more far-flung his operations, the larger his business, and the greater his list of customers, the more reserve has he at his disposal on which to absorb those losses, and the deeper the price cut he can afford rather than lose a large customer's business to a competitor. Likewise the deeper the price cut he can afford to offer the larger customers of his various competitors, to induce them to switch their business to him.

Scan the list of manufacturers who were revealed in the hearings of the Patman committee as granting these excessive allowances, and you will note that they are in nearly every case the leading and largest manufacturers in their respective commodity fields. Where smaller ones also give these allowances, they are compelled to do so in self-defense. But it is frequently physically impossible for them to do so.

But it is further claimed that the provisions of the bill with regard to advertising allowances work a hardship on the small manufacturer, in that they require such allowances to be granted to all competing customers on proportionally equal terms. But proportional to what? Proportional naturally to those customers' purchases and to their ability and equipment to render or furnish the services or facilities to be paid for. But the small manufacturer is small either because he has fewer customers or because their purchases are small, and in either case his responsibilities under this bill are correspondingly small. Here again the freedom to favor large customers with discriminatory advertising allowances is a peculiar advantage to the large manufacturer, just as it is to the large customer; for whatever he sacrifices of necessary cost or profit in granting such an allowance, he can the more easily make up in the profits from his other business—on the business of smaller customers to whom such allowances are denied.

Thus, the menaces to the cooperative, to the farmer, the consumer, and the small manufacturer, which some claim to see in this bill, lose their substance and turn out to be advantages instead. It is, indeed, not without significance to those who have followed the hearings on this subject before the committees of this House, and listen to its debate upon this floor, that fears of its injury to the farmers came not from the farmers themselves or from their representatives in Congress, but from the metropolitan centers; that fears of injuries to cooperatives came not from the rank and file of cooperatives themselves, but from corporate interests who buy and sell in competition with cooperatives; and that fears of its injury to the consumer came not from the consumer as such, but from a few who pocket millions in salaries and profits reaped from selling to the consumer his necessities of life.

But the real value of this bill is not to be measured in dollars and cents, nor determined by the price levels offered by particular manufacturers or merchants. Seventy-five millions of our people live in urban and rural communities under 25,000 population. These communities depend primarily upon local enterprise for the support of their social, educational, and spiritual institutions, their schools, their churches, their hospitals, their civic enterprises of all kinds. The backbone of that local enterprise is the local independent businessman, whether manufacturer, merchant, or producer of raw materials. It is a mistake to assume that he is less efficient just because he is small. For that very reason, on the contrary, he is often the more efficient. He has less overhead, less of a top-heavy, unwieldy organization, less of his activities devoted to the crushing of competition rather than to services really productive. Yet his nonresident competitor, armed with the privilege of price discriminations and allowances now permitted by law, with the financial resources furnished by metropolitan banks, and with the ability to absorb losses with excessive profits in noncompetitive territory, is able to come into that local community, plant a competing enterprise next door to the local manufacturer or merchant, cut prices below cost, and crush his superior efficiency with no other weapons than those of greater size and the power of outside resources. In the assurance of equal opportunity and fair play which this bill gives to local independent business, it guarantees the integrity and wholesomeness of local community life against corruption and impoverishment by these sinister influences.

OPERATION OF PARTICULAR PROVISIONS

Let us turn now to the bill itself and examine the operation of its particular provisions.

DISCRIMINATION

In its meaning as simple English, a discrimination is more than a mere difference. Underlying the meaning of the word is the idea that some relationship exists between the parties to the discrimination which entitles them to equal treatment, whereby the difference granted to one casts some burden or disadvantage upon the other. If the two are competing in the resale of the goods concerned, that relationship exists. Where, also, the price to one is so low as to involve a sacrifice of some part of the seller's necessary costs and profit as applied to that business, it leaves that deficit inevitably to be made up in higher prices to his other customers; and there, too, a relationship may exist upon which to base the charge of discrimination. But where no such relationship exists, where the goods are sold in different markets and the conditions affecting those markets set different price levels for them, the sale to different customers at those different prices would not constitute a discrimination within the meaning of this bill.

BETWEEN PURCHASERS

The bill prohibits such discriminations where either or any of the purchasers involved in such discrimination are in interstate commerce. Where a manufacturer sells only to customers within the State, his business is beyond the reach of Federal authority and is not included within the provisions of this bill. This exemption, however, is not important for practical purposes. He may not sell to a mass buyer at discriminatory prices for delivery within the State and shipment then to other States, since such sales are, by long-settled law, interstate commerce. Moreover, the important discriminations here forbidden are of a kind that can only be granted to some at the expense of the rest. The small manufacturer, operating purely within the State, ordinarily lacks the diversified list of customers which he must have in order to absorb from them his losses in price cuts to a favored few. Since his smaller customers can always go to the interstate seller, even within the same State, and demand the same prices granted to his larger interstate buyers, the

small intrastate seller is precluded from raising his prices to his smaller customers sufficiently to absorb such losses.

Where, however, a manufacturer sells to customers both within the State and beyond the State, he may not favor either to the disadvantage of the other; he may not use the privilege of interstate commerce to the injury of his local trade, nor may he favor his local trade to the injury of his interstate trade. The Federal power to regulate interstate commerce is the power both to limit its employment to the injury of business within the State, and to protect interstate commerce itself from injury by influences within the State.

I shall deal later with the question of discrimination to meet competition.

EFFECT ON COMPETITION

The discriminations prohibited by this bill are those whose effect may be:

1. Substantially to lessen competition in any line of commerce; or,

2. To tend to create a monopoly in any line of commerce; or,

3. To injure, destroy, or prevent competition:

(a) With any person who either grants or knowingly receives the benefit of such discrimination; or,

(b) With customers of either of them (i. e., the grantor or grantee).

Effects nos. 1 and 2 above correspond to those required to be shown under the old section 2 of the Clayton Act. Generally speaking, they require a showing of effect upon competitive conditions generally in the line of commerce and market territory concerned, as distinguished from the effect of the discrimination upon immediate competition with the grantor or grantee. The difference may be illustrated where a nonresident concern opens a new branch beside a local concern, and with the use of discriminatory prices destroys and replaces the local concern as the competitor in the local field. Competition in the local field generally has not been lessened, since one competitor has been replaced by another; but competition with the grantor of the discrimination has been destroyed. The present bill is, therefore, less rigorous in its provisions as to the effect required to be shown in order to bring a given discrimination within its prohibitions.

DIFFERENCES IN COST

The bill expressly exempts from its prohibitions, however, price differentials.

Which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered. (That is, in which the commodities concerned are sold or delivered to the purchasers between whom the price differential is made.)

It is through this clause that the bill assures to the mass distributor, as to everyone else, full protection in the use and rewards of efficient methods in production and distribution in return for depriving him of the right to crush his efficient smaller competitors with the power and resources of mere size. There is no limit to the phases of production, sale, and distribution in which such improvements may be devised and the economies of superior efficiency achieved, nor from which those economies, when demonstrated, may be expressed in price differentials in favor of the particular customers whose distinctive methods of purchase and delivery make them possible. They apply as between purchasers of materials for use in manufacture, as well as between those who purchase purely as retail or wholesale distributors. As between purchasers in equal quantities, for example, where one takes multiple store-door delivery, and the other single warehouse delivery, with consequent savings in trucking or other delivery costs to the seller, that saving may be expressed in a price differential. Or where one places a single order calling for periodic deliveries over an extended period of time, whereas the other places smaller successive orders requiring more frequent and therefore more costly salesman solicitation, such a difference in cost may be expressed in a price differential. Or where one customer, devoid of storage facilities, requires spot deliveries during the rush of the season, for which the manufacturer must produce in advance and store himself in order to make the fullest utilization of his plant capacity; while another customer orders for delivery in off seasons, handling the storage himself and saving the manufacturer that cost, such a saving may be expressed in a price differential.

Or where one customer orders from hand to mouth during the rush of the season, compelling the employment of more expensive overtime labor in order to fill his orders; while another orders far in advance, permitting the manufacturer to use cheaper off-season labor, with the elimination of overtime, or perhaps to buy his raw materials at cheaper off-season prices, such savings as between the two customers may likewise be expressed in price differentials. So also where a manufacturer or merchant sells to some customer through traveling-salesman solicitation, to others across the counter, and to others by mail order from catalog, price differentials may be made to reflect the differing costs of such varying methods of sale. These examples are illustrative of the way in which the bill permits the translation of differences in cost into price differentials as between the customers concerned, no matter where those differences arise.

But the bill does not permit price differentials merely because the quantities purchased are different, or merely because the methods of selling or delivery are different, or merely because the seasons of the year in which they enable production are different. There must be a difference in cost shown as between the customers involved in the discrimination, and that difference must be one "resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered." A customer granted the benefit of a discrimination may receive it only on the basis of the difference between his methods or quantities of purchase and delivery and those of other customers not receiving the differential.

Such a difference cannot be claimed on the basis of a difference in cost in the seller's entire business with and without the purchases of the customer in question. If his purchases so increase the seller's volume as to make possible a reduction in unit cost upon his entire business, other customers are entitled to share also in the benefit of that reduction. The differential granted a particular customer must be traceable to some difference between him and other particular customers, either in the quantities purchased by them or in the methods by which they are purchased or their delivery taken.

Where the methods of delivery are the same, but the distance is different, price differences in such cases may, of course, be made to reflect those differences. In such case the price is really paid both for the commodity itself and for its delivery, and the differing freight rates or commercial trucking rates applicable to the different delivery distances involved are, of course, differences in cost which may be reflected in differences in such delivered prices.

QUANTITY LIMITS

One proviso of the act authorizes the Federal Trade Commission to fix quantity limits as to various commodities, and when so fixed further price differentials are not permitted on account of quantities purchased in excess of those limits. The rule laid down for the Commission's guidance in this respect is that it find—

That available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce.

This limitation, however, does not become effective as to any commodity until the Federal Trade Commission has acted under this authority with respect to the commodity in question. Until then the granting of price differentials between purchasers of such commodities remains subject only to the other limitations under the bill, the chief of which is the requirement that they be supported by a showing of differences in cost as between the methods of

sale or delivery or the quantities purchased by the buyers concerned.

SELECTION OF CUSTOMERS

The bill contains the proviso already contained in the present Clayton Act permitting sellers to select their own customers in bona-fide transactions and not in restraint of trade. This permits, however, the selection of customers and not the selection of what shall be sold to them. It is intended to protect the buyer against customers who are troublesome in their methods or insecure in their credit. It does not permit the buyer, once he has accepted a customer, to refuse discriminatorily to sell to him particular distinctions of quality, grade, or brand which the seller has set aside for exclusive sale at more favorable prices to selected customers in evasion of the purposes of this bill. Nor does it permit absolute refusal to sell to particular customers where the facts are such as to show that it is done for the purpose of injuring or destroying them and that the elimination of their competition effects a restraint of trade.

MARKET CHANGES, PERISHABLES, ETC.

Although the present Clayton Act has never been differently construed, Congress has in the fullness of caution inserted in the present bill a proviso exempting from its prohibitions—

> Price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

This, however, is intended for protection of purely legitimate trade movements. The merchant or manufacturer who resorts to it as a cloak for price discriminations contrary to the spirit and purpose of this bill is likely to pay dearly for the lessons of experience. Wherever there are suspicious circumstances to indicate that such was the intent, the burden of proof, as in the case of other provisos granting exemptions from the bill, is upon the seller or other offender claiming the benefit of the proviso. The liberty of "price changes from time to time", as herein conferred, may not be held to extend, for example, to a price drop placed in effect one-half hour before the expected arrival of a large buyer representative whom it is desired to favor, with its restoration upward a half hour after his departure. Whether price changes are of a character justified by the causes here described is a question of fact, and where that question comes to issue the burden of proof is upon the offending party claiming its protection.

BURDEN OF PROOF

Owing to a body of court decisions to the effect that the legal rules of evidence do not in certain respects apply to hearings before administrative commissions, and to the uncertainty thus suggested, the bill contains a subsection stating the rule as to burden of proof, substantially as suggested above, as applicable to hearings before the Federal Trade Commission.

MEETING COMPETITION

In connection with the above rule as to burden of proof, it is also provided that a seller may show that his lower price was made in good faith to meet an equally low price of a competitor, or that his furnishing of services or facilities was made in good faith to meet those furnished by a competitor. It is to be noted, however, that this does not set up the meeting of competition as an absolute bar to a charge of discrimination under the bill. It merely permits it to be shown in evidence. This provision is entirely procedural. It does not determine substantive rights, liabilities, and duties. They are fixed in the other provisions of the bill. It leaves it a question of fact to be determined in each case, whether the competition to be met was such as to justify the discrimination given, as one lying within the limitations laid down by the bill, and whether the way in which the competition was met lies within the latitude allowed by those limitations.

This procedural provision cannot be construed as a carte blanche exemption to violate the bill so long as a competitor can be shown to have violated it first, nor so long as that competition cannot be met without the use of oppressive discriminations in violation of the obvious intent of the bill.

To illustrate: The House committee hearings showed a discrimination of 15 cents a box granted by Colgate-Palmolive-Peet Co. on sales of soap to the A. & P. chain. Upon a complaint and hearing before the Federal Trade Commission, this proviso would permit the Colgate Co. to show in rebuttal evidence, if such were the fact, an equally low price made by a local soap manufacturer in Des Moines, Iowa, to A. & P.'s retail outlets in that city; but this would not exonerate it from a discrimination granted to A. & P. everywhere, if otherwise in violation of the bill.

But the committee hearings show a similar discount of 15 cents a case granted by Procter & Gamble to the same chain. If this proviso were construed to permit the showing of a competing offer as an absolute bar to liability for discrimination, then it would nullify the act entirely at the very inception of its enforcement, for in nearly every case mass buyers receive similar discriminations from competing sellers of the same product. One violation of law cannot be permitted to justify another. As in any case of self-defense, while the attack against which the defense is claimed may be shown in evidence, its competency as a bar depends also upon whether it was a legal or illegal attack. A discrimination in violation of this bill is in practical effect a commercial bribe to lure the business of the favored customer away from the competitor, and if one bribe were permitted to justify another the bill would be futile to achieve its plainly intended purposes.

BROKERAGE

The bill prohibits payment or allowance of brokerage or commission except for services rendered. As explained more fully in the report of the House Committee on the Judiciary, this refers to true brokerage services rendered in fact for the party who pays for them, whether he be an agent employed and paid by the seller to find market outlets or one employed and paid by the buyer to find sources of supply. As the bill further enumerates, it prohibits the payment or allowance of commissions or brokerage on the purchase or sale of goods either to the other party to the transaction or to an intermediary who is acting in fact for or under the control of the other party to the transaction; that is, the party other than the one who pays the commission or brokerage in question. There is nothing in the bill that requires the employment of a broker; there is nothing to prevent sales direct from seller to buyer. But if an intermediary is employed, and is in fact acting for or under the control of the buyer, then the seller cannot pay him. Or if he is acting for or under the control of the seller, then the buyer cannot pay him. And where sales are made from buyer to seller, in the nature of the case no brokerage services are rendered by either, and no payment or allowance on account thereof can be made by either party to the other.

SERVICES OR FACILITIES PAID FOR

The bill prohibits the seller from paying the customer for services or facilities furnished by the latter in connection with the seller's goods unless such payment is available on proportionally equal terms to all other competing customers. The existing evil at which this part of the bill is aimed is, of course, the grant of discriminations under the guise of payments for advertising and promotional services which, whether or not the services are actually rendered as agreed, results in an advantage to the customer so favored as compared with others who have to bear the cost of such services themselves. The prohibitions of the bill, however, are made intentionally broader than this one sphere in order to prevent evasion in resort to others by which the same purpose might be accomplished, and it prohibits payment for such services or facilities whether furnished "in connection with the processing, handling, sale, or offering for sale" of the products concerned.

SERVICES AND FACILITIES FURNISHED

The bill also prohibits the seller from furnishing services or facilities to the purchaser in connection with the processing, handling, or sale of the commodities concerned unless

they are accorded to all purchasers on proportionally equal terms. Again, the last phrase has reference to the several purchasers' equipment and ability to satisfy the terms upon which the offer is made, or the services or facilities furnished to any other purchaser.

There are many ways in which advertising, sales, and other services and facilities may be either furnished or paid for by the seller upon terms that will at once satisfy the requirements of the bill concerning equitable treatment of all customers and at the same time satisfy the legitimate business needs of both the seller and the purchaser.

THE BUYER'S LIABILITY

The closing paragraph of the Clayton Act amendment, for which section 1 of this bill provides, makes equally liable the person who knowingly induces or receives a discrimination in price prohibited by the amendment. This affords a valuable support to the manufacturer in his efforts to abide by the intent and purpose of the bill. It makes it easier for him to resist the demand for sacrificial price cuts coming from mass-buyer customers, since it enables him to charge them with knowledge of the illegality of the discount, and equal liability for it, by informing them that it is in excess of any differential which his difference in cost would justify as compared with his other customers.

This paragraph makes the buyer liable for knowingly inducing or receiving any discrimination in price which is unlawful under the first paragraph of the amendment. That applies both to direct and indirect discrimination; and where, for example, there is discrimination in terms of sale, or in allowances connected or related to the contract of sale, of such a character as to constitute or effect an indirect discrimination in price, the liability for knowingly inducing or receiving such discrimination or allowance is clearly provided for under the later paragraph above referred to.

SECTION 2. PENDING CASES

Section 2 of the bill—not section 2 of the Clayton Act, which section 1 of this bill proposes to amend—imposes temporary procedural requirements applicable to pending rights of action, complaints, or litigation, and is designed to enable the revision of existing or future orders of the Federal Trade Commission arising out of such claims harmoniously with the provisions of this amendment without the necessity of instituting a new proceeding.

SECTION 3. PENAL PROVISIONS

Section 3 of the bill sets aside certain practices therein described and attaches to their commission the criminal penalties of fine and imprisonment therein provided. It does not affect the scope or operation of the prohibitions or limitations laid down by the Clayton Act amendment provided for in section 1. It authorizes nothing therein prohibited. It detracts nothing from them. Most of the acts which it does prohibit lie also within the prohibitions of that amendment. In that sphere this section merely attaches to them its criminal penalties in addition to the civil liabilities and remedies already provided by the Clayton Act.

SECTION 4. COOPERATIVES

Section 4 represents another provision added to the bill in the fullness of caution to protect the distribution of cooperative earnings or surplus among their members on a patronage basis. In the dealings of cooperatives with others they share, of course, the protections and guaranties of the bill as to equal treatment and equal opportunity which it extends to producers, manufacturers, and merchants in trade and commerce generally. It leaves the members of cooperatives free to seek through cooperative endeavor the economies and savings of mass operations, and assures to them, as compared with their larger corporate competitors, any real economies and savings to which those mass operations entitle them and which they often now do not receive. There is nothing in the last section of the bill that distinguishes cooperatives, either favorably or unfavorably, from other agencies in the streams of production and trade, so far as concerns their dealings with others.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I shall not consume the 5 minutes. I simply want to get the record clear, because, of course, in endeavoring to interpret properly the language of statutes, the courts must, perforce, look to the statements that appear in the record on debate.

Bills ofttimes are vague and ambiguous. To clear up much of uncertainty, or rather to point it out, it is my purpose in arising. You might as well know that the bill finally agreed upon by the conferees—and I did not sign the conference report because I objected to it—contains many inconsistencies, and the courts will have the devil's own job to unravel the tangle. In an endeavor to get some sort of an agreement, the so-called Borah-Van Nuys provisions of the Senate bill were grafted onto the House bill, and we have what might be termed in common parlance somewhat of a "hodgepodge." You have the so-called Borah-Van Nuys bill grafted on the so-called Patman bill, and when you try to read them both together you have the greatest difficulty. You have the herculean task to make it yield sense.

For example, under the general House bill there is a ceiling set upon the amount of discount that may be given. There is a limitation, under certain conditions, to be fixed by the Federal Trade Commission. Under the so-called Borah-Van Nuys provision any quantity discount can be given, any amount, provided it is given or is available to everyone who obtains or buys the same quantity. There is no limitation as to the amount of discount obtainable or to be given under the Borah-Van Nuys provision, provided that discount is available to everybody. How under the sun you are going to reconcile that provision with the other sections of the House bill is beyond me.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. CHRISTIANSON. Which provision was finally incorporated in the bill that is now presented to us by the conference report?

Mr. CELLER. Both provisions are in the bill, as I see it. The Borah-Van Nuys bill says you can do anything as far as discounts are concerned, provided that discount is available to everybody at the same time buying the same quantity; but in the House bill there are provisions relative to limitation of discounts to be set by the Federal Trade Commission. In one breath you can give any discount or allowance. In the next breath you say, "No; you cannot give any discount. The Federal Trade Commission can prevent it."

Mr. CHRISTIANSON. Then, if I understand the gentleman, that limitation or that ceiling, as he calls it, has been removed in the bill that is embodied in this conference report?

Mr. CELLER. No. That is not my understanding, and that is not the case. The limitation has not been removed. The limitation is in the bill, but in addition you have something extraneous in the Borah-Van Nuys bill, where there is no limitation. Under the Borah-Van Nuys section you simply can give any discount you wish, provided that amount of discount is available to everyone else. In other words, you must treat everybody equally.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MICHENER. If the matter is as stated by the gentleman, it is entirely inconsistent, because the real milk in the coconut, as far as quantity discounts were concerned, was embodied in the Patman bill in that very provision. If that is eliminated, as far as the efficacy of the bill is concerned there is not much left to it.

Mr. CELLER. I will ask the gentleman to read the sections of the bill in its entirety and see whether or not you can get any consistency out of it. I cannot, and I have read this bill backward and forward in an endeavor to get the inconsistencies removed therefrom, but I cannot do it. I am sure if the conferees will see eye to eye with me on the subject—and I am afraid they do not—they would vote against this conference report.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. BOILEAU. I understand the Borah-Van Nuys is a separate and distinct section from the House provision, and some of the conferees on the part of the House have stated to me that there is no inconsistency and that the House provisions prevail, but that the Borah-Van Nuys amendment is simply an additional remedy.

Mr. CELLER. I ask the gentleman to read section 3, the Borah-Van Nuys provision, and then read section 2 and section 1 and see whether that is so.

Also, let me point out, this bill is an amendment to the Clayton Act, which provides that anyone aggrieved by any discrimination in price or discount or allowance can sue and recover triple damages from the person guilty of the discrimination. In addition, for the same act of discrimination, to the triple damages the businessman accused can, by section 3 of this bill, be hailed to court and fined $5,000 or imprisoned for 1 year. I ask you to think carefully before you accept such a bill with such penalties.

Mr. BOILEAU. I cannot read the section in the gentleman's time, of course.

Mr. MICHENER. The original provision in the Patman bill is very stringent and is the real controversy between the two Houses. If the Borah-Van Nuys amendment is added on, then it becomes surplusage and does not amount to anything.

Mr. CELLER. The bill is now far more stringent. Besides the penalties mentioned, the bill places business in a strait jacket.

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, will the gentleman yield me 5 additional minutes?

Mr. UTTERBACK. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. CELLER. Does the gentleman refuse to yield me sufficient time on a bill of this character?

Mr. UTTERBACK. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. To say the least, I do not like such consideration after my service on the committee. I am ranking member on the committee. I think the gentleman is entirely in bad order in being so niggardly of time. His opposition should not interfere with his usual sense of justice.

The SPEAKER. The gentleman from New York is recognized for 3 minutes.

Mr. CELLER. I read this provision of section 3, the Borah-Van Nuys section:

> SEC. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser, in that, any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance, or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity.

This is the particular language to which I direct your attention especially: "available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity."

If it is available to everyone there is no limitation, and you can, therefore, give any discount you wish without let or hindrance, provided it is available to everyone at the same time. This is what I claim is a glaring inconsistency in the bill.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. SNELL. From a reading of the report it appears to me that the entire House bill was stricken out and practically a new bill written by the Senate. Am I correct?

Mr. CELLER. The gentleman is correct.

Mr. SNELL. It seems to me some proponent of the House bill should tell us what is in the Senate bill.

Mr. CELLER. I am endeavoring to tell the House that, so far as I know and according to my lights. While it is true we struck out this entire provision, we practically substituted the House bill with certain changes and then took on in addition the Borah-Van Nuys provision.

Mr. SNELL. That is the practical effect of what was done.

Mr. CELLER. Yes.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. HEALEY. Is it the gentleman's opinion that the Borah-Van Nuys bill is inconsistent with the provisions of the other sections of this bill?

Mr. CELLER. I am of the conviction that there is an absolute inconsistency.

Mr. HEALEY. One further question, if the gentleman will permit. In the gentleman's judgment, the Borah-Van Nuys amendment in and of itself would amply take care of the situation?

Mr. CELLER. There is no question but what the Borah-Van Nuys provision in and of itself would be sufficient. I would have gladly supported this bill in its entirety if this provision had been controlling.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. HANCOCK of New York. If a vendor is found guilty of discrimination as provided in this bill, is he subject to the aggrieved party for damages or has he committed a crime and subjected himself to penalty?

Mr. CELLER. If he violates the Borah-Van Nuys provision or the other provision of the bill he is subject to penalties of a criminal nature and has committed an offense.

Mr. HANCOCK of New York. Would he also be liable for triple damages?

Mr. CELLER. And he would also have to respond in triple damages under the provisions of the Clayton Act. Anyone aggrieved can sue.

Furthermore I want to tell the Members from the dairy and farm sections that the provisions in the Senate bill known as the McNary amendment and the Schwellenbach amendment, which was very much like the amendment of the gentleman from Texas [Mr. JONES], have not been embraced in the bill. The Schwellenbach amendment and the McNary amendment were thrown out in conference. These amendments sought to help the farmers and dairymen of the country.

This bill thus bears most heavily against farmers and the cooperatives; and I repeat what I said 10 days ago, that all farm organizations are opposed to this bill—the American Farm Bureau Federation, the National Grange, the National Cooperative Association, and all the other organizations with which you are familiar have voiced objection. Many of the consumer cooperative organizations have voiced objections because these dairy and farm provisions were stricken from the bill. The exception relating to minerals was also stricken from the bill. The Secretary of Agriculture has voiced emphatic opposition to the bill.

The conference report, in its reference to brokerage allowances, fails to take due notice of the fact that we put into the final bill the words "except for services rendered." That means if actual brokerage service is rendered it must be allowed or paid for; either must be reflected in price or discount and allowance. Many respectable and honorable business houses have brokerage departments or have organized separate entities which they may own in whole or in part and which perform legitimate brokerage functions; which departments or entities expend money in research, investigation, experimentation, advertising. They actually render valuable brokerage service. Yet if they be directly or indirectly connected with the seller or buyer, no brokerage allowance may be made, although in the language of the words we inserted "services" were actually rendered. I know that everybody watching the bill and interested in making it sound has assumed that the insertion of the words "for services rendered" meant that payment could be made whenever services were actually rendered. We have certainly come to a pretty pass in this country if a person cannot be paid for rendering legitimate services simply because he does not happen to be in a certain line of business. Under the same reasoning it would be quite logical to prohibit a store from altering garments for a customer, because it is not a tailoring business—and if we continue down this road we will surely

end up with legislation requiring the consumer to deal with tailors for certain things, independent automobile repairmen for other things, and so on, and with companies unable to truck their own goods because there are separate trucking companies, and so forth.

This conference report contains the interesting statement at the top of page 7 that the meet-competition clause of the Clayton Act is, in the opinion of the conferees, "one of the obstacles to enforcement of the Clayton Act." This remarkable statement, plus the fact that the trick wording in the bill—"differing methods", in the first section—which is specifically intended to control prices by practically outlawing legitimate quantity discounts, is carefully repeated on page 6 of the conference report, shows that the bill is clearly intended to eliminate competition and control prices and restrict quantity discounts, all of which Senators LOGAN and ROBINSON have repeatedly told the Senate is not its intent. Certainly it should be at least made of record from the floor of this House that this legislation is just that, so that consumers will not eventually blame all Senators and all Congressmen for having enacted legislation without at least knowing what it means. I certainly cannot believe that it was the understanding of several conferees that the meet-competition clause in the present Clayton Act is an obstacle to the enforcement of that act. They do not intend that legislation shall make it only possible for a broker to discharge the brokerage function. Certainly Senator LOGAN agreed with me in a debate in New York publicly that he did not approve of any such legislation, and Senator BORAH during the hearings on his bill so agreed and also stated that legitimate quantity discounts were constructive.

For your information the consumer organizations are about to report to their members on this legislation, and it would seem to me in the interest of those who understand this situation to make it plain for the record that, while the proponents of the bill have stated one thing in connection with quantity discounts, the conference report states another, and deliberately makes note of the meet-competition clause, and specifically places a construction on the brokerage provision which amounts to the rankest sort of class legislation of a sort which may well mark the beginning of much similar legislation extremely harmful to the consumer by making it necessary for him to support, willy-nilly, those who elect to set themselves up as this or that in business.

Mr. UTTERBACK. Mr. Speaker, I yield 5 minutes to the gentlemen from Arkansas [Mr. MILLER].

Mr. MILLER. Mr. Speaker, I shall take but a few minutes. When the House bill reached the Senate, the Senate struck out all after the enacting clause and substituted its own bill. The bill then went to conference, and you will see from a reading of the conference report that the bill that is reported back by the committee of conference is substantially the House bill, rearranged, including the Borah-Van Nuys amendment which is section 3 of the bill.

We took both bills and compared them, and I do not recall a single, solitary amendment to the House bill in which the Senate did not recede. We omitted from this bill one particular provision of the House bill which dealt with intrastate commerce and not interstate commerce. But insofar as the other amendments that made up the difference between the Senate bill and the House bill as passed are concerned, the Senate receded on all of them, if I remember correctly.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. Section 3 is the one that is changed? There is no section 3 in this bill.

Mr. MILLER. Yes; there is. Page 3 of the report.

Mr. JENKINS of Ohio. I thought the gentleman mentioned section 3 of the bill.

Mr. MILLER. Section 3 is the Borah-Van Nuys amendment. We accepted that amendment for this reason and this reason only. The first section of the bill as reported back here amends section 2 of the Clayton Act. That is the House bill substantially, and when I say to you it is substantially the House bill, every amendment that was offered in the Senate to the Patman bill was receded from by the Senate.

Mr. MASSINGALE. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. Does the bill as agreed to by the conferees carry the penalty of triple damages and also a penalty under the criminal law?

Mr. MILLER. The penalty of triple damages is the old law. In other words, we made no change in that particular provision of the Clayton Act. Section 3, which the gentleman from New York talks about, is the Borah-Van Nuys amendment, and that is the criminal section of this bill. The first part of the bill has nothing to do with criminal offenses. It deals primarily, in my opinion, with the authority of the Federal Trade Commission to regulate and enforce the provisions of section 2 of the Clayton Act, as amended. Section 3 in the bill is placed in an effort to make the criminal offense apply only to that particular section, and I believe that is a reasonable construction, if you will look at the bill.

Mr. MASSINGALE. There is no criminal offense involved for anything outside of what is contained in that section?

Mr. MILLER. In section 3.

Mr. HANCOCK of New York. Is it not perfectly clear that any vendor who discriminates in price between purchasers is guilty of a crime and is also subject to triple damages to anyone who claims to be aggrieved?

Mr. MILLER. That is true, but the criminal part is included in section 3 and section 3 only.

Mr. HANCOCK of New York. But it is a part of the same act?

Mr. MILLER. Of course it is, but it is not a part of the Clayton Act as amended by section 2. It ought to be, as far as that is concerned, if a seller willfully discriminates.

Mr. BOILEAU. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. I understood the gentleman to state a moment ago one provision of the House bill which dealt with intrastate commerce is eliminated from the bill. Will the gentleman state what provision that is? I understood him to make that statement.

Mr. MILLER. I did make that statement.

[Here the gavel fell.]

Mr. UTTERBACK. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MILLER. You will remember it was in subsection (a) where we undertook to provide for a transaction that was closely intermingled with interstate commerce. We took that provision out and you will find it on page 6, I believe, of the report.

Mr. BOILEAU. I thank the gentleman.

Mr. CELLER. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from New York.

Mr. CELLER. It is possible, of course, for a man to violate section 3 and by that same act be guilty of violation of the other sections of the bill?

Mr. MILLER. That would be entirely possible.

Mr. CELLER. So that he would be subject to triple damages as well as criminal prosecution?

Mr. MILLER. That would be entirely possible.

[Here the gavel fell.]

Mr. UTTERBACK. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MILLER. Mr. Speaker, I want to say if the Congress really wants a bill amending the Clayton Act, and desires to retain the three objectives of the House bill, the conferees on the part of the House, excluding myself, did a good job and brought back to the House a bill which thoroughly represents, in their opinion, and in my opinion, the expressed will of the House as indicated by the passage of the Patman bill. [Applause.]

Mr. MICHENER. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Michigan.

Mr. MICHENER. The whole thing is the question of quantity discount?

Mr. MILLER. Yes.

Mr. MICHENER. The gentleman understands that as well as I do.

Mr. MILLER. Yes.

Mr. MICHENER. Does the Borah-Van Nuys amendment affect the House provision so far as quantity discounts are concerned?

Mr. MILLER. No; it does not.

Mr. MICHENER. Because if it stands alone, the bill is not worth anything.

Quantity discounts, advertising, and brokerage allowances are prohibited in the bill exactly as they were in the bill passed by the House.

The conference report ought to be adopted. [Applause.]

[Here the gavel fell.]

Mr. UTTERBACK. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PATMAN].

EQUAL-OPPORTUNITY BILL

Mr. PATMAN. Mr. Speaker, a million and a half independent retail dealers in this country are interested in this bill, including druggists, grocers, and others. They are not asking for special privileges, special rights, or special benefits. They are just asking for a fair, square deal. That is all they are asking for and that is all this bill will give them. It will not deprive any person of any privilege or benefit that he is now receiving and which he is as a matter of right entitled to receive. It will help farmers, wage earners, and the consumers generally.

This bill grants each and every one the opportunity to do an honest, legitimate business, and protects him from cheaters and racketeers. It is not going to hurt any manufacturer or producer who is doing an honest business and treating all of his customers in the same fair, square way that he should treat all of them.

This is a good bill. I commend the House conferees, Congressmen UTTERBACK, MILLER, MCLAUGHLIN, SUMNERS, GUYER, and ROBSION for the good agreement they reached with the Senate conferees. It is a better bill than it was when it passed the House. The Borah-Van Nuys provision is separate and distinct. It is section 3 of this bill. It does not in the way it is inserted hurt the bill or injure it in any way, but strengthens the bill. I am pleased that the provision is in there in the way the conferees have put it in.

This bill passed the House by the enormous majority of 290 for, to only 16 against, and I hope this conference report will be accepted by this House by an even greater majority. This bill has heretofore been fully discussed and I hope this report is adopted without further delay. I do not desire additional time.

[Here the gavel fell.]

Mr. UTTERBACK. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LIQUOR TAX ADMINISTRATION BILL

Mr. SAMUEL B. HILL. Mr. Speaker, I call up the conference report on the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

[To accompany H. R. 9185]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 55, 60, 77, 81, 85, 86, 102, 111, and 120.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 56, 57, 58, 59, 62, 63, 65, 66, 70, 71, 72, 73, 74, 75, 76, 78, 79, 80, 83, 84, 87, 90, 91, 92, 93, 94, 97, 98, 99, 100, 101, 103, 104, 105, 106, 107, 108, 109, 110, 112, 113, 114, 115, 116, 118, and 119; and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "Act, as amended"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 202. Section 3295 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 26, sec. 1236), is further amended to read as follows:

"'SEC. 3295. (a) Whenever an application is received for the removal from any Internal Revenue Bonded Warehouse of any cask or package of distilled spirits on which the tax has been paid, the storekeeper-gauger shall gauge and inspect the same, and shall, before such cask or package has left the warehouse, place upon such package such marks, brands, and stamps as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall by regulations prescribe, which marks, brands, and stamps shall be erased when such cask or package is emptied.'"

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with amendments as follows:

On page 9 of the Senate engrossed amendments, in lines 7 and 8, strike out "heretofore or hereafter entered for deposit in a bonded warehouse" and in lieu thereof insert "heretofore entered for deposit in a distillery, general, or special bonded warehouse, or hereafter entered for deposit in an Internal Revenue Bonded Warehouse" and a comma; and on page 9 of the Senate engrossed amendments, in lines 12 and 13, strike out "heretofore or hereafter deposited in any bonded warehouse" and in lieu thereof insert "heretofore deposited in any distillery, general, or special bonded warehouse, or hereafter deposited in any Internal Revenue Bonded Warehouse" and a comma; and on page 12 of the Senate engrossed amendments, in line 23, before the period, insert a colon and the following: "*Provided*, That loss allowances for such spirits for the period prior to the effective date of this section shall be made pursuant to the provisions of the Act of February 6, 1925 (43 Stat. 808)"; and on page 12 of the Senate engrossed amendments, in line 25, before the period, insert a colon and the following: "*Provided*, That a regauge to determine the losses to be allowed under subsection (c) shall be made prior to the effective date of this section"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert "Once in every four years, or whenever"; and the Senate agree to the same.

Amendment numbered 64: That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(d) The brewery premises shall consist of the land and buildings described in the brewer's notice and shall be used solely for the purposes of manufacturing beer, lager beer, ale, porter, and similar fermented malt liquors, cereal beverages containing less than one-half of 1 per centum of alcohol by volume, vitamins, ice, malt, and malt syrup; of drying spent grain from the brewery; of recovering carbon dioxide and yeast; and of storing bottles, packages, and supplies necessary or incidental to all such manufacture. The brewery bottling house shall be used solely for the purposes of bottling beer, lager beer, ale, porter, and similar fermented malt liquors, and cereal beverages containing less than one-half of 1 per centum of alcohol by volume. Notwithstanding the foregoing provisions, where any such brewery premises or brewery bottling house is, on the date of the enactment of the Liquor Tax Administration Act, being used by any brewer for purposes other than those herein described, or the brewery bottling house is, on such date, being used for the bottling of soft drinks, the use of the brewery and bottling house premises for such purposes may be continued by such brewer. The brewery bottling house of any brewery shall not be used for the bottling of the product of any other brewery. Any brewer who uses his brewery or bottling house contrary to the provisions of this subsection shall be fined not more than $50 with respect to each day upon which any such use occurs."

And the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows: On page 23 of the Senate engrossed amendments, in line 12, after the word "wines" insert "on bonded winery premises or bonded storeroom premises"; and the Senate agree to the same.

Amendments numbered 68 and 69: That the House recede from its disagreement to the amendments of the Senate numbered 68 and 69, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by Senate amendments numbered 68 and 69 insert the following:

"(c) So much of section 611 of the Revenue Act of 1918, as amended (relating to the tax on still wines) (U. S. C., 1934 ed., title 26, sec. 1300 (a) (1)), as reads:

" 'On wines containing not more than 14 per centum of absolute alcohol, 10 cents per wine gallon, the per centum of alcohol under this section to be reckoned by volume and not by weight;

" 'On wines containing more than 14 per centum and not exceeding 21 per centum of absolute alcohol, 20 cents per wine gallon;

" 'On wines containing more than 21 per centum and not exceeding 24 per centum of absolute alcohol, 40 cents per wine gallon;'

is amended to read as follows:

" 'On wines containing not more than 14 per centum of absolute alcohol, 5 cents per wine gallon, the per centum of alcohol under this section to be reckoned by volume and not by weight;

" 'On wines containing more than 14 per centum and not exceeding 21 per centum of absolute alcohol, 10 cents per wine-gallon;

" 'On wines containing more than 21 per centum and not exceeding 24 per centum of absolute alcohol, 20 cents per wine-gallon;.

"(d) Section 613 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., title 26, sec. 1300 (a) (2); U. S. C., 1934 ed., supp. I, title 26, sec. 1300 (a) (2)), is amended to read as follows:

" 'SEC. 613. (a) Upon the following articles which are produced in or imported into the United States, after the date of the enactment of the Liquor Tax Administration Act, or which on the day after such date are on any winery premises or other bonded premises or in transit thereto or at any customhouse, there shall be levied, collected, and paid, in lieu of the internal-revenue taxes imposed thereon by law prior to such date, taxes at rates as follows, when sold, or removed for consumption or sale:

" 'On each bottle or other container of champagne or sparkling wine, 2½ cents on each one-half pint or fraction thereof;

" 'On each bottle or other container of artificially carbonated wine, 1¼ cents on each one-half pint or fraction thereof;

" 'On each bottle or other container of liqueurs, cordials, or similar compounds, by whatever name sold or offered for sale, containing sweet wine, citrus-fruit wine, peach wine, cherry wine, berry wine, apricot wine, or apple wine, fortified, respectively, with grape brandy, citrus-fruit brandy, peach brandy, cherry brandy, berry brandy, apricot brandy, or apple brandy, 1¼ cents on each one-half pint or fraction thereof;

" 'Any of the foregoing articles containing more than 24 per centum of absolute alcohol by volume (except vermouth, liqueurs, cordials, and similar compounds made in rectifying plants and containing tax-paid sweet wine, citrus-fruit wine, peach wine, cherry wine, berry wine, apricot wine, or apple wine, fortified, respectively, with grape brandy, citrus-fruit brandy, peach brandy, cherry brandy, berry brandy, apricot brandy, or apple brandy) shall be classed as distilled spirits and shall be taxed accordingly.

" 'The Commissioner of Internal Revenue, subject to regulations prescribed by the Secretary of the Treasury, is authorized to remit, refund, and pay back the amount of all taxes on such liqueurs, cordials, and similar compounds paid by or assessed against rectifiers at the distilled spirits rate prior to the date of the enactment of the Liquor Tax Administration Act.' "

And the Senate agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendent, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(g) Notwithstanding the foregoing provisions of this section, each person making sales of fermented malt liquor to the members, guests, or patrons of bona-fide fairs, reunions, picnics, carnivals, or other similar outings, and each fraternal, civic, church, labor, charitable, benevolent, or ex-service men's organization making sales of fermented malt liquor on the occasion of any kind of entertainment, dance, picnic, bazaar, or festival, held by it, if such person or organization is not otherwise engaged in business as a dealer in malt liquors, shall pay, before any such sales are made and in lieu of the special tax imposed by subdivision (a) of this paragraph, a special tax of $2 as a retail dealer in malt liquors, for each calendar month in which any such sales are made."

And the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or was returned from such bottling house to the brewery in which made for use therein as brewing material"; and the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) No such claim shall be allowed unless filed within ninety days after such destruction or return to the brewery for use as brewing material, or, in the case of any beer, lager beer, ale, porter, or other similar fermented malt liquor so destroyed or returned before the date of the enactment of this Act, within ninety days after such date."

And the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 330. The last paragraph of section 610 of the Revenue Act of 1918, as amended (U. S. C., 1934 ed., supp. I, title 26, sec. 1310 (d)), is amended to read as follows:

" 'The provisions of the internal-revenue laws applicable to natural wine shall apply in the same manner and to the same extent to citrus-fruit wines, peach wines, cherry wines, berry wines, apricot wines, and apple wines, which are the products, respectively, of normal alcoholic fermentation of the juice of sound ripe (1) citrus-fruit (except lemons and limes), (2) peaches, (3) cherries, (4) berries, (5) apricots, or (6) apples, with or without the addition of dry cane, beet, or dextrose sugar (containing, respectively, not less than 95 per centum of actual sugar, calculated on a dry basis) for the purpose of perfecting the product according to standards, but without the addition or abstraction of other substances, except as may occur in the usual cellar treatment of clarifying or aging.' "

And the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment, as follows: In addition to inserting the matter proposed to be inserted by the Senate amendment, on page 48 of the House engrossed bill, in line 14, strike out "section" and in lieu thereof insert "paragraph"; and the Senate agree to the same.

Amendment numbered 121: That the House recede from its disagreement to the amendment of the Senate numbered 121, and agree to the same with an amendment, as follows: Omit the matter proposed to be inserted by the Senate amendment; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment, as follows: Omit the matter proposed to be inserted by the Senate amendment; and the Senate agree to the same.

Amendment numbered 123: That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "404" and insert "402"; and the Senate agree to the same.

Amendment numbered 124: That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "405" and insert "403"; and the Senate agree to the same.

Amendment numbered 125: That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "406" and insert "404"; and the Senate agree to the same.

Amendment numbered 126: That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with amendments, as follows: In the first line of said amendment strike out "407" and insert "405"; and in the tenth line of said amendment strike out "distilled spirits other than alcohol" and in lieu thereof insert "spirits distilled at a registered distillery"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with amendments, as follows: In the first line of said amendment strike out "408" and insert "406"; and in the eleventh line of said amendment strike out "distilled spirits (other than alcohol)" and in lieu thereof insert "spirits distilled at a registered distillery"; and the Senate agree to the same.

Amendment numbered 128: That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with amendments, as follows: In the first line of said amendment strike out "409" and insert "407"; and in the fourth line of said amendment strike out "distilled spirits (other than alcohol)" and in lieu thereof insert "spirits distilled at a registered distillery"; and the Senate agree to the same.

Amendment numbered 129: That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with amendments, as follows: In the first line of said amendment strike out "410" and insert "408"; and in the last two lines of said amendment strike out "distilled spirits (other than alcohol)" and in lieu thereof insert "spirits distilled at a registered distillery"; and the Senate agree to the same.

Amendment numbered 130: That the House recede from its disagreement to the amendment of the Senate numbered 130, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "411" and insert "409"; and the Senate agree to the same.

Amendment numbered 131: That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "412" and insert "410"; and the Senate agree to the same.

Amendment numbered 132: That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with amendments, as follows: In the first line of said amendment strike out "413" and insert "411"; and in the seventeenth, eighteenth, and nineteenth lines of said amendment strike out "such period of time as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe" and in lieu thereof insert "a period of four years"; and the Senate agree to the same.

Amendment numbered 133: That the House recede from its disagreement to the amendment of the Senate numbered 133, and agree to the same with amendments, as follows: In the first line of said amendment strike out "414" and insert "412"; and on page 52 of the Senate engrossed amendments, in lines 14, 15, and 16 strike out "such period of time as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe" and in lieu thereof insert "a period of four years"; and the Senate agree to the same.

Amendment numbered 134: That the House recede from its disagreement to the amendment of the Senate numbered 134, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "415" and insert "413"; and the Senate agree to the same.

Amendment numbered 135: That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment, as follows: In the first line of said amendment strike out "416" and insert "414"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

The committee of conference report in disagreement amendments numbered 95 and 136.

R. L. DOUGHTON,
SAM B. HILL,
THOS. H. CULLEN,
FRED M. VINSON,
FRANK H. BUCK,
FRANK CROWTHER,
DAN'L A. REED,
THOS. H. JENKINS,
Managers on the part of the House.

WILLIAM H. KING,
ALBEN W. BARKLEY,
ROBERT M. LA FOLLETTE, JR.,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

SUBSTANTIVE AMENDMENTS

On amendment no. 1: This amendment strikes out section 2 of the House bill which provided for the seizure and forfeiture of intoxicating liquor and containers thereof when the containers do not bear proper stamps, labels, and other markings required by Federal law or regulation, and for seizure and forfeiture of such containers and contents when the containers are not accompanied by proper bills of lading or other documents required by Federal law or regulation. The House recedes.

On amendment no. 12: The House bill set forth in considerable detail the requirements for the marking and branding of casks and packages filled with distilled spirits in the cistern room, and required their immediate removal to bonded warehouses. The Senate amendment leaves these matters to regulations to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury. The House recedes.

On amendment no. 14: The House bill restated language now contained in section 3287 of the Revised Statutes, relating to the tax-free withdrawal of alcohol for the use of the United States. Such withdrawals are now completely provided for in title III of the National Prohibition Act. This language was stricken from the bill by the Senate amendment. The House recedes.

On amendments nos. 16, 18, 19, 22, 23, and 26: The language of the House bill conferred upon the Secretary of the Treasury authority to prescribe rules and regulations necessary for carrying out the provisions of certain sections of the bill. The Senate amendments provide that such rules and regulations shall be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, in conformity with the administrative procedure now followed in the Treasury Department. The House recedes.

On amendment no. 20: The House bill specified the marks, brands, and stamps to be placed on containers of distilled spirits upon tax payment and removal from bonded warehouses. The Senate amendment authorizes the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to prescribe regulations governing these matters. The House recedes with amendments which specify that the spirits shall be tax paid before removal and that the marks, brands, and stamps shall be erased when the containers are emptied.

On amendment no. 36: This amendment amends section 1 of the Bottling in Bond Act of March 3, 1897, to permit the bottling of distilled spirits in bond in any internal-revenue bonded warehouse without regard to the survey capacity of the distillery in which made and to permit such bottling to be done before or after tax payment, and in the name of the individual or association in whose name the spirits were produced and warehoused, as well as in the name of the distiller as is now provided by law. The House bill contained no corresponding provision. The House recedes.

On amendment no. 39: This amendment declares that nothing in the Bottling in Bond Act shall authorize the labeling of whisky contrary to regulations issued under authority of the Federal Alcohol Administration Act. The House bill contained no corresponding provision. The House recedes.

On amendment no. 40: The House bill amended the various provisions of law relating to the bonded period for spirits and the loss allowances thereof by redeclaring those laws as they existed prior to wartime and national prohibition. The purpose was to redeclare the bonded period for spirits to be 8 years and to redeclare the loss allowance to be for a period of 7 years. It further provided that distilled spirits 8 years of age or over which were in bonded warehouses on December 5, 1933, might remain in bond, and, when withdrawn, be given loss allowances up to and including the thirtieth day after the date of the enactment of this act. The Senate amendment completely restates the law relating to the bonded period and loss allowance without making any substantial changes in the purposes of the House provisions. The House recedes with amendments which make clarifying changes in the language of the Senate amendment.

On amendment no. 41: The House bill amended section 602 of the Revenue Act of 1918, to permit the withdrawal into barrels, drums, tanks, tank cars, or other approved containers, of spirits reduced to not less than 100 proof from receiving cisterns at registered distilleries and tax payment and removal of such spirits without entry into bonded warehouses. The Senate amendment provides (1) for the withdrawal of spirits of less than 159 degrees of proof and more than 100 degrees of proof from cisterns at distilleries into packages, and tax payment and removal of such spirits without being entered into warehouse; (2) for the transfer of such spirits from receiving cisterns at such distilleries by means of pipe lines to storage tanks in warehouses located on the bonded premises of such distilleries; (3) for the transfer of such spirits in bond, in approved containers, to warehouses for storage therein; and (4) that such spirits may be transported, after tax payment, in approved containers for beverage use only. The House recedes.

On amendment no. 42: As passed by the House section 309 amended section 3293 of the Revised Statutes to prescribe the form of the entry and the entry stamp and to require distillers to furnish monthly or annual warehousing bonds in penal sums of not less than 50 percent of the tax due on distilled spirits on deposit in the distillery warehouse at one time. The Senate amendment requires the entries of spirits to be made in accordance with the provisions of regulations prescribed by the Commissioner of Internal Revenue, and requires distillers and warehousemen to furnish warehouse bonds in penal sums not to exceed $200,000 for each warehouse. The House recedes.

On amendments nos. 43 and 44: The House bill set out in considerable detail the matter to be included in storekeeper-gaugers' and distillers' records. The Senate amendments authorize the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to prescribe, by regulations, the records to be kept by storekeeper-gaugers and distillers of the receipt and use of distilling materials, and the production of spirits, at distilleries. The House recedes.

On amendment no. 46: The Senate amendment authorizes the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to prescribe by regulations tolerances within the limits of which the amount of fermented malt liquor in a barrel or fractional part of a barrel may exceed the quantity tax-paid as indicated by the stamp affixed to such barrel or fractional part of a barrel, without being accounted and tax-paid at a higher rate. The House bill contained no corresponding provision. The House recedes.

On amendment no. 55: The Senate amendment authorizes the Commissioner of Internal Revenue to permit brewers to ship beer in tank cars to breweries and depots, to the extent that in his opinion such transfer may be permitted without danger to the revenue. No corresponding provision was contained in the House bill. The Senate recedes.

On amendments nos. 60 and 61: The House bill permitted the Secretary of the Treasury to prescribe the penal sums of bonds to be furnished by brewers, in proportion to the production capacity of their plants, but in no event to be less than $1,000; and required that such bonds be renewed once in every 4 years and when required by the Secretary. Senate amendment no. 60 provides that if the penal sum of any such bond exceeds $100,000, the bond covering such excess may be given without surety or collateral security; and amendment no. 61 strikes out the requirement that the bond be renewed once in every 4 years. The Senate recedes on no. 60, and the House recedes on no. 61 with an amendment which restores the House provision except for a clerical change.

On amendment no. 63: The House bill provided for the forfeiture of brewery premises for flagrant and willful removal therefrom of taxable malt liquors without payment of tax thereon. The Senate amendment provides for forfeiture of bottling-house premises also under the same circumstances. The House recedes.

On amendment no. 64: The bill as it passed the House provided that the brewery premises should consist of the lands and buildings described in the brewer's notice, and that such premises should, as to breweries established after the enactment of this act, be used solely for the manufacture of beer, lager beer, ale, porter, and similar fermented malt liquors, cereal beverages containing less than one-half of 1 percent of alcohol by volume, vitamins, and ice; of drying spent grain from the brewery, and recovering carbon dioxide and yeast. It further provided that brewery bottling houses established after the date of the enactment of this act should be used solely for the purposes of bottling such fermented malt liquors and cereal beverages containing less than one-half of 1 percent of alcohol by volume. It provided that notwithstanding such amendments, where established breweries were, on the date of the enactment of this act, being used by the brewer for other purposes, and brewery bottling houses were, on such date, being used for the bottling of soft drinks, such uses might be continued by such brewer. It further provided that the bottling house of any brewery should not be used for the bottling of the product of any other brewery. A penalty of $50 was provided with respect to each day upon which any brewery or brewery bottling house was used contrary to the provisions of this section. The Senate amendment changes these provisions (1) to provide that the brewery premises shall also be available for the manufacture of malt and malt syrup and the storing of bottles, packages, or supplies necessary or incidental to the manufacture of the articles now proposed to be manufactured on the brewery premises, and, under regulations, for the manufacture of other commodities or byproducts; and (2) to permit the use of the brewery bottling house for the manufacturing, carbonating, and bottling of soft drinks and to permit the use of the bottling house for the bottling of the product of any other brewery under regulations prescribed by the Commissioner of Internal Revenue. The House recedes with an amendment which restores the provisions of the House bill with the addition of the Senate provisions permitting the manufacture of malt and malt sirup and the storing of bottles, packages, and other incidental supplies.

On amendment no. 67: The Senate amendment amends section 605 of the Revenue Act of 1918 to declare that the filtering, clarifying, or purifying of wines, and the manufacture of vermouth with fortified sweet wine on the premises of a bonded winery, shall not be deemed to be rectification. Under the present law these operations are considered to be rectification and may be conducted only in rectifying plants, and the products are subject to a tax of 30 cents per proof gallon. There were no corresponding provisions in the House bill. The House recedes with an amendment which makes the provisions relating to the filtering, clarifying, or purifying of wines applicable only when those operations are conducted on bonded winery premises or bonded storeroom premises.

On amendments nos. 68 and 69: The Senate amendments (1) reduce by 50 percent the internal-revenue taxes on dry and sweet wines, champagne, artificially carbonated wines, liqueurs, cordials, and similar compounds; (2) exempt from the distilled spirits tax vermouth, cordials, liqueurs, and similar compounds made in rectifying houses with tax-paid wine fortified with tax-paid brandy and containing more than 24 percent of alcohol by volume; and (3) provide for a refund of such distilled spirits tax paid or assessed prior to the date of the enactment of the act. The House bill contained no corresponding provisions. The House recedes with an amendment to the Senate amendments which removes certain inconsistencies with other provisions of the bill and with provisions of existing law.

On amendments nos. 73 and 74: Sections 323 and 324 of the House bill amended paragraphs "Fourth" and "Fifth", respectively, of section 3244 of the Revised Statutes to restate the classifications of retail and wholesale dealers in liquors and malt liquors, and to provide (a) that no retail dealer in liquors on malt liquors shall be held to be a wholesale dealer solely by reason of sales of 5 wine gallons or more to the same person at the same time when such sales are for immediate consumption on the premises where sold, and (b) that additional special tax as dealer shall not be due on account of sales of malt liquors consummated at other dealers' places of business. The Senate amendments (1) authorize the issuance of "wine dealer" or "wine and malt liquor dealer" special tax stamps to wholesale and retail dealers who sell wine only or wine and malt liquor only, and the issuance of "at large" special tax stamps to retail liquor dealers whose business requires them to travel from place to place, and (2) restore a provision of existing law relating to "medicinal spirits stamp tax", which was omitted by the House bill in the restatement of paragragh "Fourth" of section 3244 of the Revised Statutes. The House recedes.

On amendments nos. 77 and 81: These amendments provide that retail and wholesale dealers in malt liquor shall not be required to pay additional special tax on account of sales at the residences of purchasers who have filed oral or written standing orders with the dealers to call at the residences. There were no corresponding provisions in the House bill. The Senate recedes.

On amendment no 82: This amendment provides for the sale of malt beverages at fairs, picnics, and other similar places for a period of not more than 30 days once in a year, upon the payment of a special tax of $2 in lieu of the tax which is ordinarily paid by retail dealers in malt liquors. There was no corresponding provision in the House bill. The House recedes with an amendment which makes the provision applicable to the sale of malt liquors by fraternal, civic, church, labor, charitable, benevolent, and ex-service men's organizations at entertainments, dances, picnics, bazaars, or festivals, held by them, and provides that the $2 tax shall be paid for each calendar month in which the sales are made, rather than for a period of not more than 30 days once in a year.

On amendment no. 84: The House bill provided for the redemption of the strip stamps issued under authority of the Liquor Taxing Act of 1934, under regulations to be prescribed by the Secretary of the Treasury. The Senate amendment specifies the conditions under which such stamps may be redeemed. The House recedes.

On amendments nos. 85, 86, 87, 88, and 89: The House bill provided that the tax paid on fermented malt liquor which was lawfully removed from a brewery to a brewery bottling house on and after March 22, 1933, and became unsalable without fraud, connivance, or collusion on the part of the brewer, and without removal from such bottling house, and was destroyed in the presence of a representative of the Bureau of Internal Revenue. The subsection in the House bill was applicable to past losses of such fermented malt liquor as well as to losses suffered after the subsection became law. The Senate amendments retain the provisions of the subsection but make it effective only as to losses occurring between March 22, 1933, and the date of enactment of the act, and authorize the refund if the unsalable malt liquor was returned to the brewery for use therein as brewing material. To care for future losses the Senate amendments authorize the Commissioner of Internal Revenue to make a survey of the losses of tax-paid fermented malt liquor in breweries, brewery-bottling houses, and elsewhere, for the purpose of ascertaining if refunds may be made of taxes paid on fermented malt liquor so lost, and, if he finds that such refunds may be made consistently with the protection of the revenue, to prescribe regulations under which such refunds may be made. The Senate recedes on nos. 85 and 86. The House recedes on no. 87 and recedes with an amendment on nos. 88 and 89. The action of the conference restores the provisions of the House bill with the addition of the provisions of the Senate amendment which made the refund applicable to malt liquor returned to the brewery, and omits all the other provisions of the Senate amendment.

On amendment no. 91: The House bill extended to all wine makers the provisions of existing law which exempt wine makers who produce wine from grapes from payment of special tax on account of the sale of wine of their own production at the place of manufacture or their principal office or place of business. The Senate amendment limits the exemption to wine makers who qualify as such under the internal-revenue laws. The House recedes.

On amendment no. 92: The Senate amendment amends section 3 of title III of the National Prohibition Act, to provide that tanks on the industrial alcohol plant premises which are approved by the Commissioner of Internal Revenue may be used as warehouses for the storage of alcohol. There was no corresponding provision in the House bill. The House recedes.

On amendment no. 96: Section 330 of the House bill extended the provisions of the internal-revenue laws applicable to natural wines, to wines made of citrus fruits (except lemons and limes). This section in substance was enacted into law in the Federal Alcohol Administration Act. The Senate amendment extends such provisions of law to wines made from peaches, cherries, berries, apricots, and apples. The Senate amendment also subjects to tax under section 613 of the Revenue Act of 1918, the cordials, liqueurs, and similar compounds containing wine made from such fruits and fortified with brandy. The House recedes with an amendment which omits that part of the Senate amendment which amends section 613 of the Revenue Act of 1918, because that part of the Senate amendment is now included in the conference amendment to the amendments of the Senate nos. 68 and 69.

On amendments nos. 98, 102, 105, 106, 107, and 111: The House bill reduced the tax on fortifying brandy and wine spirits from 20 cents to 10 cents per proof-gallon and extended the time within which the assessment of such tax must be paid from 10 months to 12 months. The Senate amendment no. 102 fixes the rate of tax on fortifying brandy and wine spirits at 15 cents per proof-gallon; no. 111 provides for abatement or refund of the fortifying tax to the extent the tax paid on brandy or wine spirits used in the fortification of wines held by the producer on the effective date of this act exceeds the tax which would have been paid on such brandy or wine spirits if the new rate had been in effect at the time of payment; nos. 98, 105, and 106 extend to 18 months the time in which the tax may be paid, but require every wine producer to give full bond coverage for the payment of the tax on such brandy and wine spirits within the 18 months allowed; and no. 107 authorizes the abatement or refund of the tax on the fortifying brandy or wine spirits when the fortified wines are destroyed. The House recedes on nos. 98, 105, 106, and 107. The Senate recedes on nos. 102 and 111.

On amendments nos. 100, 101, 103, 104, 108, 109, 110, 112, 113, 115: The House bill extended the provisions of law relating to the fortification of grape wines with grape brandy, and the withdrawal and tax payment of grape wines and brandies, to include wines and brandies made from citrus fruits (except lemons and limes). It also included dates as a fruit from which brandy may be distilled. Like section 330 of the House bill, these provisions were in substance enacted into law in the Federal Alcohol Administration Act. The Senate amendments insert new provisions which extend the same provisions of law to wines and brandies made from peaches, cherries, berries, apricots, and apples. Under

the Senate amendments, wine made from one of the fruits may not be fortified with brandy made from another fruit. The House recedes.

On amendment no. 116: The House bill amended section 618 (b) of the Revenue Act of 1918 by striking therefrom the limitations formerly contained therein as to use of wines as distilling material for the production of nonbeverage spirits, and the further limitation that all alcoholic spirits obtained therefrom by distillation at any industrial distillery should be denatured and all spirits so obtained at any fruit distillery should be removed and used only for nonbeverage purposes or for denaturation. The Senate amendment strikes from this section the authority to allow on all spirits distilled from wines, credit for tax paid upon the spirits or brandy used in the fortification of such wines. The House recedes.

On amendment no. 118: This amendment provides that the Commissioner of Internal Revenue may prescribe labels or other marks for the case or shipping container of wines as well as for the immediate container of such wines, as is now provided by law. There was no corresponding provision in the House bill. The House recedes.

On amendment no. 120: The House bill amended section 3354 of the Revised Statutes by permitting the Commissioner of Internal Revenue to prescribe the manner of paying the tax on fermented malt liquor removed from a brewery to a brewery bottling house by means of a pipe or conduit other than by the cancelation and defacement of stamps covering the amount of the tax. The Senate amendment provides that the manner so prescribed for paying the tax shall not entail additional expense to the taxpayer. The Senate recedes.

On amendment no. 121: Section 402 of the House bill, relating to the disposal of forfeited liquor, was, in substance, enacted into law in the Federal Alcohol Administration Act. The Senate amendment strikes out the language of the House bill and inserts a new section 402 which relieves the Commissioner of Internal Revenue from the necessity of making assessments or bringing suits to effect recovery of taxes on distilled spirits, wine, or fermented liquors, or special occupational taxes required to be paid by persons manufacturing or dealing in distilled spirits, wines, or fermented liquor, whenever, after investigation, it appears that such taxes would not be collectible in full or in any substantial amount. The section requires that in each case of such omission to assess or to authorize the bringing of suit a report setting forth the facts as to the uncollectibility of the tax must be filed in the office of the Commissioner of Internal Revenue. There was no corresponding provision in the House bill. The House recedes with an amendment which omits from the bill entirely both the matter contained in section 402 of the House bill and the matter proposed to be inserted by the Senate amendment.

On amendment no. 122: Section 403 of the House bill imposed an embargo upon the importation or bringing into the United States of any distilled spirits, wines, or fermented malt liquors produced, manufactured, rectified, sold, or marketed by any person against whom there has been instituted, or against whom process has been issued for the institution of, any proceeding by the United States, based upon a claim arising out of the customs or internal-revenue laws in connection with an alleged bringing into the United States of liquors, and of any liquors in which such person has any interest, and of any liquors produced, marketed, etc., by any plant or business outside of the United States in which he has a substantial interest, direct or indirect, until such person submits to the jurisdiction of the proper court and furnishes security to insure payment of the claim. The Senate amendment strikes out section 403 of the House bill and inserts a new section 403 which amends section 239 of the Criminal Code (1) by eliminating the designation of "intoxicating liquor" and adding to spirituous liquor, or vinous, and malted liquor the designation "or other fermented liquor, or any compound containing any spiritous liquor, or vinous, malted, or other fermented liquor, fit for use for beverage purposes", (2) to limit the scope of its prohibition to shipments of liquors into States which prohibit the delivery or sale therein of such liquor as is designated, and (3) by providing a further penalty of imprisonment for not more than 1 year in addition to, or in lieu of, the present penalty of a fine of not more than $5,000. There was no corresponding provision in the House bill. The House recedes with an amendment which omits from the bill entirely both the matter contained in section 403 of the House bill and the matter proposed to be inserted by the Senate amendment.

The Senate amendments numbered 123 to 136, add new provisions. There were no corresponding provisions in the House bill.

On amendments nos. 123 and 124: These amendments amend the provisions of the tariff act to allow drawback of internal-revenue tax on distilled spirits and wines bottled especially for export and actually exported. The House recedes with amendments which make changes in section numbers.

On amendment no. 125: This amendment amends section 311 of the Tariff Act of 1930, (a) to permit the rectification of distilled spirits and wines in customs bonded warehouses, class 6, for shipment to Puerto Rico (as well as for export) exempt from all internal-revenue taxes; (b) to exempt the person so rectifying in the customs bonded warehouse from the payment of special tax as a rectifier; and (c) to provide that for the purposes of the section distilled spirits reduced in proof and bottled in such manufacturing warehouses shall be deemed to have been there manufactured. The House recedes with an amendment which makes a change in the section number.

On amendment no. 126: This amendment amends section 51 of the act of August 27, 1894 (which now authorizes the establishment of general bonded warehouses) to authorize the Commissioner of Internal Revenue to establish a single type of warehouse to be known as "internal revenue bonded warehouse" for the storage of distilled spirits (other than alcohol) until payment of tax thereon. The House recedes with amendments which make clerical and clarifying changes.

On amendment no. 127: This amendment (a) repeals section 3271 of the Revised Statutes (which now requires each distiller to provide a distillery warehouse on his bonded premises) but preserves the liabilities of all distillers for taxes and penalties arising out of the use of, or storage of distilled spirits in, distillery warehouses authorized, approved, or maintained under section 3271 of the Revised Statutes, and (b) provides for the designation as internal revenue bonded warehouses of all distillery, general, and special bonded warehouses lawfully established and used prior to the enactment of this act, and authorizes their continued use for the storage of distilled spirits (other than alcohol) upon the filing of such new bonds or the consents of sureties on existing bonds covering spirits in distillery or general or special bonded warehouses as the Commissioner shall consider adequate to insure the payment of taxes due the United States. The House recedes with amendments which make clerical and clarifying changes.

On amendment no. 128: This amendment abolishes the distinction between distillery, general, and special bonded warehouses and authorizes the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to prescribe regulations governing the establishment, construction, maintenance, and supervision of internal revenue bonded warehouses. The House recedes with amendments which make clerical and clarifying changes.

On amendment no. 129: This amendment exempts internal revenue bonded warehouses from the provisions of those sections of law which prior to the date of enactment of this act made distinctions between distillery, general, and special bonded warehouses. The House recedes with amendments which make clerical and clarifying changes.

On amendment no. 130: This amendment amends section 3296 of the Revised Statutes by striking therefrom the words "distillery warehouse" and inserting the words "internal revenue bonded warehouse." The section will then provide for the punishment of those who remove distilled spirits on which the tax has not been paid to a place other than the internal revenue bonded warehouse provided by law or remove distilled spirits from any such warehouse in a manner not authorized by law. The House recedes with an amendment making a change in the section number.

On amendment no. 131: This amendment authorizes the destruction or denaturation, exempt from tax, of distillates containing one-half of 1 percent or more of aldehydes or 1 percent or more of fusel oil (commonly referred to as heads and tails, respectively) removed in the course of distillation. The House recedes with an amendment making a change in the section number.

On amendment no. 132: This amendment amends section 3318 of the Revised Statutes to require rectifiers and wholesale liquor dealers to keep daily at their places of business covered by special tax stamps records of distilled spirits received and disposed of by them and to render under oath correct transcripts and summaries of such records, and to authorize the Commissioner in his discretion to require such records to be kept at the place where such spirits are actually received and sent out. The amendment requires such records to be preserved for such period as the Commissioner, with the approval of the Secretary of the Treasury, shall prescribe. The House recedes with amendments making a change in the section number and changing the period for which such records are required to be preserved to 4 years.

On amendment no. 133: This amendment amends section 62 of the act of August 27, 1894, insofar as that section relates to the keeping of records by distillers who sell only distilled spirits of their own production at the place of manufacture, or at the place of storage in bond, in the original packages to which the tax-paid stamps are affixed, to authorize the Commissioner in his discretion to prescribe the form of the records and of the transcripts and summaries thereof. The House recedes with amendments making the same changes as in the case of amendment no. 132.

On amendment no. 134: This amendment declares that all internal-revenue laws of the United States in regard to the manufacture and taxation of, and traffic in, distilled spirits, wines, and malt liquors, and all penalties for violations of such laws, that were in force at the time the National Prohibition Act was enacted, shall be and continue in force, except as they have been repealed or amended by acts other than (1) title II of the National Prohibition Act as amended and supplemented, and (2) section 1 of the Liquor Law Repeal and Enforcement Act, and except as they may be modified by, or may be inconsistent with, this act. The House recedes with an amendment making a change in the section number.

On amendment no. 135: This amendment provides that, except as provided in section 329 of this act, nothing contained in the act shall be construed as restricting or limiting the provisions of title III of the National Prohibition Act, as amended. This section preserves the distinction between alcohol and other distilled spirits. The House recedes with an amendment making a change in the section number.

CLERICAL AND CLARIFYING AMENDMENTS

On amendments nos. 2, 7, 10, 11, 13, 15, 17, 21, 37, 47, 49, 51, 53, 65, and 93: These amendments make changes in section and subsection references which are made necessary by the Senate amendments. The House recedes.

On amendments nos. 3, 4, 5, 6, 8, 9, 25, 34, 35, 70, 75, 76, 79, 80, 94, and 99: These amendments are all of a clerical or clarifying

nature. The Houses recedes on all these amendments with an amendment on no. 4, which makes a further clerical change.

On amendments nos. 24, 27, 28, 29, 30, 31, 32, 33, 38, 45, 48, 50, 52, 54, 56, 57, 58, 59, 62, 66, 71, 72, 78, 83, 90, 97, 114, 117, and 119: These amendments are changes in references to the United States Code which were brought up to date by referring to proper sections in the 1934 edition of the Code. The House recedes on all these amendments with an amendment on no. 117, which corrects a clerical error in the text of the House bill.

The Senate amended the title of the bill to conform to the Senate amendments. The House recedes.

AMENDMENTS REPORTED IN DISAGREEMENT

The committee of conference report in disagreement the following amendments of the Senate:

On amendment no. 95: The Senate amendment extends and makes applicable to Puerto Rico and the Virgin Islands, from and after August 27, 1935, title III of the National Prohibition Act relating to industrial alcohol, and all provisions of the internal-revenue laws relating to the enforcement thereof, the respective insular governments to advance to the Treasury of the United States such funds as may be required from time to time by the Secretary of the Treasury for the purpose of defraying all expenses incurred by the Treasury Department in connection with the enforcement in the islands of the title and regulations promulgated thereunder. There was no corresponding provision in the House bill.

On amendment no. 136: This amendment adds to the bill a new title designed to make the Federal Alcohol Administration an independent establishment of the Government instead of, as now, a division of the Treasury Department. While the name of the Administration is retained, the office of Administrator is abolished and his powers and duties are conferred and imposed upon the Federal Alcohol Administration, to be composed of three members appointed by the President by and with the advice and consent of the Senate. The compensation of the members is fixed at $10,000 a year. The appointment of officers and employees of the Administration, except attorneys and necessary experts, is to be subject to the civil-service laws; and the compensation of all officers and employees is to be fixed in accordance with the Classification Act. The usual provisions have been inserted for continuing in force the rules, regulations, permits, etc., that have been issued by the Federal Alcohol Administrator and for the continuation of proceedings, hearings, investigations, and suits.

Section 505 in the amendment, which amends the third paragraph of section 5 (e) of the Federal Alcohol Administration Act, clarifies that section and also limits the duties of internal-revenue officers with respect to withholding the release of distilled spirits from the bottling plant which are not covered by certificates of label approval or exemption granted by the Administrator.

Section 506 in the Senate amendment amends section 5 of the Federal Alcohol Administration Act to specify certain names which may be used on labels of wine produced in the United States.

Section 507 in the Senate amendment amends section 9 of the Federal Alcohol Administration Act, which provides for the disposition of forfeited distilled spirits, wines, and malt beverages, to declare that nothing in such section 9 shall affect the authority of the Secretary of the Treasury, under customs or internal-revenue laws, to remit or mitigate the forfeiture, or alleged forfeiture, of such distilled spirits, wines, or malt beverages.

R. L. DOUGHTON,
SAM B. HILL,
THOS. H. CULLEN,
FRED M. VINSON,
FRANK H. BUCK,
FRANK CROWTHER,
DAN'L A. REED,
THOS. A. JENKINS,
Managers on the part of the House.

Mr. SAMUEL B. HILL. Mr. Speaker, I have had no requests for time on the report, and I therefore move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 95: Page 66, after line 2, insert:

"(c) Title III of the National Prohibition Act, as amended, and all provisions of the internal-revenue laws relating to the enforcement thereof, are hereby extended to and made applicable to Puerto Rico and the Virgin Islands, from and after August 27, 1935. The respective insular governments shall advance to the Treasury of the United States such funds as may be required from time to time by the Secretary of the Treasury for the purpose of defraying all expenses incurred by the Treasury Department in connection with the enforcement in Puerto Rico and the Virgin Islands of the said title III and regulations promulgated thereunder. The funds so advanced shall be deposited in a separate trust fund in the Treasury of the United States and shall be available to the Treasury Department for the purposes of this subsection."

Mr. SAMUEL B. HILL. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 136: Page 94, after line 20, insert:

"TITLE V

"SEC. 501. (a) The Federal Alcohol Administration created as a division in the Treasury Department by section 2 (a) of the Federal Alcohol Administration Act, approved August 29, 1935 (Public, No. 401, 74th Cong.), is hereby made an independent establishment of the Government. The office of Administrator of the Federal Alcohol Administration is abolished, and hereafter the Federal Alcohol Administration shall be composed of three members, appointed as provided in section 502 of this title.

"(b) All rights, privileges, powers, and duties conferred or imposed upon the Administrator of the Federal Alcohol Administration are conferred and imposed upon the Federal Alcohol Administration. All papers, records, and property of the Administrator and the Federal Alcohol Administration, as a division of the Treasury Department, are transferred to the Federal Alcohol Administration as an independent establishment of the Government.

"(c) The Federal Alcohol Administration is authorized, without regard to the civil-service laws, to appoint such attorneys and experts, and, subject to the civil-service laws, to appoint such other officers and employees, as it deems necessary to carry out its powers and duties; and the compensation of all such attorneys, experts, and other officers and employees shall be fixed in accordance with the Classification Act of 1923, as amended. All officers and employees appointed by the Administrator and engaged in carrying out his powers and duties shall be officers and employees of the Federal Alcohol Administration: *Provided*, That no such officer or employee who does not already possess a competitive classified civil-service status shall thereby acquire such status, except upon recommendation by the Federal Alcohol Administration to the Civil Service Commission, subject to such noncompetitive tests of fitness as the Commission may prescribe; and no such officer or employee, except attorneys and experts, may be retained in the Federal Alcohol Administration without appropriate civil-service status for a period longer than 60 days from the effective date of this section.

"(d) All provisions of law applicable to the Administrator shall be applicable in the same manner and to the same extent to the Federal Alcohol Administration.

"SEC. 502. (a) The members of the Federal Alcohol Administration shall be appointed by the President, by and with the advice and consent of the Senate. Not more than two members of the Administration shall be members of the same political party. The terms of office of the members first taking office shall expire, as designated by the President, at the time of nomination, one at the end of the first year, one at the end of the second year, and one at the end of the third year after the date of the enactment of this act. A successor shall have a term of office expiring 3 years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy occurring prior to the expiration of such term shall be appointed for the remainder of such term. No person shall be eligible for appointment or continue in office as a member if he is engaged or financially interested in, or is an officer or director of or employed by a company engaged in, the production or sale or other distribution of alcoholic beverages or the financing thereof. Each member shall, for his services, receive compensation at the rate of $10,000 per annum, together with actual and necessary traveling and subsistence expenses while engaged in the performance of his duties as member outside the District of Columbia.

"(b) One of the members shall be designated by the President annually at the beginning of the calendar year as chairman and shall be the chief executive officer of the Administration; one of the members shall be designated by the President annually at the beginning of the calendar year as vice chairman of the Administration and shall perform the functions and duties of the chairman in his absence or in the event of his incapacity caused by illness; and one of the members, who shall be a lawyer, shall be designated by the President as general counsel of the Administration. The Administration may function notwithstanding vacancies, and a majority of the members in office shall constitute a quorum. The Administration shall meet at the call of the chairman or a majority of its members. The Administration is authorized to adopt an official seal, which shall be judicially noticed. The Administration shall be entitled to free use of the United States mails in the same manner as the executive departments.

"(c) The Administration is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its powers and duties.

"SEC. 503. (a) Sections 2 (b), 2 (c), and 2 (d) of the Federal Alcohol Administration Act are hereby repealed. All rules, regulations, orders, permits, and certificates, prescribed or issued by the Administrator and in full force and effect on the effective date of this section, shall continue in full force and effect until duly modified, superseded, or revoked.

"(b) All proceedings, hearings, investigations, or other matters pending before, or being carried on by, the Administrator shall be continued and brought to determination by the Administration.

"(c) No suit, action, or other proceeding lawfully commenced by or against any agency or officer of the United States shall abate by reason of the transfer of rights, privileges, powers, and duties, or the abolition of the office of Administrator, under the provisions of this title.

"SEC. 504. The unexpended balances of appropriations available for salaries and expenses of the Federal Alcohol Administration, as a division of the Treasury Department, shall be available for salaries and expenses of the Federal Alcohol Administration, as an independent establishment of the Government, including the salaries and expenses of the members of the Federal Alcohol Administration.

"SEC. 505. The third paragraph of section 5 (e) of the Federal Alcohol Administration Act is hereby amended to read as follows:

"'In order to prevent the sale or shipment or other introduction of distilled spirits, wine, or malt beverages in interstate or foreign commerce, if bottled, packaged, or labeled in violation of the requirements of this subsection, (1) no bottler of distilled spirits, no producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, and no brewer or wholesaler of malt beverages shall bottle, and (2) no person shall remove from customs custody, in bottles, for sale or any other commercial purpose, distilled spirits, wine, or malt beverages, respectively, after such date as the Administrator fixes as the earliest practicable date for the application of the provisions of this subsection to any class of such persons (but not later than Aug. 15, 1936, in the case of distilled spirits, and Dec. 15, 1936, in the case of wine and malt beverages, and only after 30 days' public notice), unless, upon application to the Administrator, he has obtained and has in his possession a certificate of label approval covering the distilled spirits, wine, or malt beverages, issued by the Administrator in such manner and form as he shall by regulations prescribe: *Provided*, That any such bottler of distilled spirits, or producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, or brewer or wholesaler of malt beverages shall be exempt from the requirements of this subsection if, upon application to the Administrator, he shows to the satisfaction of the Administrator that the distilled spirits, wine, or malt beverages to be bottled by the applicant are not to be sold, or offered for sale, or shipped or delivered for shipment, or otherwise introduced in interstate or foreign commerce. Officers of internal revenue are authorized and directed to withhold the release of distilled spirits from the bottling plant unless such certificates have been obtained, or unless the application of the bottler for exemption has been granted by the Administrator; and customs officers are authorized and directed to withhold the release from customs custody of distilled spirits, wine, and malt beverages, unless such certificates have been obtained. The district courts of the United States, the Supreme Court of the District of Columbia, and the United States court for any Territory shall have jurisdiction of suits to enjoin, annul, or suspend in whole or in part any final action by the Administrator upon any application under this subsection; or.'"

"SEC. 506. The second proviso of subdivision (e) of section 5 of the Federal Alcohol Administration Act is amended to read as follows: '*Provided further*, That nothing herein nor any decision, ruling, regulation or other action of any Department of the Government or official thereof shall deny the right of any person to use wholly or in part the wine names or brands Port, Sherry, Burgundy, Sauterne, Haut Sauterne, Rhine (Hock), Moselle, Chianti, Chablis, Champagne, Tokay, Malaga, Madeira, Marsala, Claret, Vermouth, Barbera, Cabernet, St. Julien, Riesling, Zinfandel, Medoc, or Cognac, or any other geographic name of foreign origin, upon any of the foregoing produced in the United States if of the same type and the use of such name or brand is qualified by the name of the State or other locality in the United States in which the product is produced, and, in the case of the use of such name or brand on any label or in any advertisement, if such qualification is as conspicuous as such name or brand: *And provided further*, That nothing in this section shall be held in any wise to affect or abridge any of the powers granted the Federal Alcohol Administration by an Act of Congress entitled the "Federal Alcohol Administration Act", approved August 29, 1935, to provide standards of identity, quality, labeling, or other regulations save as herein expressly provided as to said names or brands.'

"SEC. 507. Section 9 of the Federal Alcohol Administration Act (U. S. C., 1934 ed., supp. I, title 27, sec. 209) is amended by adding at the end thereof the following new subsection:

"'(e) Nothing in this section shall affect the authority of the Secretary of the Treasury, under the customs or internal-revenue laws, to remit or mitigate the forfeiture, or alleged forfeiture, of such distilled spirits, wines, or malt beverages.'

"SEC. 508. This title, except sections 502 and 505 shall take effect when a majority of the members of the Federal Alcohol Administration first appointed under the provisions of section 502 qualify and take office."

Mr. SAMUEL B. HILL. Mr. Speaker, amendment no. 136 involves title V of the bill. The only reason we brought it back in disagreement is that it carries an appropriation. We have therefore brought it back for a vote by the House; otherwise it would have been in the conference report. All of the matter in the amendment is agreed to, but because it involves an appropriation we had to bring it back to the House for a vote.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. SAMUEL B. HILL. I yield.

Mr. SNELL. It seems to me this is a very important amendment, as it sets up a new bureau in the Government. I think the gentleman from Washington should explain fully to the House exactly what the bill intends to accomplish.

Mr. SAMUEL B. HILL. There was a unanimous agreement by the conferees on the question of establishing an independent agency to be known as the Federal Alcohol Administration, rather than having this agency in the Treasury Department.

Mr. SNELL. Just what kind of agency is this to be, and how much of an agency is it going to be, and what will it cost?

Mr. SAMUEL B. HILL. It will be an agency composed of three members with a salary of $10,000 each, and the cost, in addition to the cost of the agency itself, will probably be the same as it would be in the Treasury Department.

Mr. SNELL. If you set up an independent agency, it always takes on more employees, and so forth, and costs more than it would if it were in one of the regular departments.

Mr. SAMUEL B. HILL. There is no reason for that in this case.

Mr. SNELL. Whether there is any reason for it or not, we know that the experience in the Government has been that it does cost more, and I think the gentleman ought to explain the matter a little more fully.

Mr. SAMUEL B. HILL. That is all there is to it. The gentleman understands that the Federal Alcohol Administration at the present time is an agency in the Treasury Department.

Mr. SNELL. And this is going to be an independent agency.

Mr. SAMUEL B. HILL. The amendment provides that instead of being an agency in the Treasury Department, the Federal Alcohol Administration will be an independent agency.

The appropriations available for the expenses and salaries of the Federal Alcohol Administration as an agency of the Treasury Department are to be available for the payment of expenses and salaries of this Administration as an independent agency.

Mr. SNELL. The gentleman does not think that when we establish an independent agency that that agency thinks it is more important than when it was under some department, and therefore the expenses and general control, and so forth, begin to widen?

Mr. SAMUEL B. HILL. I hardly think that would be true, because we would have to have the same machinery, except the board itself.

Mr. SNELL. That has been the experience of government so far, as far as I know. I do not know that I am opposing this, but I think the gentleman ought to explain it very carefully to the House.

Mr. SAMUEL B. HILL. I have done my best to explain it. I do not know of anything further about it to explain.

Mr. MICHENER. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. MICHENER. Is there any limitation placed on the number of employees that this new agency may require?

Mr. SAMUEL B. HILL. The number of employees, of course, will be limited by the need of the service and by the appropriation provided therefor. There is the power of limitation in the Congress, through the power of appropriation in providing for these employees.

Mr. MICHENER. This provides that the employees be taken from the civil service?

Mr. SAMUEL B. HILL. All except the experts.

Mr. MICHENER. How many experts?

Mr. VINSON of Kentucky. May I say that the only portion of this amendment that is really in disagreement is the language that appropriates money as placed in the amendment by the Senate. That is the reason it is necessary to bring back the amendment for the action of the House.

Mr. MICHENER. This carries how much in the way of appropriation?

Mr. SAMUEL B. HILL. It makes available to the Federal Alcohol Administration as an independent agency the unexpended balance appropriated for the expenses of the Administration as an agency in the Treasury Department.

Mr. VINSON of Kentucky. It reappropriates.

Mr. MICHENER. If this new agency were set up there would be no money to carry on. Therefore the conference report provides sufficient money from money already appropriated to carry on?

Mr. SAMUEL B. HILL. That is right.

Mr. HEALEY. Will the gentleman yield for a question?

Mr. SAMUEL B. HILL. I yield.

Mr. HEALEY. How will this affect the present personnel, the enforcement agency?

Mr. SAMUEL B. HILL. Presumably it will not affect the personnel.

Mr. HEALEY. I mean the civil-service personnel—inspectors and investigators—that are now employed by the alcohol tax unit?

Mr. VINSON of Kentucky. We have no information that there will be any change.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. McCORMACK. In that respect, it is my understanding that, naturally, the present personnel will continue. In connection with the statement made by the gentleman from New York [Mr. SNELL] I would like to ask the gentleman from Washington whether or not it was desired to have an independent agency because the primary purpose of the Treasury Department is for raising revenue, and this is a regulation provision?

Mr. SAMUEL B. HILL. That is correct.

Mr. McCORMACK. Really, the only change brought about is to take this out of the Treasury Department and create an independent agency? In every other respect it continues as it is now?

Mr. SAMUEL B. HILL. Yes.

Mr. McCORMACK. The appropriation made to the Treasury Department for the purposes of this activity is authorized to be used by the new agency established; is that not right?

Mr. SAMUEL B. HILL. That is right.

Mr. CROWTHER. Mr. Speaker, will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. CROWTHER. The gentleman will recollect that as one of the conferees, I, as well as some of the others, stood in favor of a single head in charge of this commission?

Mr. SAMUEL B. HILL. That is correct.

Mr. CROWTHER. I finally yielded. My idea was that in the Federal Alcohol Administration we might have a single head, the same as the Commissioner of Internal Revenue. The question of expense was brought into the argument. I came to the conclusion that if we had an Administrator then he would have a deputy or assistant and he would have a general counsel. The law provides in this bill that one member of the Commission shall be appointed by the President as chairman, another as vice chairman, and the third one must be a lawyer who acts as general counsel. So that as between the two set-ups there was apparently no difference as regards the expense connected with the administration.

That is all I have to say in regard to the bill.

The SPEAKER. The Clerk will report the motion of the gentleman from Washington.

The Clerk read as follows:

Mr. SAMUEL B. HILL submits the following motion: "I move that the House recede and concur in Senate amendment no. 156 with an amendment as follows: Strike out the matter proposed to be inserted by the Senate amendment and in lieu thereof insert the following:

"'TITLE V

"'SECTION 501. (a) The Federal Alcohol Administration created as a division in the Treasury Department by section 2 (a) of the Federal Alcohol Administration Act, approved August 29, 1935 (Public, No. 401, 74th Cong.), is hereby made an independent establishment of the Government. The office of Administrator of the Federal Alcohol Administration is abolished, and hereafter the Federal Alcohol Administration shall be composed of three members appointed as provided in section 502 of this title.

"'(b) All rights, privileges, powers, and duties conferred or imposed upon the Administrator of the Federal Alcohol Administration are conferred and imposed upon the Federal Alcohol Administration. All papers, records, and property of the Administrator and the Federal Alcohol Administration, as a division of the Treasury Department, are transferred to the Federal Alcohol Administration as an independent establishment of the Government.

"'(c) The Federal Alcohol Administration is authorized without regard to the civil-service laws, to appoint such attorneys and experts, and, subject to the civil-service laws, to appoint such other officers and employees, as it deems necessary to carry out its powers and duties; and the compensation of all such attorneys, experts, and other officers and employees shall be fixed in accordance with the Classification Act of 1923, as amended. All officers and employees appointed by the Administrator and engaged in carrying out his powers and duties shall be officers and employees of the Federal Alcohol Administration: *Provided*, That no such officer or employee who does not already possess a competitive classified civil-service status shall thereby acquire such status, except upon recommendation by the Federal Alcohol Administration to the Civil Service Commission, subject to such noncompetitive tests of fitness as the Commission may prescribe; and no such officer or employee, except attorneys and experts, may be retained in the Federal Alcohol Administration without appropriate civil-service status for a period longer than 60 days from the effective date of this section.

"'(d) All provisions of law applicable to the Administrator shall be applicable in the same manner and to the same extent to the Federal Alcohol Administration.

"'SEC. 502. (a) The members of the Federal Alcohol Administration shall be appointed by the President, by and with the advice and consent of the Senate. Not more than two members of the Administration shall be members of the same political party. The terms of office of the members first taking office shall expire, as designated by the President at the time of nomination, one at the end of the first year, one at the end of the second year, and one at the end of the third year after the date of the enactment of this act. A successor shall have a term of office expiring 3 years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy occurring prior to the expiration of such term shall be appointed for the remainder of such term. No person shall be eligible for appointment or continue in office as a member if he is engaged or financially interested in, or is an officer or director of or employed by a company engaged in, the production or sale or other distribution of alcoholic beverages or the financing thereof. Each member shall, for his services, receive compensation at the rate of $10,000 per annum, together with actual and necessary traveling and subsistence expenses while engaged in the performance of his duties as member outside the District of Columbia.

"'(b) One of the members shall be designated by the President annually at the beginning of the calendar year as chairman and shall be the chief executive officer of the Administration; one of the members shall be designated by the President annually at the beginning of the calendar year as vice chairman of the Administration and shall perform the functions and duties of the chairman in his absence or in the event of his incapacity caused by illness; and one of the members, who shall be a lawyer, shall be designated by the President as general counsel of the Administration. The Administration may function notwithstanding vacancies, and a majority of the members in office shall constitute a quorum. The Administration shall meet at the call of the chairman or a majority of its members. The Administration is authorized to adopt an official seal, which shall be judicially noticed. The Administration shall be entitled to free use of the United States mails in the same manner as the executive departments.

"'(c) The Administration is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its powers and duties.

"'SEC. 503. (a) Sections 2 (b), 2 (c), and 2 (d) of the Federal Alcohol Administration Act are hereby repealed. All rules, regulations, orders, permits, and certificates, prescribed or issued by the Administrator and in full force and effect on the effective date of this section, shall continue in full force and effect until duly modified, superseded, or revoked.

"'(b) All proceedings, hearings, investigations, or other matters pending before, or being carried on by, the Administrator shall be continued and brought to determination by the Administrator.

"'(c) No suit, action, or other proceeding lawfully commenced by or against any agency or officer of the United States shall abate by reason of the transfer of rights, privileges, powers, and duties, or the abolition of the office of Administrator, under the provisions of this title.

"'SEC. 504. The unexpended balances of appropriations available for salaries and expenses of the Federal Alcohol Administration, as a division of the Treasury Department, shall be available for salaries and expenses of the Federal Alcohol Administration, as an independent establishment of the Government, including the salaries and expenses of the members of the Federal Alcohol Administration.

"'SEC. 505. The third paragraph of section 5 (e) of the Federal Alcohol Administration Act is hereby amended to read as follows:

"'"In order to prevent the sale or shipment or other introduction of distilled spirits, wine, or malt beverages in interstate or foreign commerce, if bottled, packaged, or labeled in violation of the requirements of this subsection, (1) no bottler of distilled spirits, no producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, and no brewer or wholesaler of malt beverages shall bottle, and (2) no person shall remove from customs custody, in bottles, for sale or any other commercial purpose, distilled spirits, wine, or malt beverages, respectively, after such date as the Administrator fixes as the earliest practicable date for the application of the provisions of this subsection to any class of such persons (but not later than Aug. 15, 1936, in the case of distilled spirits, and Dec. 15, 1936, in the case of wine and malt beverages, and only after 30 days' public notice), unless, upon application to the Administrator, he has obtained and has in his possession a certificate of label approval covering the distilled spirits, wine, or malt beverages, issued by the Administrator in such manner and form as he shall by regulations prescribe: *Provided*, That any such bottler of distilled spirits, or producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, or brewer or wholesaler of malt beverages shall be exempt from the requirements of this subsection if, upon application to the Administrator, he shows to the satisfaction of the Administrator that the distilled spirits, wine, or malt beverages to be bottled by the applicant are not to be sold, or offered for sale, or shipped or delivered for shipment, or otherwise introduced, in interstate or foreign commerce. Officers of internal revenue are authorized and directed to withhold the release of distilled spirits from the bottling plant unless such certificates have been obtained, or unless the application of the bottler for exemption has been granted by the Administrator; and customs officers are authorized and directed to withhold the release from customs custody of distilled spirits, wine, and malt beverages, unless such certificates have been obtained. The District Courts of the United States, the Supreme Court of the District of Columbia, and the United States court for any Territory shall have jurisdiction of suits to enjoin, annul, or suspend in whole or in part any final action by the Administrator upon any application under this subsection; or."

"'SEC. 506. The second proviso of section 5 (e) of the Federal Alcohol Administration Act is amended to read as follows: "*Provided further*, That nothing herein nor any decision, ruling, regulation, or other action of any Department of the Government or official thereof shall deny the right of any person to use wholly or in part the wine names or brands Port, Sherry, Burgundy, Sauterne, Haut Sauterne, Rhine (Hock), Moselle, Chianti, Chablis, Tokay, Malaga, Madeira, Marsala, Claret, Vermouth, Barbera, Cabernet, Saint Julien, Riesling, Zinfandel, Medoc, or Cognac, or any other geographic name of foreign origin (except Champagne), upon any of the foregoing produced in the United States if of the same type and the use of such name or brand is qualified by the name of the State or other locality in the United States in which the product is produced, and, in the case of the use of such name or brand on any label or in any advertisement, if such qualification is as conspicuous as such name or brand: *And provided further*, That except as herein expressly provided as to said names or brands, nothing in this section shall be held in any wise to affect or abridge any of the powers granted to the Federal Alcohol Administration to provide standards of identity, quality, labeling, or other regulations."

"'SEC. 507. Section 9 of the Federal Alcohol Administration Act (U. S. C., 1934 ed., supp. I, title 27, sec. 209) is amended by adding at the end thereof the following new subsection:

"'"(e) Nothing in this section shall affect the authority of the Secretary of the Treasury, under the customs or internal-revenue laws, to remit or mitigate the forfeiture, or alleged forfeiture, of such distilled spirits, wines, or malt beverages, or the authority of the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to compromise any civil or criminal case in respect of such distilled spirits, wines, or malt beverages prior to commencement of suit thereon, or the authority of the Secretary of the Treasury to compromise any claim under the customs laws in respect of such distilled spirits, wines, or malt beverages."

"'SEC. 508. This title, except sections 502, 505, and 507, shall take effect when a majority of the members of the Federal Alcohol Administration first appointed under the provisions of section 502 qualify and take office.'"

The SPEAKER. The question is on the motion of the gentleman from Washington [Mr. SAMUEL B. HILL].

The motion was agreed to.

A motion to reconsider the vote was laid on the table.

CHALMETTE NATIONAL MONUMENT

Mr. DEROUEN, from the Committee on the Public Lands, submitted a conference report (Rept. No. 2993) and statement on the bill (H. R. 5368) to provide for the addition of certain lands to Chalmette National Monument, in the State of Louisiana, and for other purposes.

REGULATION OF LOBBYING

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill, H. R. 11663, an act to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That when used in this Act—

"(a) The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make contribution;

"(b) The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure;

"(c) The term 'person' includes an individual, partnership, committee, association, corporation, and any other organization or group of persons;

"(d) The term 'Clerk' means the Clerk of the House of Representatives of the United States.

"SEC. 2. It shall be the duty of every person who shall in any manner solicit or receive a contribution to any organization or fund for the purposes hereinafter designated to keep a detailed and exact account of

"(1) All contributions of any amount or of any value whatsoever;

"(2) The name and address of every person making any such contribution and the date thereof;

"(3) All expenditures made by or on behalf of such organization or fund; and

"(4) The name and address of every person to whom any such expenditure is made and the date thereof.

"(5) It shall be the duty of such person to obtain and keep a receipted bill, stating the particulars, for every expenditure of such funds exceeding $10 in amount, and to preserve all receipted bills and accounts required to be kept by this section for a period of at least two years from the date of the filing of the statement containing such items.

"SEC. 3. Every individual who received a contribution for any of the purposes hereinafter designated shall within five days after receipt thereof render to the person or organization for which such contributions were received a detailed account thereof, including the name and address of the person making such contribution and the date on which received.

"SEC. 4. Every person receiving any contributions or expending any money for the purposes hereinafter designated shall file with the Clerk between the first and the tenth day of each month, a statement containing complete as of the day next preceding the date of filing.

"(1) The name and address of each person who has made a contribution of any size or value not mentioned in the preceding report; except that the first report filed pursuant to this Act shall contain the name and address of each person who has made any contribution to such person since the effective date of this Act.

"(2) The total sum of the contributions made to or for such person during the calendar year and not stated under paragraph (1);

"(3) The total sum of all contributions made to or for such person during the calendar year;

"(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure;

"(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4);

"(6) The total sum of expenditures made by or on behalf of such person during the calendar year;

"(7) The statements required to be filed by subdivision (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

"SEC. 5. A statement required by this act to be filed with the clerk—

"(a) Shall be verified by the oath or affirmation of the person filing such statement, taken before any officer authorized to administer oaths;

"(b) Shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the clerk at Washington, District of Columbia, but in the event it is not received, a duplicate of such statement shall be promptly filed upon notice of the clerk of its nonreceipt;

"(c) Shall be preserved by the Clerk for a period of two years from the date of filing, shall constitute a part of the public record of his office, and shall be open to public inspection.

"SEC. 6. The provisions of this Act shall apply to any individual, partnership, committee (except a political committee as defined in the Federal Corrupt Practices Act, and duly organized State or local committees of a political party), association, corporation, or any other organization or group of persons who by themselves, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicit, collect, or receive money or other thing of value to be used principally to aid, or the principal purpose of which person is to aid, in the accomplishment of any of the following purposes:

"(a) The enactment or defeat of any legislation or appropriation by the Congress of the United States or the repeal or nonrepeal of any existing laws of the United States, or adoption or defeat of any amendment to the Constitution of the United States.

"(b) To influence directly or indirectly the passage or defeat of any legislation or appropriation by the Congress of the United States.

"(c) To influence, directly or indirectly, the election or defeat of any candidate for any elective Federal office.

"SEC. 7. Any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence the passage or defeat of any pending or proposed legislation or appropriation by the Congress of the United States shall, before doing anything in furtherance of such object, register with the Clerk of the House of Representatives and the Secretary of the Senate and shall give to those officers, in writing and under oath, his name and business address and the name and address of the person by whom he is employed and in whose interest he appears or works as aforesaid, how much he is paid and is to receive, by whom he is paid or is to be paid, how much he is to be paid for expenses, and what expenses are to be included. Each such person so registering shall, at the end of each three month period, so long as his activity continues, file with the Clerk and Secretary aforesaid a detailed report of all money received and expended by him during such three month period in carrying on his work as aforesaid; to whom paid; for what purposes; and the names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials. The provisions of this section shall not apply to any person who merely appears before a committee of the Congress of the United States in support of or opposition to pending legislation and who engages in no further or other activities in connection with the passage or defeat of such legislation; nor to any public official acting in his official capacity.

"SEC. 8. That any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence any Federal department, bureau, agency, or Government official, or Government employee, to make, modify, alter, or cancel any contract with the United States, or any United States department, bureau, agency, or official in the administration of any governmental duty, so as to give any benefit or advantage to any private corporation or individual, shall file with such department, bureau, or agency in such form and detail and at such times as said department, bureau, or agency shall by rules and regulations or orders prescribe as necessary or appropriate in the public interest a statement of the subject matter in respect of which such person is retained or employed, which statement may be required to contain the nature and character of such retainer or employment and the amount of compensation received or to be received by such person directly or indirectly in connection therewith. It shall be the duty of each Federal department, bureau, or agency to promulgate and put into effect such rules, regulations, and orders with respect to the form and filing of such reports as may be necessary to effect the purposes of this act.

"SEC. 9. All reports required under this bill shall be made under oath, before an officer authorized by law to administer oaths.

"SEC. 10. Any person who violates any of the provisions of this Act or who may engage in the practices heretofore set out without first complying with the provisions of this Act, shall be guilty of a misdemeanor, and upon conviction, shall be punished by a fine of not more than $5,000.00 or imprisonment for not more than twelve months, or by both such fine and imprisonment.

"SEC. 11. Any person who shall make a false affidavit, where an affidavit is required in this Act, shall be guilty of perjury, and upon conviction, shall be punished by imprisonment for not more than two years.

"SEC. 12. If any provision of this title or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

"SEC. 13. The provisions of this Act shall not apply to practices or activities intended to be regulated by the Federal Corrupt Practices Act nor be construed as repealing any portion of said Federal Corrupt Practices Act, or any other statute heretofore enacted or any portion thereof."

And the Senate agree to the same.

ZEBULON WEAVER,
EMANUEL CELLER,
JOHN E. MILLER,
U. S. GUYER,
WM. E. HESS,
FRANCIS E. WALTER,
Managers on the part of the House.

CARL A. HATCH,
G. W. NORRIS,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, submit the following written statement explaining the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

The Senate amendment struck out all after the enacting clause of the House bill and inserted its own bill in lieu thereof. The House receded from its disagreement to the Senate amendment, with an amendment which is a substitute both for the House bill and the Senate amendment. The differences between the House bill, the Senate bill, and the substitute agreed to by the conferees are noted below.

The first seven sections of the conference report are identical with the first seven sections of the House bill, with the exception of the following minor amendments:

(1) The first amendment requires persons expending money for the purposes set out in the act to register as well as those receiving money for such purposes.

(2) The House bill required the first report filed pursuant to this act to contain the name and address of each person who during the preceding 6 months made a contribution required to be reported. The conference report changes the wording to require such report to contain the name and address of each person making a contribution after the effective date of this act.

(3) In section 7, the words of the House bill, "to attempt to influence", are changed by the conference report to read, "for the purpose of attempting to influence."

The House bill required registration only of persons attempting to influence legislation pending before Congress. The Senate amendment added provisions requiring registration of persons who engage themselves for pay or for any consideration to attempt to influence any Federal department, bureau, agency, or Government official or employee to make, modify, alter, or cancel any contract with the United States, or any bureau, agency, or official, as such official, or to influence any such bureau, department, agency, or official in the administration of any governmental duty so as to give benefit or advantage to any private corporation or individual. The House accepted the Senate amendment with amendments, which is section 8 of the conference report. Under this section the report is to be filed with the bureau or agency sought to be influenced, in such form and detail and at such times as said bureau or agency shall prescribe by regulations. The statement to be filed must include the subject matter of such employment, and may include the nature and character of the retainer or employment and the amount of compensation received or to be received by such person directly or indirectly in connection therewith. Persons who merely appear before a committee or board in open session, giving testimony or making arguments, for or against any pending matter, and who engage in no further activities in connection therewith, are exempted from the provisions of the act.

All reports are required to be made under oath. The penalties for violation of the act are a fine of not more than $5,000 or imprisonment for not more than 12 months, or by both such fine and imprisonment. Any person making a false affidavit shall be guilty of perjury and upon conviction shall be punished by imprisonment for not more than 2 years.

Section 12 of the conference report is section 9 of the House bill. This section is the usual separability clause.

Section 13 of the conference report provides that this act shall not apply to practices or activities intended to be regulated by the Federal Corrupt Practices Act nor be construed as repealing any portion of said Federal Corrupt Practices Act, or any other statute heretofore enacted or any portion thereof. This is the same as

section 10 of the House bill with the addition of the clause "or any other statute heretofore enacted or any portion thereof."

EMANUEL CELLER,
ZEBULON WEAVER,
FRANCIS E. WALTER,
JOHN E. MILLER,
U. S. GUYER,
WM. E. HESS,
Managers on the part of the House.

Mr. SNELL. Mr. Speaker, will the gentleman from New York explain the bill?

Mr. CELLER. The bill provides, briefly, for accountings by persons and organizations that are set up principally, and I use the word "principally" advisedly, for the purpose of influencing, directly or indirectly, any legislation or appropriation, or to influence, directly or indirectly, the passage or defeat of any legislation or an appropriation or an amendment to the Constitution, or to influence, directly or indirectly, the election or defeat of any person to any elective Federal office. These provisions require careful and rather minute and detailed bookkeeping and accounting of moneys received and disbursed. Political committees defined in the Federal Corrupt Practices Act are excepted.

Th esecond portion of the bill provides that any person—the term "person" includes a committee, association, or corporation—who shall engage himself for pay or any kind of consideration for the purpose of attempting to influence the passage or defeat of any legislation or appropriation and for that purpose appears before a committee or takes other appropriate action comes within the provisions of the act and must register with the Clerk of the House and the Secretary of the Senate. Each person thus lobbying must continue to register quarterly so long as his employment continues. He must state his compensation, the name and address of his employer or employers, the moneys expended, the amount, and for what purpose. He must indicate whatever propaganda he has initiated and continued, and names of the papers, magazines, and periodicals carrying the statements and propaganda.

If there is a casual, a single, appearance before a committee, he need not register in that fashion. The provisions of the section, for example, would not apply to any person who merely appeared before a committee in support of or in opposition to pending legislation; the bill says so in so many words. It is the professional lobbyist that is sought by the bill. If a man appears before a committee and engages in no other activity in connection with a bill, no registration is necessary. If he appeared for pay in an attempt to influence legislation or balk the passage of a bill before a committee and received compensation therefor, he must register in the manner provided.

That, I may say, was the House bill in general terms. The Senate bill went further and provided a third general section setting up various requirements to be complied with by any person who for profit or consideration appears before any bureau, department, or governmental agency in an endeavor to influence those in charge of that agency, bureau, or department in the way of modifying a contract or changing the actions or influencing favorable actions of those officials in charge of such bureaus or departments. If they act for profit, they come within the provisions of the act and must register in accordance with rules and regulations prescribed by the departments, agencies, or bureaus. First, the appearance before the governmental agency must be for pay. Second, the attempt must be to influence the Government officials so as to confer some advantage upon the person thus appearing. Then registration is essential in pursuance of rules and regulations of the department before which such person appears.

The House conferees thought the Senate had gone too far on this matter of lobbying restrictions so far as executive departments were concerned. After considerable deliberation, it was agreed that we would go along partly with the Senate and require registration of anyone appearing for profit before a department, bureau, or agency in accordance with rules and regulations to be promulgated by the department, bureau, or agency. The Senate originally required that the rules and regulations must provide that the individuals thus appearing to influence the department must state the nature and character of the retainer and the amount of compensation, and give all manner and kind of details. As a result of the deliberations we came to this compromise, that the statement the lobbyist would have to file would be in accordance with rules and regulations of the department, without making it mandatory that the rules and regulations require the individual to state the nature and character and amount of the retainer. That was left purely discretionary with the department in their promulgation of rules and regulations. Thus we finally agreed that the disclosure of the retainer and details thereof be discretionary and not mandatory regulations. It is to be mandatory that the rules and regulations only require a statement of the subject matter in respect of which such person or lobbyist is retained.

Mr. SNELL. Does that mean that under the present bill, as the gentleman views it, if a man wanted to come to Washington and appear before a department in connection with some business for a firm he represented, that before he could appear he must register under the rules and regulations of the department?

Mr. CELLER. If he came here specifically engaged for pay in that appearance—yes.

Mr. SNELL. We would not expect a lawyer to represent a man and not be paid for his services.

Mr. CELLER. If he were a lawyer engaged for compensation by the principal to appear before a department, he would have to register according to the rules to be promulgated by that department.

Mr. SNELL. He would have to consult the rules first and disclose whatever information was required before he could appear before the committee or department?

Mr. CELLER. He would have to disclose whatever was required by the rules and regulations of the particular department before which he wished to appear.

Mr. SNELL. He would have to find out what the rules and regulations were first.

Mr. CELLER. Certainly.

Mr. SNELL. As a matter of fact, the net result of this would be that the business would come to the man who was here in Washington registered.

Mr. CELLER. I do not think that is a fair inference to be drawn.

Mr. SNELL. I thought it was a fair question. It seems to me that is the way it would result.

Mr. CELLER. I cannot answer the question the way the gentleman wanted it answered. There could be no limitation as to who would have the right to register.

Mr. SNELL. I did not ask the gentleman to answer in any particular way. It seems to me it would drive business to those who are registered in Washington to appear before the departments and bureaus.

Mr. CELLER. Any man who seeks to do what this bill says he should not do offends against it. Any man who appears before the departments for compensation or profit would register and disclose what the rules and regulations require. That is nothing more than the Treasury Department requires now, and is nothing more than what many of the departments require now. The R. F. C., the S. E. C., the Federal Communications Commission, the Patents Bureau, and many other departments require no more, no less, than this bill's requirements in this connection.

As I say, instead of making a disclosure of the compensation received mandatory, it is left discretionary with the departments.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MICHENER. As a matter of fact, the House bill was the Smith bill and the Senate bill was the Black bill.

These are known as the antilobbying bills. I understand the conferees are in unanimous agreement?

Mr. CELLER. They are in unanimous agreement.

Mr. MICHENER. The Smith bill, as it passed the House, was aimed directly at movements like the Father Coughlin

movement and the Townsend movement. It required all of those people to keep books and a record of the individuals who gave a nickel or a dime. It required reports and things of that kind. Are those provisions still in the bill?

Mr. CELLER. Those provisions are in the bill in this sense: Any entity organized principally to influence legislation or to elect or defeat candidates for Federal office must keep a record of receipts and disbursements.

Any organization whose principal function is to influence legislation or influence such Federal elections must keep these accounts and do this filing.

Mr. MICHENER. As a matter of fact, if this bill is strictly complied with it would be physically impossible for the Coughlin group or the Townsend group—and I am not speaking for them—to function as they do now.

Mr. CELLER. I am not familiar enough with the practices of these organizations. If they come under the bill they would have to comply, whether it would be easy or difficult so to do. For example, the American Federation of Labor would not have to register under the provisions of this act, because the American Federation of Labor has not been principally devised and organized to elect Federal officials or to influence legislation. Those are only incidental functions. The American Federation of Labor embraces many purposes, only one of which has to do, namely, with the influencing of legislation. The word "principally" was added so as to exempt organizations like the American Legion, Veterans of Foreign Wars, the American Federation of Labor, and so forth.

Mr. BOILEAU. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. In the House bill there were provisions to the effect that these organizations would have to file with the Clerk of the House of Representatives the names of all contributors, whether the contribution was a nickel or a dime, or what not; and such organizations as the gentleman from Michigan referred to, having millions of contributors of small amounts, would have to file the names of those contributors. Is that section still in the bill?

Mr. CELLER. Yes; it is still in the bill. It is the duty of House conferees always to preserve as much as possible of the House bill. Conferees would not be doing their duty otherwise.

Mr. BOILEAU. At the time that that bill was up in the House for consideration I offered an amendment which required the organization to file a statement showing the total amount of the contributions, but listing only the names of those who contributed $5 or more. I understood there was some concession made along that line. However, they still would have to file the names of the millions of people who may have contributed 5 or 10 cents each month?

Mr. CELLER. We took the Smith bill. The Smith bill remained intact. The House voted on that bill, and we dared not change it. The Senate concurred in it.

Mr. BOILEAU. I would like to go along with the gentleman on this bill, but it seems to me that is an unreasonable provision.

Mr. CELLER. Remember, the House passed the bill originally with the provision the gentleman objected to in it.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. MARCANTONIO. Did I understand the gentleman to say that this bill is applicable only to those corporations which are formed principally for the purpose of influencing legislation or influencing Federal elections?

Mr. CELLER. That is correct.

Mr. MARCANTONIO. A public utility holding company is not formed principally for the purpose of influencing legislation. Therefore a public utility holding company would not come under the provisions of this bill?

Mr. CELLER. They might. For example, they would if a public utility hired somebody who appeared before a committee and paid that somebody a compensation. If they hired a lawyer to appear before a committee or department or hired some agent in Washington for compensation to appear before a committee or to appear before a department, that lawyer or that agent would have to register and state who his principal was and give the details of the retainer.

Mr. MARCANTONIO. But let us take such organizations as mentioned by the gentleman from Michigan, such as the Townsendites, Father Coughlinites, and the unemployment groups. These groups will have to register and they will have to give a list of every single contributor, whether the contributor has donated 5 cents or a penny, is that right?

Mr. CELLER. If the Townsend organization is created principally for the purpose of influencing legislation it would have to tell what the contributions were and where they come from, and tell how the moneys were dispersed and for what purpose.

Mr. MARCANTONIO. If the gentleman will bear with me, may I make this further statement? Insofar as the public-utility companies are concerned, as they are not organized principally for the purpose of influencing legislation, the same obligations do not fall on them which this bill places on such organizations as unemployment groups, the Townsend group, Father Coughlinites, and various other groups.

So that in that respect the public-utility holding companies are not by any means curbed in their lobbying down here as you are curbing the unemployment organizations, the Townsend group, the National Union for Social Justice, and various other groups who openly and aboveboard admit they exist for the purpose of influencing legislation. This group penalizes those who operate in the broad daylight and permits those who operate in the dark to continue their nefarious practices.

Mr. CELLER. I do not agree with the gentleman at all.

Mr. MARCANTONIO. Well, the public-utilitity holding companies are not curbed at all.

Mr. CELLER. I do not agree with the gentleman.

Mr. MARCANTONIO. Will the gentleman show me the distinction?

Mr. CELLER. If the public-utility companies sent someone down here to appear before the various departments or agencies or to appear before the gentleman's committee or my committee, and their agent or lawyer received compensation, the agent or lawyer would have to register.

Mr. MARCANTONIO. But they do not have to list their contributors because those organizations are not formed principally for the purpose of influencing legislation. The unemployed and other groups are forced to list their contributors. The joker in this bill becomes more and more apparent.

Mr. CELLER. I may say to the gentleman that if these utilities banded together and collected funds to defray expenses to be incurred to influence legislation or to defeat legislation these utilities would have to give an accounting of all contributions to the fund, and a list of all contributors, the purposes for which the money was raised. They would fare no better nor worse than the Townsend group. Such fund would be one raised to influence elections or legislation and hence the accounting would have to be filed periodically with the Clerk of the House.

Remember, no one can devise a perfect bill. This bill seeks to scotch the common evil of unwholesome and illegitimate and improper lobbying. To do a great good it may do some little injustice. It is not a perfect bill. No perfect bill is possible.

Mr. MARCANTONIO. But under this bill the public-utility holding companies are protected.

Mr. CELLER. That is not so. They must comply if they attempt to do any of the things covered by the bill.

Mr. MICHENER. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Michigan.

Mr. MICHENER. As a matter of fact, the gentleman has suggested that the American Federation of Labor, for instance, would not be compelled to register. By the same token the National Manufacturers' Association, the Chamber of Commerce, and other agencies engaged in influencing legislation in Washington would not be compelled to register

provided they had some other activity. Now, as a matter of fact, this bill if enacted into law and carried out would require the filing once each month of every contributor, for instance, to the Townsend plan. There would be necessarily a filed list of the members in good standing and paying dues of the several Townsend clubs throughout the country. Everybody who contributed to Father Coughlin would be compelled to have his name entered by the Clerk here at least once a month and the amount he gave.

Mr. CELLER. The gentleman is taking for granted he knows what the plan, scope, and purposes of the Father Coughlin organization and the Townsend organization are. I have not examined the charter or bylaws of those organizations, and I do not know.

Mr. MICHENER. Neither have I. I take what they state.

Mr. CELLER. I do not know what comes within the purview of their organization or charter. For example, if they are organized principally for the purpose of influencing legislation here they would come within the provisions of this bill. As for the National Manufacturers Association or the United States Chamber of Commerce, if they, for example, collect a fund from their Members, just as Townsend collects a fund from his adherents, for the purpose of influencing legislation they would come under this bill's restrictions. There are no favorites. There are no special privileges; all are treated alike.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. McCORMACK. If my friend says that the American Federation of Labor is exempt, how is it that he also says that the public utilities are included?

Mr. CELLER. The American Federation of Labor, I take it, from my knowledge of that organization, has various purposes that it seeks to accomplish. It seeks to better labor conditions in many other ways other than through legislation.

Mr. McCORMACK. So have the public utilities.

Mr. CELLER. Just a minute. I started to say that the American Federation of Labor is not principally engaged in the practice of changing statutes or laws.

Mr. McCORMACK. I agree with the gentleman.

Mr. CELLER. Now, a utility corporation, if it wants to effect a change in a statute, usually hires a lawyer or some sort of agent to come here for compensation and appear before the various committees or appear before the various bureaus. The American Federation of Labor usually sends its own employees down here.

Mr. McCORMACK. Not necessarily.

Mr. CELLER. Yes; I have inquired about that. It does not hire a lawyer specifically to appear before a committee and pay him just for that job.

Mr. McCORMACK. Not always.

Mr. CELLER. It has a legislative branch among its activities, over which there presides an officer or officers or aides, and they come down to the various committees. They do not receive any specific compensation for their work here, and therefore they would not come within the purview of this bill. Their appearance is incidental to many other functions or activities.

Mr. McCORMACK. I cannot see the distinction.

Mr. SWEENEY. Mr. Speaker, will the gentleman yield.

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. SWEENEY. The gentleman is making a fine explanation, but what I want to know is this: Are we going to get any time to oppose this matter? The gentleman is in charge of the time.

Mr. CELLER. I shall be pleased to yield time.

Mr. SWEENEY. Is the gentleman going to consume all the time?

Mr. CELLER. I did not intend to do so, and I shall be very pleased to desist now.

Mr. HEALEY. Mr. Speaker, will the gentleman yield for just a moment?

Mr. CELLER. I yield.

Mr. HEALEY. As a matter of fact, as the bill is now written, it is a discriminatory bill against the organizations that are formed wholly for the purpose of influencing legislation.

Mr. CELLER. That is a correct assumption.

Mr. HEALEY. And some of these other organizations not formed for that purpose may influence legislation just as much.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Mr. Speaker, this is a very important bill and we ought to have a quorum here. I make the point of no quorum, Mr. Speaker.

Mr. O'CONNOR. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. MARCANTONIO. I withhold it.

Mr. O'CONNOR. In view of the situation which has developed—we did not think this matter would take so long—it is my purpose to move to recess very shortly.

First, Mr. Speaker, I ask unanimous consent to insert in the RECORD two speeches, one made by Postmaster General Farley and one by General Hines, explaining the distribution of the bonus bonds.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DELIVERY AND PAYMENT OF ADJUSTED-SERVICE BONDS

Mr. O'CONNOR. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following special radio message of Postmaster General James A. Farley to the veterans of the Nation explaining the final preparations for the delivery and payment of the adjusted-service bonds over a Nation-wide radio hookup (National Broadcasting Co., blue network), on June 13, 1936:

It is my privilege tonight to bring to the men and women who participated in the World War a last-minute message explaining the final preparations for the delivery and payment of adjusted-service bonds.

This will be a big task; its magnitude can hardly be appreciated by one not having an intimate knowledge of the numerous details as worked out by the three Government agencies concerned, namely, the Veterans' Administration, the Treasury Department, and the Post Office Department.

Approximately 3,518,000 veterans will receive 38,000,000 bonds, valued at $1,900,000,000. These shipments by mail will total 300 tons in weight, enough to fill completely more than 25 full-sized railway postal cars.

The first step necessary was the surrender by the veteran of his or her adjusted-service certificate and the filing of an application. The Veterans' Administration is the Federal agency which reviews these applications and determines the amounts to be paid.

To the Treasury Department went the equally difficult job of working out the many details incident to the issuance and preparation of the bonds for mailing, as well as their redemption.

In order that the veterans may be accommodated to the fullest extent and put to as little inconvenience as possible, the Post Office Department, with its trained personnel and more than 45,000 post offices located in all parts of the United States, Alaska, Hawaii, Puerto Rico, the Virgin Islands, and Guam and Samoa, has been called upon to deliver the bonds and make payment on request.

The Postal Service welcomes this opportunity to serve the veterans and fully appreciates the importance of the undertaking.

There is one point I wish to make clear—the bonds may not be dispatched or delivered by the Postal Service until June 15, the date prescribed by law for first release. The dispatch of millions of the bonds will commence immediately after 12 o'clock tomorrow night. On Monday thousands of veterans will actually have the bonds in their possession and many who desire to redeem them will receive their checks a few days thereafter.

All veterans will receive their adjusted-service bonds by registered mail, together with checks for odd amounts of less than $50 and a circular letter giving detailed information concerning certification and payment. Delivery will be made to the addressee only. Under no circumstances may delivery be made to other than the person named as the addressee, even though addressed in care of some person, firm, hotel, or institution. It is important, therefore, that veterans arrange to be at their homes or at the addresses given by them in their applications when delivery of the bonds is expected. If delivery cannot be made at the post office to which originally addressed, the registered letter will be returned to the sender, as it may not be forwarded to another office.

In some of the larger cities postmasters will arrange for a night delivery starting about 5:30 p. m. This arrangement will relieve veterans of the necessity of losing time from their places of employment.

In the large cities and many of the small towns, announcements have been made over the radio and through the press advising veterans the date delivery is to start. Every attempt will be made by the Postal Service to deliver the bonds to the veteran at home for the reason that it will be much easier to furnish suitable identification there than it would be at the post-office delivery windows. I would advise each veteran who is not known to the carrier on his route to have someone available to identify him who is acquainted with the carrier.

Due to incomplete applications, the Treasury Department may not be able to turn over all veterans' bonds to the Postal Service by June 15, but you may rest assured that bonds received at post offices subsequent to that date will receive the same speedy service.

Veterans residing on rural routes will receive their bonds from the rural carriers. It will be necessary for veterans on star routes to call at post offices for their bonds, because it would be unlawful for the postmaster to turn such letters over to the star-route carrier, as he is not a regular classified postal employee. However, the veterans on star routes need make only one trip to the post office for delivery of the bonds and payment if desired.

Now as to details concerning payment: All post offices, wherever located, will certify to requests of veterans for payment, and 241 post offices have been selected to issue checks.

When a veteran desires payment all he need do is to go to his local post office, identify himself, and sign the request for payment on the back of each bond. The postmaster will then make the necessary certification, and if his office is not authorized to issue a check he will send the bonds to a central office, where a check for the proper amount will be issued and mailed direct to the veteran's address. This check will be a warrant drawn against the Treasurer of the United States and may be cashed by the veteran in the same manner as other checks—through banks, stores, and other business establishments.

In the event a veteran is not personally known to the postmaster or an employee of his post office he should have one or two responsible persons with him who are known to identify him. This is necessary for the reason that postal employees who certify to requests for payment will be held personally responsible for all improper certifications. If you are a member of a veterans' organization, it is suggested that you contact the officers of your post, and I have been assured that arrangements will be made by them to help you secure necessary identification.

It was realized that because of the large number of veterans to be served during the first 2 or 3 days the space in post offices at many of the larger cities would be inadequate to accommodate the veterans and the necessary witnesses. Arrangements have therefore been made to obtain additional space in which to set up units to take care of the certifications.

Relative to requests for certification for payment of bonds, it has been made plain to the veterans throughout the country that they do not have to cash their bonds at this time. In fact, it has been pointed out that veterans, who are in position to do so, may hold these bonds as security and draw 3 percent interest on them. The interest on these bonds begins on June 15, 1936, but if they are cashed before June 15, 1937, they will draw no interest.

It has also been suggested that veterans who are not in immediate need of funds should hold their bonds for a time in order that those less fortunate may receive first attention.

There are other methods provided by the Treasury Department for having bonds certified, such as by officers in charge of any home, hospital, or other facility of the Veterans' Administration, any executive officer of a bank or trust company, judges and clerks of the United States courts under seal of the court, United States collectors of customs and internal revenue, commanding officers of the Army, Navy, Marine Corps, and Coast Guard of the United States, and certain designated officials of the Treasury Department, but bonds certified by anyone except a postal employee must be sent direct to the Treasurer of the United States, Washington, D. C.

It is evident from a number of letters which I have received that many veterans, civic organizations, and business establishments have been misinformed about the plans worked out for the payment of the bonds. They apparently are under the impression that veterans will be compelled to leave their cities and towns of residence for the purpose of obtaining certification to their request for payment and also for the payment of the bonds.

I want to emphasize that no one need go beyond his local post office. A check for the proper amount will be mailed direct to him at the address furnished, and therefore no community will be deprived of any benefits which might result from the cashing of the checks.

I had the privilege a few weeks ago of conferring in Washington with the national commanders and other representatives of the American Legion, Veterans of Foreign Wars, and Disabled American Veterans. There was an open discussion as to ways and means of placing the bonds in the hands of the veterans and redeeming them at the very earliest practicable date. This conference was of inestimable value in making the arrangements. I appreciated their suggestions and assurances of cooperation, and I welcome continued cooperation on the part of these organizations and also the assistance of fraternal, labor, and civic organizations, service clubs, and all public-spirited citizens to the end that there shall be no avoidable delay in the payments to veterans.

In concluding my remarks I want each veteran and others interested to know that the Post Office Department in Washington and the Postal Service throughout the entire country have planned weeks in advance to handle and pay the bonds without any unnecessary delay. I have directed that the procedure be such that the veterans shall not be put to any undue inconvenience or hardship. Detailed instructions have been in the possession of all postmasters for more than 2 weeks and they have had opportunity to make all necessary arrangements. I am confident that when the payment of the bonds is completed it will be found that the postmasters and postal employees will have performed a vast job in a most creditable manner.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. O'CONNOR. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following radio address of Gen. Frank T. Hines, Administrator of Veterans' Affairs, relative to the payment of adjusted-service certificates over the blue network of the National Broadcasting Co. from 7:15 to 7:30, eastern standard time, on Saturday evening, June 13, 1936:

The Postmaster General has just told you of the plans that have been formulated and the methods which will be employed to deliver to the veterans their adjusted-service bonds. I do not propose to tell veterans what they shall do with their bonds after they receive them, as the veterans of the World War have long since reached their majority and require no such counsel. In fact, I believe it to be almost a truism that those who need advice do not heed it, and those that heed it do not need it.

However, I would like to suggest to the veterans that before they decide upon the disposition which they will make of their bonds they give consideration to some of the more important factors relating to them. Where there is an immediate need for cash for a specific purpose the veteran, of course, will desire to convert his bonds into cash; but in so doing it should be remembered that it is not necessary that all of the bonds be converted at one time, as the veteran is afforded the privilege of securing cash up to any amount represented in the whole and retaining the remaining bonds for such period as may suit his convenience. If there exists no emergent condition which requires that the bonds be cashed, I would like to offer the suggestion that before surrendering the extraordinary benefits to be derived by holding the bonds that it be ascertained how the proceeds may be safely otherwise invested, keeping in mind that the insurance represented in the adjusted-service certificate no longer exists, as it has been surrendered.

I strongly suspect that it is not unlikely that many veterans will be called upon by persons who have ingenious schemes to assist veterans in the spending of the money represented by their adjusted-service bonds. Some will no doubt attempt to demonstrate how the veteran can more advantageously invest his money than by retaining it in the form of service bonds. I doubt if I need to advise veterans carefully to investigate the various schemes suggested, because by this time they, no doubt, have worked out in their own way the plan they expect to follow, but it is my hope that every bond will be retained if cash is not needed urgently, and if cashed the proceeds will be used for some worthy purpose.

Every effort has been made by the Government agencies charged with the operational functions to place the adjusted-service bonds in the hands of veterans as soon after June 15 as is possible, and the Veterans' Administration is now current in the handling of applications filed. The amount of work involved is so great as to make it nearly impossible for even the most imaginative fully to comprehend its volume and complexities. More than 3,000,000 applications have been received and acted upon. It is estimated that the total amount involved in applications already approved will approximate $1,650,000,000, and the average payment to veterans will be about $550. In some few instances, because of certain complications, it has been necessary to delay final action pending the acquiring of further information. I assure you that the Veterans' Administration is working on these cases and settlement will be effected as quickly as possible. So, if perchance you do not receive your bonds on the 15th or 16th of this month, please do not become impatient and write to the Veterans' Administration; the next mail may bring your bonds, and to write may cause a further delay.

The task of administering the Adjusted Compensation Payment Act, which is the statute under which the adjusted-service certificates became immediately payable, is an enormous one involving millions of separate operations. The Veterans' Administration was called upon to recalculate over 3,000,000 veterans' accounts and to determine eligibility for payment and to certify the amount due each veteran.

Upon the Treasury Department devolved the printing and issuance of the bonds and checks, which means that over 40,000,000 individual pieces of paper had to be printed and thereafter inscribed with the veteran's name and other necessary identifying data; and the printing job was not an ordinary one, as the standard for printing Government obligations is so high that the slightest smear or other irregularity is not countenanced. The magnitude of such an undertaking beggars description, and its successful accomplishment should be a matter of great pride to the Secretary of the Treasury.

The Post Office Department is charged with the duty of distributing and cashing the bonds, and its job would be well-nigh

impossible were it not for the fact that it is so well organized and by experience equipped to bear unusual burdens.

The General Accounting Office, while it will not have direct contact with the veterans, has a very important part in the procedure.

I can say with all modesty that in my opinion each department of the Government has discharged its duties in a most efficient manner, and the teamwork has been remarkable with an absolute lack of any friction. In fact it would seem from the standpoint of the Veterans' Administration that each department was endeavoring to outdo the other in cooperativeness.

The help of the American Legion, the Disabled American Veterans of the World War, and the Veterans of Foreign Wars did not even have to be solicited, as the national commanders of these organizations immediately, upon the enactment of the law, generously offered their full assistance; and I want to say that the aid which they have rendered has been of inestimable value and their uniform attitude has been that of helpful cooperation.

I desire to thank the National Broadcasting Co. for this opportunity of speaking to you.

SOCIALIST PARTY PLATFORM

Mr. BOILEAU. Mr. Speaker, I desire to submit a unanimous-consent request.

I have been requested, Mr. Speaker, by the national affairs committee of the Socialist Party, in view of the fact they have no representation of the Socialist Party in this body, to ask unanimous consent to include in the RECORD the Socialist Party platform adopted in Cleveland, Ohio, on May 26, 1936.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BOILEAU. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

SOCIALIST PARTY PLATFORM ADOPTED IN CLEVELAND, OHIO, ON MAY 26, 1936

The Socialist Party of the United States pledges itself anew to the task of building a society under which the industries of the country shall be socially owned and democratically managed for the common good; a society under which security, plenty, peace, and freedom shall be the heritage of all.

THE OLD DEAL FAILS

Eight years ago the people of this country voted to continue the capitalist Old Deal. The purpose of this deal was to preserve the rights of the few who own most of the Nation's wealth. Under the Old Deal the economic machine was plunged into the worst depression in our history.

THE NEW DEAL FAILS

Four years ago the voters of the United States threw their support to the New Deal. They elected to office Franklin D. Roosevelt and the Democratic Party. The New Deal, like the Old Deal, has utterly failed. Under it big business was given almost unheard-of powers. Untold wealth was destroyed. Prices rose. Profits advanced. Wages lagged. Twelve million men and women are still jobless, and hunger and destitution exist throughout the land.

Under the New Deal attacks have been made on our civil liberties more vicious than at any period since the days immediately following the World War. Gag and loyalty bills have been rushed through our legislatures. Labor organizers have been seized, kidnaped, maltreated, killed.

The militia has been used to crush attempts of labor to organize. Lynching, race discrimination, and the development of Fascist trends have continued unabated. Against these infringements of human rights the Democratic administration has kept an ominous silence.

Under the New Deal we are now spending on our Army and Navy three times as much as before the World War.

CAPITALISM MEANS INSECURITY

Under the capitalist Old Deal and the capitalist New Deal America has drifted increasingly toward insecurity, suppression, and war.

Insecurity is but the logical result of the workings of capitalism. For under capitalism, new and old, the many work for the owners of the machines and land. The owners will not employ the workers unless they expect to extract a profit. Labor is forced to divide up its earnings with the owning group.

With their scanty wages, the workers are able to buy only a part of the goods which they create. Goods pile up. Factories close. Workers are discharged. The country finds itself face to face with another depression.

In the past after a period of hard times we could depend upon the settlement of the West, the development of new foreign markets, and the rapid expansion of our population to revive industry. These forces can no longer be depended upon, as formerly, to keep the system going while our gross and unjust inequality of wealth, our monopoly prices, and our growing debt structure are sowing the seeds of more tragic depressions in the days ahead.

CAPITALISM SOWS SEEDS OF DICTATORSHIP

Our capitalist system is also sowing the seeds of dictatorship. As unemployment increases under capitalism the masses, to save themselves from starvation, are compelled to make even greater demands on the Government for relief and for public jobs. These demands are resisted by the propertied classes, fearful of higher taxes. Restlessness grows.

Demand for greater appropriations increase. The struggle between the House of Have and the House of Want becomes ever more intense. Big business seeks to deny the masses their constitutional rights. Fascist trends develop, trends that only a powerful and militant labor movement on the economic and political fields can successfully stay.

CAPITALISM BRINGS WAR

Militarism, likewise, under a declining capitalism, becomes an ever greater menace. As unrest increases, the masters of industry seek to use the military forces as the bulwark of reaction at home. They support higher military budgets. They look toward imperialist adventures abroad as a means of diverting attention from the unrest at home, and of gaining new markets, new investment areas, new sources of raw material.

A race begins that can have but one ending—an international war. The Japanese seizure of Manchuria and Italy's invasion of Ethiopia are but examples of the forces at work under capitalism. These adventures may well be the forerunners of another world conflict.

SOCIALISM PROVIDES ONLY SOLUTION

In socialism and in socialism alone will we find the solution of our problem. Under socialism the socially necessary industries would be socially owned and democratically administered by workers, consumers, and technicians. The farmer working his own farm would be secure in its possession. The workers would no longer be forced to pay tribute to private owners. They would be able to buy back the goods they created.

SOCIALISM AND THE GOOD LIFE

Industry, finding a market for these goods, would run to capacity without periodic break-downs. Unemployment and the wastes of unplanned industry would cease. Our national income would double or treble. Every useful worker would be assured of high living standards, short hours, freedom of thought and action, and a chance to live the good life. The young would be guaranteed an opportunity for a well-rounded education. The old, the sick, the invalided would be assured the necessaries of life. Industrial autocracy and war would pass. An economy of scarcity would give way to an economy of abundance.

Such a society cannot be obtained without a mighty struggle. That struggle must be made both by workers and farmers, organized on the economic and political fields and dedicated to the creation of a cooperative commonwealth.

In their fight for power and socialism the workers and farmers must gain new strength and unity by their daily struggle against poverty and exploitation. To improve the conditions of life and labor and thereby to weld together the strength and solidarity of the masses, the Socialist Party pledges itself to fight for a number of immediate proposals in legislative halls and side by side with labor in field and factory and office.

1. Constitutional changes

We propose the adaptation of the Constitution to the needs of the times through the farmers' and workers' rights amendment, ending the usurped power of the Supreme Court to declare social legislation unconstitutional and reaffirming the right of Congress to acquire and operate industries. We also propose to change the Constitution so as to make future amendments less difficult and pledge our continued support of the child-labor amendment.

2. Social ownership

We propose the social ownership and democratic control of mines, railroads, the power industry, and other key industries, and the recognition of public industries of the right of collective bargaining.

3. Relief, insurance, jobs

We propose an immediate appropriation by Congress of $6,000,000,000 to continue Federal relief to the unemployed for the coming year; the continuance of W. P. A. projects at union wages; the inauguration of a public-housing program for the elimination of the Nation's slums and the building of modern homes for the workers at rents they can afford to pay; a Federal system of unemployment insurance and of old-age pensions for persons 60 years of age and over, with contributions for such social-insurance systems to be raised from taxes on incomes and inheritances, as provided in the Frazier-Lundeen bill; and adequate medical care of the sick and injured as a social duty, not as a private or public charity. Such services should be financed by taxation and should be democratically administered.

4. Youth

We propose the passage of the American Youth Act to meet the immediate educational and economic needs of young people; adequate Federal appropriations for public schools and free city colleges with a view to making possible a full education for all young people; and the abolition of the C. C. C., the National Youth Administration and other governmental agencies dealing with the youth problem which threaten the wage and the living standards of organized labor.

5. Taxation

We propose a drastic increase of income and inheritance taxes on the higher income levels and of excess-profits taxes and wide experimentation in land-values taxation.

6. Labor legislation

We propose the establishment of the 30-hour week; the abolition of injunctions in labor disputes; the prohibition of company unions, company spying, and private guards and gunmen; and the prohibition of the use of police, deputy sheriffs, and militia and Federal troops in labor disputes.

7. Agriculture

We propose the abolition of tenant and corporation farming and the substitution of the use-and-occupancy title for family-sized farms and the conversion of plantations and corporation farms into cooperative farms. We propose that the marketing, processing, and distribution of farm products be taken over by bona-fide cooperatives and other agencies to be created for this purpose. We propose that farm prices be stabilized at cost of production to the working farmer, such stabilization to be made by representatives of organized working farmers and consumers.

While these changes are taking place we urge:

a. That immediate relief be provided for debt-laden working farmers by advancing Government credit on such terms as do not threaten the farmer with the loss of his farm.

b. That social insurance be provided against crop failures.

8. Civil liberties

We urge the abolition of all laws that interfere with the right of free speech, free press, free assembly, and the peaceful activities of labor in its struggle for organization and power; the enforcement of constitutional guaranties of economic, political, legal, and social equality for the Negro and all other oppressed minorities; and the enactment and enforcement of a Federal antilynching law.

9. Militarism and war

Not a penny, not a man to the military arms of the Government. We reaffirm our opposition to any war engaged in by the American Government. We propose the elimination of military training from our schools; the abandonment of imperialistic adventures of a military or economic nature abroad; the maintenance of friendly relations with Soviet Russia; and the strengthening of neutrality laws, to the end that we may ward off immediate wars while fighting for the attainment of a social order which will eliminate the chief causes of war.

10. Cooperation

We recognize the importance of the consumers' cooperative movement, though realizing that it alone cannot be depended upon to achieve a Socialist cooperative commonwealth. We urge the Socialist and the organized-labor movement to give their support to consumers' cooperatives to the end that it may become a valuable auxiliary to labor on the economic and political fields, and that it may help lay the foundation for a new economic order. We urge the encouragement by the Federal Government by every legitimate means of genuine consumers' cooperation.

The Socialist Party calls upon the workers, farmers, and all advocates of social justice to join with it in its struggle to widen the channels through which may be made peaceful, orderly, and democratic progress; to resist all trends toward insecurity, fascism, and war; to strengthen labor in its battles for better conditions, and for increasing power; to refuse to support the parties of capitalism, or any of their candidates, and to unite with it in its historic struggle toward a cooperative world.

AIR CORPS OF THE ARMY

Mr. McSWAIN submitted a conference report and statement on the bill (H. R. 11140) to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States.

ORDER OF BUSINESS

Mr. SWEENEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SWEENEY. Do I understand the conference report submitted by Mr. CELLER, which was under consideration, is the matter now before the House?

The SPEAKER. It is.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that further consideration of the conference report on the so-called antilobby bill be postponed until tomorrow.

Mr. SWEENEY. I object, Mr. Speaker.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that the further consideration of the so-called antilobby bill be postponed until Wednesday at the earliest.

Mr. CONNERY. Mr. Speaker, reserving the right to object, I would like to know what my friend from New York means by "the earliest."

Mr. O'CONNOR. I mean that it will not be taken up tomorrow.

Mr. BLANTON. Mr. Speaker, reserving the right to object, why should this antilobbying bill not be the unfinished business in the morning? This is a most important bill.

Mr. O'CONNOR. We have other business that was scheduled to be taken up tomorrow, and this is a controversial matter.

Mr. BLANTON. What is the bill that is to be taken up tomorrow that is more important than the antilobby bill?

Mr. O'CONNOR. We had planned to take up the bituminous-coal bill.

Mr. BLANTON. That also is a controversial matter. I do not think that is as important as the pending bill, and I object.

Mr. SNELL. In view of the pending situation, I think the gentleman from New York should state what is coming up tomorrow.

Mr. O'CONNOR. Subject, of course, to recognition by the Speaker for the bringing up of conference reports, it is planned to take up the coal bill tomorrow.

Mr. BLANTON. Mr. Speaker, there is no bill before the Congress more important than the pending antilobbying bill, and I object.

PROTEST AGAINST REDUCTION OF TARIFF ON CHERRIES

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter to the Secretary of State's office.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ENGEL. Mr. Speaker, under the leave to extend my remarks in the RECORD I include a letter written to the Secretary of State by Members in Congress from Michigan protesting against the reduction of the tariff on cherries made in the reciprocal-trade agreement with France:

JUNE 4, 1936.

Hon. CORDELL HULL,
Secretary of State,
Washington, D. C.

MY DEAR MR. HULL: We have just been informed that under the trade agreement with France the tariff on maraschino and candied cherries not in brine nor sulphur and not in their natural state was reduced from 9½ cents a pound plus 40 percent ad valorem to 9½ cents a pound plus 20 percent ad valorum. Your Department further informs us that this reduction upon a basis of the 1934 importations represents a reduction of the tariff from 96 percent to 76 percent. Under the "most-favored-nation clause" adopted by you in your reciprocal-trade agreements, this concession permits the importation of these cherries by any other nation, including Italy, with the same reduction in tariff which is given France.

For your information, approximately 22,000,000 pounds of Italian cherries in addition to cherries from other countries were shipped into this country for the maraschino trade in 1929, and prior to the time this tariff was placed on the importation of this product. In 1934, after this tariff had been in operation approximately 4 years and industry had had an opportunity of operating, the importation of this product was reduced to approximately 700,000 pounds. The remainder of the maraschino-cherry trade was supplied by domestic cherry growers and manufacturers. In view of the fact that there has been a surplus of cherries in this country for several years past, this has been an important factor in keeping the cherry industry from being completely demoralized. The maraschino-cherry trade has absorbed from 10 to 15 percent of the total crop, which has been a decisive factor in preventing a still greater surplus and a complete break-down of prices.

The above tariff rate was based upon the difference in the cost of production in this country and in the European countries, represented mainly in the difference of the cost of labor. The French trade agreement permits the importation of the finished product which represents approximately 80 percent labor. The price the cherry grower receives for his cherries is ultimately determined by the price the consumer pays for the finished product. All cherries in brine, either domestic or foreign, must ultimately meet this foreign competition as a finished product. A 20-percent reduction on cherries in brine, which are worth about 10 cents a pound, would have meant a reduction in the price of the finished product of approximately 2 cents a pound. We are informed that the candied or finished cherries sell for about 30 cents a pound, and therefore a 20-percent reduction would mean a reduction of 6 cents a pound. In view of the difference in the cost of labor in European countries and in this country, this reduction will throw open the door to the importation of manufactured cherries, will deprive the home grower of his market, and will add to the surplus crop of the United States in any year in which a normal crop is produced. All of these facts were presented to the fact-finding committee of the Tariff Commission a year ago.

We, the undersigned members of the Michigan delegation in Congress, protest against the reduction of the tariff on this product.

Yours truly,

ALBERT J. ENGEL.
GEORGE A. DONDERO.
WILLIAM W. BLACKNEY.
CARL E. MAPES.
ROY O. WOODRUFF.
EARL C. MICHENER.
CLARE E. HOFFMAN.
JESSE P. WOLCOTT.
CLARENCE J. MCLEOD.
VERNER MAIN.
F. L. CRAWFORD.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCORMACK. If the motion to recess until this evening is adopted, under the previous action of the House the Consent Calendar will be taken up this evening. Will the Smith lobby bill be the first order of business tomorrow?

The SPEAKER. It is the unfinished business before the House until disposed of. The Chair will state, however, and the Chair thinks it is proper to make this statement, that the spirit of the understanding was that tonight the Consent Calendar would be considered.

Mr. BLANTON. Mr. Speaker, I wish to propound an inquiry of the gentleman from New York preliminary to withdrawing my objection. I understand that the conference report on the lobby bill is to be disposed of in this session.

Mr. O'CONNOR. So I understand.

Mr. BLANTON. And I understand that if we recess until 7:30 o'clock tonight there will be no bills taken up tonight except those on the Consent Calendar?

Mr. O'CONNOR. If we have that agreement.

Mr. BLANTON. That will be the agreement, will it?

Mr. O'CONNOR. I was going to again present my unanimous consent request to which the gentleman objected.

Mr. BLANTON. If that should be granted and the gentleman should move to recess until 7:30 this evening, we can understand that there will be no other business taken up except bills on the Consent Calendar?

Mr. O'CONNOR. That was the spirit of the agreement.

Mr. BLANTON. Under the circumstances, Mr. Speaker, I will withdraw my objection to the request of the gentleman from New York.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. O'CONNOR] that the further consideration of the conference report on the so-called antilobby bill be passed until Wednesday?

Mr. CONNERY. Reserving the right to object, Mr. Speaker, there is a general agreement that tonight, just the Consent Calendar will be taken up?

The SPEAKER. That has been definitely settled by agreement.

Mr. CONNERY. And now the gentleman is asking consent that this conference report go over until Wednesday?

Mr. O'CONNOR. At the request of the opponents of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SWEENEY. Mr. Speaker, do I understand that this will be the first order of business on Wednesday?

Mr. O'CONNOR. I could not say that.

The SPEAKER. The Chair will state that it certainly could not come up until necessary business on the Speaker's table is disposed of on Wednesday.

Mr. SWEENEY. Do I understand it is the special order of business for Wednesday and must come up Wednesday?

The SPEAKER. It has been postponed until Wednesday.

Mr. SWEENEY. But it holds its place on the calendar on Wednesday?

The SPEAKER. It is a conference report and is privileged.

Is there objection to the request of the gentleman from New York?

There was no objection.

HOW THE WINE INDUSTRY IS AFFECTED BY THE LIQUOR TAX ADMINISTRATION BILL

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks on the bill H. R. 9185, and to include therein certain tables and excerpts from the hearings before the House Committee on Ways and Means and the Senate Committee on Finance.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BUCK. Mr. Speaker, this afternoon we were endeavoring to conserve the time of the House. When the conference report on H. R. 9185, the liquor tax administration bill, was under consideration, therefore, I did not ask for time to address the House on the subject of the bill. This report has now been adopted by the House and in due course will be adopted by the Senate tomorrow. With the permission of the House, I should now like to review briefly the progress of this bill and the other bills which have been incorporated into it.

The majority of the citizens of my own State, California, and of every other State in which grapes are grown and wine manufactured have followed this legislation with the greatest interest. It is true that this bill revises administrative regulations for distilleries and breweries, as well as wine makers, but California, the chief grape-growing State in the Union, is more concerned with the features of the bill which affect the wine industry than anything else. It is my purpose, therefore, for the information of grape growers and vintners generally throughout the country, to review the many changes which will be made by this bill that affect their interests. It may be well to first recount very briefly the legislative history involved.

On the opening day of the Seventy-fourth Congress, January 3, 1935, I introduced H. R. 191, a bill to reduce by 50 percent the internal-revenue taxes on still wines and on brandy used for fortifying purposes. It will be recalled that on the repeal of prohibition the Interdepartmental Committee on Internal Revenue Taxation recommended a tax on wine, starting at 16 cents per wine gallon on wines of not more than 14-percent alcoholic content and increasing in proportion to the alcoholic content.

Realizing that this would be an unbearable tax, I appeared before the Committee on Ways and Means in January 1934 and succeeded in securing the adoption of a compromise proposal which started the tax rate at 10 cents per wine gallon on dry wines and increased proportionately to the alcoholic content. These are the present rates. They were just the best guess that could be made at the time as to what rate of taxation wine could stand. Experience, however, has demonstrated that, while possibly wine could stand a tax of 10 cents per gallon on dry wines, 20 cents per gallon on sweet wines, and so forth, it could not stand that tax as a Federal tax and additional State taxes, which in some cases amounted up to over $1 per gallon, as well. At this point I include an excerpt from the testimony of Judge Marion DeVries before the subcommittee of the Committee on Finance of the United States Senate in the hearings on H. R. 191 and H. R. 9185, and a table submitted by him (Hearings, pp. 165–168):

Thereafter I wired Mr. Harry A. Caddow, secretary-manager of the Wine Institute in San Francisco, for a statement on authority of the institute of the fair average selling prices of wines, dry and sweet, naked in the winery in California. In response thereto I was by him advised that the current fair average sales price of dry wines in California is 15 cents a gallon, and of sweet wines 35 cents a gallon naked in the bonded winery or storeroom.

Since the tax must be paid before the wines can be delivered from the bonded winery or storeroom it is obvious that the average market value of, or sales price paid for, bulk wines in California today deliverable in trade and commerce is 15 cents naked in the winery plus 10 cents Federal and 2 cents State tax or 27 cents per gallon. And for sweet wines 35 cents naked in the winery plus 20 cents Federal and 2 cents State tax or 57 cents per gallon.

The actual situation therefore is as follows: The tax is laid upon the wine whether in bulk or in the case at a gallonage rate upon each gallon as it leaves the bonded winery or storeroom. It must be paid before the wine can be delivered out of the bonded winery or storeroom. It is an integral part of the

sales price which the purchaser must pay in order to take possession of and move the wines in trade and commerce. The determination of the tax burden upon the vintner who actually pays the tax is arrived at by comparing the tax so paid by him with the price obtained by him for the wine at the door of the bonded winery or storeroom and not by comparing the tax the vintner pays with the retail price received long thereafter by the retailer in the retail markets of the United States. At the door of the bonded winery or storeroom stands the tax collector, so to speak, to collect the tax laid by the gallon upon every wine sale before it is delivered out of the bonded winery or storeroom.

Bulk wines, of which the vast majority of sales consist, if dry, are sold on an average of 27 cents a gallon deliverable at the winery. When, therefore, a buyer comes to the winery and wants to buy dry wines and is willing to pay therefor 27 cents per gallon, the vintner selling the same at that price receives for himself 15 cents only and must pay to the Government 12 cents.

The same is true of the vendor of bulk sweet wines. The State tax in California is 2 cents per gallon upon all wines. The Federal tax is 20 cents per gallon upon sweet wines. The average open-market sales price therefor is 57 cents per gallon, deliverable at the winery. So that when a customer comes to the winery in California prepared to pay for sweet wines 57 cents per gallon, out of that 57 cents received therefor by the vintner he retains but 35 cents for himself and must immediately pay to his partners, the Government, 20 cents Federal tax and 2 cents State tax, or 22 cents. But the vintner of sweet wine has already paid or must pay the Federal Government 6 cents per gallon fortifying tax. So whenever the California vintner receives 35 cents for 1 gallon of sweet wine, the Government actually receives 28 cents and the vintner 35 less 6 cents, or 29 cents. The Government nets 28 cents, the vintner receives 29 cents.

And the vintner must receive these prices and must pay these taxes in order to receive out of his aforesaid open-market sales prices for his own use 15 cents per gallon for his dry and 35 cents per gallon for his sweet wines.

Comparative costs of producing dry and sweet wine in California, by districts, 1933

District	Dry wine				
		Manufacturing			
	Total	Total	Overhead and general manufacturing	Labor	Juice[1]
	(1)	(2)	(3)	(4)	(5)
	Cents	*Cents*	*Cents*	*Cents*	*Cents*
North coast section (includes only Napa, Sonoma, and Mendocino)	26.08	8.01	6.04	1.97	18.07
Central Valley (includes only Lodi section)	14.69	6.69	5.47	1.22	8.00
San Joaquin Valley (includes only Fresno section)	15.47	6.47	4.97	1.50	9.00
Southern district (territory south of Tehachapi)	16.36	6.19	4.53	1.66	10.17
Average cost production per gallon, California dry wines	18.15				

District	Sweet wine						
		Manufacturing					Average cost of grapes (per ton)
	Total	Total	Overhead and general manufacturing	Labor	Juice	Tax (fortifying)	
	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Cents	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	
North-coast section (includes only Napa, Sonoma, and Mendocino)							$29.17
Central Valley (includes only Lodi section)	29.71	9.73	8.22	1.51	15.00	4.98	12.00
San Joaquin Valley (includes only Fresno section)	31.09	8.55	7.37	1.18	16.90	5.64	13.52
Southern district (territory south of Tehachapi)	33.98	8.25	7.04	1.21	20.91	4.82	15.27
Average cost production per gallon California sweet wines	31.59½						

[1] Juice determined by conversion factor of 150 gallons of dry wine crushed from 1 ton of grapes and 80 gallons of sweet wine from 1 ton of grapes.

Source of data: Recapitulation of cost figures compiled by B. C. Squires.

In this connection it will be borne in mind that while Mr. Weller's figures relate to cost of marketing the wine as and after it leaves the bonded winery or storeroom, the foregoing figures of Messrs. West and Pearce cover the cost necessary to produce the wine naked in the winery. Therefrom it is shown that when the vintner-grower receives net 15 cents per gallon for his dry wine he receives less than its actual cost to him naked in the winery, and when he receives net 35 cents per gallon for his sweet wines naked in the winery he receives less than 3 percent, if that, above actual cost.

In the fall of 1934 I proposed that, if returned to Congress, I would introduce a measure to cut the existing internal-revenue taxes in half, believing that with this encouragement from the Federal Government, State governments might be likewise encouraged to reduce their taxes to the same level of Federal taxation. This would result in a combined tax rate of not more than 10 cents per gallon on dry wines, 20 cents per gallon on wines containing up to 21 percent alcohol, and 40 cents per gallon containing more than 21 percent alcohol.

To carry out this proposal, H. R. 191 was introduced by me on the opening day of the first session of the Seventy-fourth Congress. This measure received the approval of the Wine Institute of California and the approval, as well, of New York and other grape-growing States. At the suggestion of New York Representatives, the same tax reduction was also extended to champagnes and sparkling wines. In this suggestion I was only too happy to concur.

During the spring of 1935 the Treasury Department sent down a set of three proposed bills for consideration by the Ways and Means Committee. These dealt with changes in administrative regulations affecting distilling, brewing, and wine interests. Investigation had shown me that there were still additional taxes that burdened the wine industry, so on April 19, 1935, I introduced bills providing for the removal of the first withdrawal and the rectifying tax on vermouth, and for the repeal of the tax on grape concentrate. Both of these measures had received the approval of the Wine Institute through their very able counsel at Washington, who has cooperated with me in an extraordinarily helpful manner from start to finish, Judge Marion DeVries. I should also record the fact that Hon. CLARENCE F. LEA, of the First California District, also appeared before both the Ways and Means Committee and the Senate Finance Committee and submitted helpful briefs in behalf of this legislation.

Extensive hearings on the three Treasury bills and the vermouth and grape-concentrate bills and the tax-reduction bill were held simultaneously before the Ways and Means Committee, and executive sessions of some length on these bills ensued. As a result, the Ways and Means Committee favorably reported to the House H. R. 191, incorporating therein the vermouth and champagne tax-reduction provisions and a provision eliminating a double tax on liqueurs and cordials, which was evidently an oversight on the part of those who prepared the Liquor Taxing Act of 1934.

The 50-percent reduction of the tax on brandy used for fortifying purposes and the repeal of the tax on grape concentrate as well, together with the administrative changes, were incorporated into the final liquor-tax administration bill known as H. R. 9185, which combined such parts of the three Treasury bills as the committee approved and a number of other suggestions, which I shall speak of later, worked out in conference with Treasury officials by Judge DeVries and myself. These bills were reported separately because of parliamentary reasons, but it is important to remember that both received the unanimous favorable report of the Committee on Ways and Means and unanimous approval of the House, in order to understand that while apparently the House conferees were accepting a large number of Senate amendments to H. R. 9185, in reality they have only been assenting to the Senate's action in combining the two bills in one.

Largely because of the special interest in this legislation that I had taken, Chairman DOUGHTON authorized me to introduce the liquor-tax administration bill in its final form, and the Ways and Means Committee authorized me to report both it and H. R. 191 favorably—Reports Nos. 1817 and 2028, Seventy-fourth Congress. Both bills passed the House

late in August 1935, but too near adjournment to be seriously considered by the Senate Finance Committee at the first session of the Seventy-fourth Congress. Senator HARRISON, chairman of that committee, however, promised that early hearings would be given on both bills together when the Senate reconvened.

True to that promise, on January 13, 1936, hearings were opened and, because of various new matters which had been brought up during the 5-month recess, continued intermittently through March. The Senate Finance Committee then went into executive session and on May 15, 1936, favorably reported, with numerous amendments, H. R. 9185. In so doing it accepted that portion of H. R. 191 which reduced the tax on dry wines only and incorporated it in H. R. 9185, making no report on the tax bill itself.

With the very able cooperation of Senators JOHNSON and MCADOO the remaining provisions of H. R. 191, covering the tax reductions on other wines, as originally introduced, were incorporated in the present bill on the floor of the Senate. The Finance Committee had rejected the reduction in the tax on fortifying brandy, but a partial concession on the Senate floor led to it also going to conference, where the full 50-percent reduction has been restored, and accepted by conferees.

During the last recess of Congress and during the course of the Senate hearings numerous conferences were held with Treasury officials, and particularly with those of the Bureau of Internal Revenue, over additional amendments which had been suggested by the counsel for the Wine Institute, myself, or others interested. As a result the Senate incorporated the majority of these suggestions in the bill and the conferees have accepted all of them except one.

In addition to the new administrative regulations, an amendment offered by Senators MCADOO and JOHNSON provided that no department of the Government or official thereof shall deny the right of any person to use wine names of foreign origin if the product is of the same type, and when the use of such name is qualified by the name of the State or other locality in the United States in which the product is produced, displayed as conspicuously as the name of such foreign origin. The conferees have accepted this amendment with the elimination of the word "Champagne." This elimination is due to the fact that the question of the use of that word and its modification is now being considered after hearings by the Federal Alcohol Administration. It was the purpose of the conferees in dropping this word from the amendment to leave those determinations as well as those of all such wine names not within the provisions of this amendment to the tribunals of the government having jurisdiction thereof.

Legislative procedure is a complicated matter and many times I have been in receipt of letters and telegrams from many friends at home interested in the wine industry, wondering what had become of the Buck bills, urging haste in passage and ofttimes expressing impatience. Let me remind them that it takes a long time to grind out legislation of as technical and complicated nature as this bill is; to win over the opposition of the Treasury Department for, while it has made many concessions, it has never acceded to the tax reduction. Let me remind them further that though many of these amendments were placed in this bill on the floor of the Senate, the preliminary work was done in consultations and in the hearings.

The tax-reduction features of the bill I have spoken of. They will represent a saving to the grape growers and vintners of the United States of approximately $3,000,000 per year on wines, and according to Treasury figures around $630,000 per year on fortifying brandy. It is my honest opinion that the Treasury will suffer no loss. Experience has shown that the States that have low-tax rates on wine have the greatest wine consumption, and I predict that the increase in wine consumption, if the States can be made to cooperate in this tax program, will result in an actual increase in revenue to the United States Treasury. I here insert a table taken from page 80 of the hearings above referred to showing the population, wine-tax rates, and consumption of wines for several States for the first 10 months of the year 1935, arranged in three comparable groups of relatively low tax-rate States, State-store States with high write-ups, and high-tax States:

State	Population, 1930	Tax rate per gallon	Wine consumed	Gallon per capita
Low-tax States:		*Cents*	*Gallons*	
New York	13,059,000	10	8,500,000	0.551
Connecticut	1,655,000	5,6	1,550,000	.755
Florida	1,575,000	5,10	440,000	.279
Washington	1,608,000	10	700,000	.435
Nebraska	1,395,000	5,15	280,000	.200
District of Columbia	497,000	0,10	100,000	.200
Total	20,789,000		11,190,000	
State-store States with high write-ups:				
Utah	520,000	100	8,000	.015
Michigan	5,093,000	50	500,000	.078
Virginia	2,446,000	[1]50	136,000	.056
Pennsylvania	9,826,000	50	1,000,000	.102
New Hampshire	470,000	25	16,000	.038
Iowa	2,485,000	75	50,000	.020
Total	20,840,000		1,733,000	
High-tax States:				
Illinois	7,876,000	10–25	1,000,000	.127
Colorado	1,056,000	12–24	300,000	.236
Minnesota	2,602,000	10–20	231,000	.090
Rhode Island	705,000	20	109,000	.154
Maryland	1,671,000	20	150,000	.089
Indiana	3,304,000	25	75,000	.033
Delaware	242,000	40	18,000	.074
Total	17,456,000		1,835,000	

[1] Since reduced to 14⅓ cents per gallon.

I also insert the following excerpt from the statement of Judge DeVries contained on page 173 of the hearings, which shows the effect on consumption of wine where tax reductions have been made by the States:

Since said hearings, efforts have been made and statistics collected, insofar as possible by telegraph, to ascertain the exact increase of wine sales before and after tax reductions in the States. It must be obvious that on account of the different dates of tax reductions in the different States that task was difficult, owing to the necessarily incomplete statistical information available. Nevertheless, some striking developments were shown.

Thus, the State of Missouri, effective May 9, 1935, reduced wine taxes per gallon from 40 cents on sweet and 10 cents on dry to 20 cents on sweet and 2 cents on dry wines. The department of liquor control of that State reports that from January 1 to May 9, 1935—4 months—under the 20-cent rate but 50,000 gallons of dry wines were sold, whereas from May 9, 1935, to January 1, 1936—8 months—under the reduced 2-cent rate 594,164 gallons of such wine were consumed. The report further continues that, of fortified wines, not over 80,000 gallons were consumed during 1935 under the 40-cent and 20-cent tax, the exact reverse of usual relative dry- and sweet-wine consumption.

In the State of Wisconsin, during all of 1934 and the first 7 months of 1935—January to July—the wine-tax rate was 25 cents per gallon. During the whole year 1934 there were 308,000 gallons of wine sold in that State. During the first 7 months of 1935 there were 128,000 gallons of wine sold, all under the 25-cent tax rate. In the month of July 1935 the tax rate upon wines in Wisconsin was reduced from 25 cents per gallon to 10 cents on sweet and 5 cents on dry wines, with the result that in the last 5 months of 1935 there were sold 362,168 gallons of wine, or more in 5 months under the low rate than in any year under the higher rate.

In the State of Iowa, moved by the same wisdom that reduced tax rates means increased wine consumption and State revenues, the Iowa Liquor Control Commission reported that during the last 6 months of 1934 with a write-up of 36 cents per gallon, 15,000 gallons of wine were sold for $68,000. During the first 6 months of 1935 under a write-up of 35 cents per gallon, 17,000 gallons of wine were sold for $64,000, that thereafter the commission stated "most drastic cuts were made during the last 6 months" of 1935, during which time 28,000 gallons of wine were sold for $90,000. Wherefrom it is shown that a reduction of the State write-up or tax rate in the State of Iowa constantly increased the State revenues practically doubling the same after drastic cuts during the last 6 months of 1935.

In addition to the 50-percent wine-tax reduction, the elimination of the first withdrawal tax and rectifying tax on vermouth, and the repeal of the grape-concentrate tax referred to previously, the bill provides for the extension of the time within which taxes on fortifying brandy must be paid to 18 months from date of assessment instead of 10

months as at the present time. This will be a great advantage to sweet-wine makers for it will enable them to age their wine longer and to market it in a more orderly fashion.

The filtering, clarifying, and purifying of wines, on bonded winery premises or bonded storeroom premises, are declared not to be rectification, and hence, wines so treated will not be required to pay the rectifying tax of 30 cents per proof gallon hereafter.

The provision that domestic wines may not be mixed, compounded, or rectified with distilled spirits is abolished. This does away with an unreasonable distinction between imported and domestic wines, and it is hoped will open a new outlet for domestic wines.

The duty-free importation of distilled spirits, wines, or malt liquors by residents of the United States who have been traveling abroad is hereafter restricted to an amount of not more than 1 wine gallon per person. The limit has previously been "not to exceed $100 in value." This may be of particular value in restricting importations along the border States.

The distinction between general and special bonded warehouses is abolished and all will in the future be operated as internal-revenue bonded warehouses under the same regulations.

Upon exportation of bonded wines manufactured or produced in the United States on which an internal-revenue tax has been paid, a draw-back equal to the full amount paid shall be allowed, provided the wines have been bottled specially for exportation.

Destruction or denaturation, free of tax, of distillates containing one-half of 1 percent or more of aldehydes, or 1 percent or more of fusel oil removed in the course of distillation, is authorized under regulations to be prescribed by the Commissioner of Internal Revenue. This is a very important concession for manufacturers of brandy.

The Secretary of the Treasury is permitted to authorize the amelioration of wine by the wine maker and the fortification of wine without supervision of any officer of the United States whenever he determines that such authorization may be made without danger to the revenue.

The provision affecting the use of names of foreign origin has been referred to above. It should be noted in connection with this that the bill makes the Federal Alcohol Administration, now a division of the Treasury Department, an independent unit of the Federal Government. Experience has apparently shown that the Treasury Department should be concerned only with the collection of the revenue derived from distilled liquors, wines, and malt beverages, and that regulatory functions such as the Federal Alcohol Administration exercises should be handled separately.

Finally, a minor change, but one which may be of value in parts of the country where distilled liquors are not favorably looked upon, is the provision that the Commissioner of Internal Revenue may provide for the issuance of a stamp denoting the payment of the special-license tax by retail and wholesale dealers' licenses, respectively, as "retail dealer in wines" or "wholesale dealer in wines." Many dealers in semidry territory have objected to being listed as dealers in liquors, as they must be under the present law, even where they only sell wines.

No matter what other legislation I sponsor in the future, it will always be a source of pride and satisfaction to me to know that I not only introduced this legislation, but have been able to assist in its progress into law at every stage; first as a member of the Ways and Means Committee, then in charge of the bills on the floor of the House, later by appearing before the Senate Finance Committee, and finally, as a member of the conference between the two Houses. I am deeply grateful to my colleagues on the Ways and Means Committee who have given their time and attention to the mastery of what is a very technical subject. And, of course, I am deeply appreciative of the action of both House and Senate in approving the measure in its final form.

Through this legislation a measure of justice has been done the grape grower and the wine maker, but I call the attention of those who may not have felt as enthusiastic as I have about the proposed tax reduction to the fact that during the prohibition era, the tax on dry wines was only 4 cents per wine gallon and on sweet wines 10 cents per wine gallon, so this bill has only after all restored the tax rate to that which was in effect during prohibition.

Wine is a temperate drink. It is generally taken with meals; it is an aid to digestion and brings cheer and grace to the table. If there is any truth to the theory which I have been propounding that the reduction in the tax rate on wine will increase consumption, this measure will bring added cheer, health, and happiness to millions of Americans as well as additional prosperity to the grape growers of America.

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

SPEAKER PRO TEMPORE

The SPEAKER. The Chair appoints as Speaker pro tempore to preside at the session of the House this evening the gentleman from Virginia, Mr. WOODRUM.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1790. An act for the relief of Margaret Murphy; to the Committee on Claims.

S. 2976. An act for the relief of John Edgar White, a minor; to the Committee on Claims.

S. 3405. An act for the relief of Capt. James W. Darr; to the Committee on Military Affairs.

S. 3438. An act to provide for the establishment of an agricultural experiment station within the Middle Rio Grande Conservancy District in the State of New Mexico; to the Committee on Agriculture.

S. 3484. An act for the relief of Edward Y. Garcia and Aurelia Garcia, to the Committee on Claims.

S. 3505. An act for the improvement and protection of the beaches along the shores of the United States; to the Committee on Rivers and Harbors.

S. 3879. An act for the relief of James W. Grist; to the Committee on Claims.

S. 3930. An act authorizing an appropriation for payment to the Sac and Fox Tribe of Indians in the State of Oklahoma; to the Committee on Indian Affairs.

S. 3957. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; to the Committee on the Judiciary.

S. 4062. An act to provide for a survey of the Cabinet Gorge on the Clark Fork of the Columbia River; to the Committee on Irrigation and Reclamation.

S. 4142. An act for the relief of owners of property damaged by high waters in the Blackfoot Reservoir; to the Committee on Indian Affairs.

S. 4160. An act for the relief of F. M. Loeffler; to the Committee on Claims.

S. 4182. An act to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and other purposes; to the Committee on Indian Affairs.

S. 4185. An act to amend the act entitled "An act to authorize the Secretary of Commerce to dispose of certain portions of Anastasia Island Lighthouse Reservation, Fla., and for other purposes", approved August 27, 1935, and for other purposes; referred to Committee on Merchant Marine and Fisheries.

S. 4204. An act to authorize the payment of the burial and funeral expenses of Harley H. Hester, late corporal, Machine Gun Company, Three Hundred and Thirty-ninth Regiment, United States Infantry; referred to Committee on Claims.

S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Oregon; referred to the Committee on the Public Lands.

S. 4362. An act for the relief of Rufus C. Long; referred to the Committee on Claims.

S. 4363. An act for the relief of B. W. Winward; referred to the Committee on Claims.

S. 4392. An act to add certain lands to the Sawtooth National Forest; referred to the Committee on the Public Lands.

S. 4456. An act for the relief of the estate of Charles White; to the Committee on Claims.

S. 4478. An act for the relief of Joseph N. Wenger, lieutenant, United States Navy, and for other purposes; to the Committee on Claims.

S. 4493. An act to provide for the construction, extension, and improvement of public-school buildings in Uintah County, Utah; to the Committee on Indian Affairs.

S. 4495. An act to amend certain of the navigation laws of the United States, to remove inconsistencies and inequalities therein, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 4551. An act to authorize the addition of certain names to the final rolls of the Blackfeet Tribe of Indians in the State of Montana; to the Committee on Indian Affairs.

S. 4591. An act for the relief of the children of Rees Morgan; to the Committee on Claims.

S. 4686. An act to amend the act known as the Federal Credit Union Act, approved June 26, 1934; to the Committee on Banking and Currency.

S. 4723. An act to authorize cooperation in the development of farm forestry in the States and Territories, and for other purposes; to the Committee on Agriculture.

S. 4724. An act for the relief of Henry C. Anderson; to the Committee on Claims.

S. 4740. An act to provide a graduated scale of reduction of payments under section 8 of the Soil Conservation and Domestic Allotment Act; to the Committee on Agriculture.

S. J. Res. 177. Joint resolution to define the term of certain contracts with Indian tribes; to the Committee on Indian Affairs.

S. J. Res. 207. Joint resolution to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" (44 Stat. L. 807); to the Committee on Indian Affairs.

S. J. Res. 272. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937; to the Committee on the District of Columbia.

S. J. Res. 273. Joint resolution authorizing the granting of permits to the committee on inaugural ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes; to the Committee on the District of Columbia.

S. J. Res. 274. Joint resolution to exempt from the tax on admissions amounts paid for admission tickets sold by authority of the committee on inaugural ceremonies on the occasion of the inauguration of the President-elect in January 1937; to the Committee on Ways and Means.

S. J. Res. 275. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies; to the Committee on Public Buildings and Grounds.

S. J. Res. 279. Joint resolution establishing a commission to make a study and report with respect to the fair and equitable amount to be paid by the United States toward the expenses of the government of the District of Columbia, and for other purposes; to the Committee on Appropriations.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 300. An act for the relief of F. P. Bolack;

H. R. 686. An act for the relief of John Collins;

H. R. 796. An act for the relief of A. E. Clark;

H. R. 993. An act for the relief of Frank A. Boyle;

H. R. 2213. An act for the relief of Charles P. Shipley Saddlery & Mercantile Co.;

H. R. 2262. An act for the relief of William H. Locke;

H. R. 2387. An act for the relief of Julia Miller;

H. R. 2400. An act for the relief of Blanche Knight;

H. R. 2495. An act for the relief of Thomas Berchel Burke;

H. R. 2496. An act for the relief of Thomas J. Moran;

H. R. 2497. An act for the relief of William H. Hildebrand;

H. R. 3160. An act for the relief of Irene Magnuson and Oscar L. Magnuson, her husband;

H. R. 3388. An act for the relief of Jessie D. Bowman;

H. R. 3694. An act for the relief of Florence Byvank;

H. R. 3907. An act for the relief of James L. Park;

H. R. 4085. An act for the relief of Joseph Watkins;

H. R. 4219. An act for the relief of John J. Ryan;

H. R. 4373. An act for the relief of Albert Gonzales;

H. R. 4565. An act for the relief of Lucile Smith;

H. R. 4619. An act for the relief of Joseph Salinghi;

H. R. 4699. An act for the relief of Estelle M. Gardiner;

H. R. 4955. An act for the relief of the estate of Jennie Brenner;

H. R. 5635. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation;

H. R. 5752. An act for the relief of May Wynne Lamb;

H. R. 5870. An act for the relief of K. S. Szymanski;

H. R. 5900. An act for the relief of Joseph E. Moore;

H. R. 6702. An act for the relief of Annie E. Daniels;

H. R. 7270. An act for the relief of Clara Imbesi and Domenick Imbesi;

H. R. 7555. An act for the relief of W. N. Holbrook;

H. R. 7743. An act for the relief of Mrs. David C. Stafford;

H. R. 7764. An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes;

H. R. 8028. An act for the relief of the Great Northern Railway Co.;

H. R. 8033. An act for the relief of Juanita Filmore, a minor;

H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes;

H. R. 8200. An act for the relief of the seamen of the steamship *Santa Ana;*

H. R. 8220. An act for the relief of Helen Mahar Johnson;

H. R. 8671. An act for the relief of R. H. Quynn, lieutenant, United States Navy;

H. R. 8759. An act to amend the act known as the "Perishable Agricultural Commodities Act, 1930", approved June 10, 1930, as amended;

H. R. 9926. An act for the relief of Robert B. Barker;

H. R. 10225. An act for the relief of W. D. Lovell;

H. R. 10435. An act for the relief of Emma Hastings;

H. R. 10527. An act for the relief of Harris Bros. Plumbing Co.;

H. R. 10677. An act for the relief of Cora Fulghum and Ben Peterson;

H. R. 10712. An act to authorize the transfer of land from the War Department to the Territory of Hawaii;

H. R. 10916. An act for the relief of Carl Hardin, Orville Richardson, and W. E. Payne;

H. R. 11072. An act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

H. R. 11203. An act for the relief of Andrew Smith;

H. R. 11218. An act to provide for the disposition of tribal funds now on deposit, or later placed to the credit of the Crow Tribe of Indians, Montana, and for other purposes;

H. R. 11262. An act for the relief of Brooks-Callaway Co.;

H. R. 11461. An act for the relief of the estates of N. G. Harper and Amos Phillips;

H. R. 11522. An act to amend the charter of the National Union Insurance Co. of Washington, in the District of Columbia;

H. R. 11643. An act to amend certain provisions of the act of March 7, 1928 (45 Stat. L. 210–212);

H. R. 11819. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 11820. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

H. R. 11916. An act to authorize the transfer of a certain piece of land in Muhlenberg County, Ky., to the State of Kentucky;

H. R. 12006. An act to authorize a preliminary examination of the Kennebec River, Maine, and its tributaries with a view to the control of their floods;

H. R. 12033. An act authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles in Mono County, in the State of California;

H. R. 12074. An act to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.;

H. R. 12202. An act to provide for a preliminary examination of Six Mile Creek, in Logan County, Ark., with a view to flood control, and to determine the cost of such improvement;

H. R. 12240. An act to authorize a preliminary examination of the tributaries, sources, and headwaters of the Allegheny and Susquehanna Rivers in the State of Pennsylvania, where no examination and survey has heretofore been made, with a view to the control of their floods and the regulation and conservation of their waters;

H. R. 12305. An act to define the jurisdiction of the Coast Guard;

H. R. 12311. An act for the relief of the P. L. Andrews Corporation;

H. R. 12408. An act for the relief of Robert D. Baldwin;

H. R. 12461. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H. R. 12514. An act authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay from a point in Baltimore County, Md., over Hart Island and Millers Island, to a point near Tolchester, Kent County, Md.;

H. R. 12622. An act for the relief of Dr. Harold W. Foght;

H. R. 12685. An act granting the consent of Congress to the county of Horry, S. C., to construct, maintain, and operate a free highway bridge across the Waccamaw River at or near Red Bluff, S. C.;

H. R. 12896. An act to provide for the transfer of the surplus decommissioned lightship *No. 82* to United States Ship Constitution Post, No. 3339, Veterans of Foreign Wars;

H. J. Res. 415. Joint resolution to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States;

H. J. Res. 444. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally", approved August 27, 1935;

H. J. Res. 522. Joint resolution for the relief of William W. Brunswick;

H. J. Res. 583. Joint resolution authorizing the Veterans' Administration to prepare and publish a compilation of all Federal laws relating to veterans of wars of the United States;

H. J. Res. 589. Joint resolution to authorize the Secretary of the Treasury to permit the transportation of bonded merchandise by other than common carriers under certain conditions.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 3371. An act for the relief of John Walker;

S. 3441. An act for the relief of C. T. Hird; and

S. 3956. An act for the relief of Jacob Kaiser.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On June 8, 1936:

H. R. 10785. An act for the relief of John B. H. Waring.

On June 12, 1936:

H. R. 4688. An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes;

H. R. 6772. An act to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity future exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes;

H. R. 7690. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y.;

H. R. 8234. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of the city of Elgin, Ill., and the erection of a heroic pioneer memorial;

H. R. 8271. An act to amend the act entitled "An act to insure adequate supplies of timber and other forest products for the people of the United States; to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production; and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture through research in reforestation, timber growing, protection, utilization, forest economics, and related subjects; and for other purposes", approved May 22, 1928;

H. R. 8455. An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes;

H. R. 9183. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes;

H. R. 11533. An act to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg;

H. R. 11687. An act to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes;

H. R. 11920. An act to increase the efficiency of the Air Corps;

H. R. 12329. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 12848. An act to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky, and to amend section 83 of the Judicial Code, as amended; and

H. J. Res. 467. Joint resolution authorizing the erection of a memorial to the late Haym Salomon.

RECESS

Mr. O'CONNOR. Mr. Speaker, I move that the House now stand in recess until 7:30 o'clock this evening.

The motion was agreed to; accordingly the House (at 5 o'clock and 49 minutes p. m.) stood in recess until 7:30 o'clock p. m.

EVENING SESSION

The recess having expired, the House was called to order at 7: 30 p. m., by the Speaker pro tempore [Mr. WOODRUM].

CONSENT CALENDAR

The SPEAKER pro tempore. The Clerk will call the first bill on the Consent Calendar.

IRRIGATION CHARGES, INDIAN RESERVATIONS

The Clerk called the bill (S. 1318) to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to cause an investigation to be made to determine whether the owners of non-Indian lands under Indian irrigation projects and under projects where the United States has purchased water rights for Indians are unable to pay irrigation charges, including construction, maintenance, and operating charges, because of inability to operate such lands profitably by reason of lack of fertility of the soil, inadequacy of water supply, defects of irrigation works, or for any other causes. Where the Secretary finds that said landowners are unable to make payment due to the existence of such causes, he may adjust, defer, or cancel such charges, in whole or in part, as the facts and conditions warrant. In adjusting or deferring any such charges the Secretary may enter into contracts with said landowners for the payment of past due charges, but such contracts shall not extend the payment of such charges over a period in excess of 10 years.

SEC. 2. Where the Secretary finds that any such lands cannot be cultivated profitably due to a present lack of water supply, proper drainage facilities, or need of additional construction work, he shall declare such lands temporarily nonirrigable for periods not to exceed 5 years and no charges shall be assessed against such lands during such periods.

SEC. 3. Where the Secretary finds that any such lands are permanently nonirrigable he may, with the consent of the landowner, eliminate such lands from the project.

SEC. 4. Where irrigation assessments against any such lands remained unpaid at the time the Indian title to such lands became extinguished and no lien existed and attached to such lands for the payment of charges so assessed and no contract for the payment of such charges was entered into, the Secretary shall cancel all such charges.

SEC. 5. The Secretary shall have power to make such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 6. The Secretary shall make reports to the Congress on the first Monday of each regular session, and from time to time thereafter, showing the action taken under the provisions of this act during the preceding year. No proceedings under this act shall become effective until approved by the Congress.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL JUDGE EASTERN AND WESTERN DISTRICTS OF KENTUCKY

The Clerk called the next bill, S. 3344, to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky. The judge shall be a resident of the State of Kentucky and shall possess the same powers, perform the same duties, and receive the same compensation as the present judges of the respective districts.

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. JENKINS of Ohio. It has been suggested that possibly this bill was disposed of in an omnibus bill. Is the Chair advised in the matter?

The SPEAKER pro tempore. The Chair is not advised that it has been disposed of.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

FRANK WIDEMAN

The Clerk called the next bill, H. R. 11615, limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

Mr. TABER. Mr. Speaker, reserving the right to object——

Mr. O'CONNOR. Mr. Speaker, will the gentleman withhold his objection?

Mr. TABER. Mr. Speaker, I withhold my objection to permit the gentleman from New York to make a statement.

Mr. O'CONNOR. Mr. Speaker, I understand this bill pertains principally to Mr. Wideman, of the Department of Justice. I understand further that the usual provision in reference to counsel not practicing for 2 years after retiring from the Department might inhibit him from practicing. The fact is he had retired from the Department but has been assigned as special counsel in a case. The Attorney General feels that the 2-year limitation should not apply to the date when he gets out of this particular case, which may take years. He feels that this is a special case and that this provision should not apply.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman from New York yield?

Mr. TABER. I yield.

Mr. JENKINS of Ohio. Does the gentleman from New York know, or any member of the Committee on the Judiciary know, whether this would establish a precedent?

Mr. O'CONNOR. No. I think this is a special case to take care of this situation. Mr. Wideman has retired from the Department but has been assigned as special counsel in a particular case, the Associated Gas & Electric Co. case, I understand. If this provision is not made the 2-year limitation may apply at some later date rather than as of the time he retired from the Department of Justice, for he may be in this case several years.

Mr. JENKINS of Ohio. I think I met this gentleman. I was very much impressed with his sincerity.

Mr. O'CONNOR. I do not know him, but I know the Attorney General has recommended this as a special case to which the usual rules should not apply. I think the gentleman from New Jersey [Mr. MCLEAN] is familiar with the situation.

Mr. McLEAN. If the gentleman from New York will yield——

Mr. TABER. Certainly.

Mr. McLEAN. The object of this bill is to make the 2-year inhibition run from the date of Mr. Wideman's resignation from the Department and not from the date when he shall have concluded his activities in connection with this case. This particular situation seems to be one that comes within the suggestion of Attorney General Mitchell in his annual report of 1929, wherein he explained the difficulties of getting a man peculiarly adapted and with knowledge of the particular case. This seems to be a proper exception to the general law on the subject.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That nothing in sections 109 and 113 of the Criminal Code of the United States, as amended (U. S. C., title 18, secs. 198 and 203), or in section 190 of the Revised Statutes of the United States (U. S. C., title 5, sec. 99), or in any other act of Congress forbidding officers or employees or former officers or employees of the United States from acting as counsel, attorney, or agent for another before any court, department, or branch of the Government, or from receiving or agreeing to receive compensation therefor, shall be deemed to apply to attorneys or counselors specially employed, retained, or appointed by the Attorney General or under authority of the Department of Justice to assist in the conduct of legal proceedings pertaining to the unpaid tax liability of Associated Gas & Electric Co. and its corporate affiliates and to assist in the conduct of the case of Commissioner of Internal Revenue against Charles E. Mitchell, including all proceedings therein and any other case or proceeding, appellate or otherwise, that may arise out of or pertain to the tax liability of said taxpayers.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the employment of Frank Wideman as an attorney or counselor specially employed, retained, or appointed by the Attorney General or under authority of the Department of Justice to assist in the conduct of legal proceedings pertaining to the unpaid tax liability of Associated Gas & Electric Co. and its corporate affiliates and to assist in the conduct of the case of Commissioner of Internal Revenue against Charles E. Mitchell, including all proceedings therein and any other case or proceeding, appellate, or otherwise, that may arise out of or pertain to the tax liability of said taxpayers shall not be construed to be employment within the meaning of sections 109 and 113 of the Criminal Code of the United States as amended (U. S. C., title 18, secs. 198 and 203) or section 190 of the Revised Statutes of the United States (U. S. C., title 5, sec. 99).

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

PROVISION FOR A CIVIL GOVERNMENT OF PUERTO RICO

The Clerk called the next bill, H. R. 10312, to amend section 40 of the act of March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JENKINS of Ohio. Mr. Speaker, I understood from the gentleman from Puerto Rico that his desire was to have this bill passed over. I therefore ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SURVEY OF SAN JUAN RIVER

The Clerk called the next bill, S. 3488, to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama.

The SPEAKER pro tempore. Is there objection for the present consideration of the bill?

Mr. MARTIN of Colorado. Mr. Speaker, reserving the right to object, may I ask the gentleman from New Mexico [Mr. DEMPSEY] if he has any objection to the amendment that I gave him a copy of this morning?

Mr. DEMPSEY. I would have objection to the amendment because I do not think it has a thing to do with the bill in question.

Mr. MARTIN of Colorado. Of course, the gentleman, I know, understands the position I have been put into in connection with this bill. It is one I do not relish a bit.

Mr. DEMPSEY. I appreciate that fact.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to cause an examination and survey to be made to determine the best utilization of the surplus waters of the San Juan River, a tributary of the Colorado River, and to determine the best possible use of such waters in the San Juan Basin without injury to the present users of the waters of the San Juan River and by diversion, if feasible, of a portion of such surplus waters to the Rio Chama, a tributary of the Rio Grande River, and to report the results of such surveys and examinations to the Congress as soon as possible. There is authorized to be appropriated the sum of $50,000, or so much thereof as may be necessary, to carry out the purposes of this act.

Mr. MARTIN of Colorado. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Colorado: Page 2, at the end of line 5, change the period to a colon and add the following: "*Provided*, That $17,500 of the above sum may be expended for a similar examination and survey of the surplus waters of the Animas River, a tributary of the Rio Grande River, with a view to the diversion, if feasible, of a portion of such surplus waters to the Rio Grande River."

Mr. MARTIN of Colorado. Mr. Speaker, I would like to have the attention of the Members present for just 2 or 3 minutes.

This is a bill to authorize an appropriation of $50,000 to make a diversion survey of water from the San Juan River to the Chama River in the State of Colorado, and came over here from the Senate. After it got here the people of my State wanted me to oppose the bill because it did not carry an appropriation for the survey of two other rivers, the Animas and Rio Grande, in the State of Colorado, it being understood that the first project was for the benefit of New Mexico and the second would have benefited the State of Colorado.

We had a meeting with a view to getting together on this proposition and met in the office of Senator Hatch, of New Mexico, the author of the pending bill. Senator Hatch was there, the gentleman from New Mexico [Mr. DEMPSEY], was there, the Colorado Representatives were there, and we agreed on a division between those two projects of a certain allocation of funds down in the Interior Department by the National Resources Committee.

We made an agreement whereby, if Colorado would throw in for the Hatch bill, the State of Colorado, for its project, would receive $17,500 out of the $35,000 allocated down in the Department to New Mexico. That was agreed to unanimously and the memorandum was in writing. After the Senators and the Representatives had agreed, with the approval of a representative of the National Resources Committee, it was objected to by the State engineer of New Mexico. When that occurred, interested parties in my State put me in what I am frank to say looks to me like a "dog in the manger" position of blocking this whole thing.

Mr. Speaker, I am going to be frank about this. I submitted my amendment to the gentleman from New Mexico and told him if he would accept my amendment to apply $17,500 of the $50,000 provided in this bill, to the Animas-Rio Grande survey, we would relinquish all claim to a split of the $35,000 down in the National Resources Committee, which would have amounted to the same thing. He advised me he was not in a position to agree to that.

I think the Members of the House can see what the fair thing is, and I believe they ought to enforce the agreement. The fact of the matter is Congress would be justified in kicking these quarrels out until the Mountain States have adjusted their own differences. Every one of them is fighting the other. It is high time they got their differences settled without bringing such a small item as this to Congress. I have submitted a fair proposition to you, considering the circumstances in which I find myself in connection with this bill. The gentleman from New Mexico is a fair man. I can invite him to stand on this floor and ask him if he and his Senator, the author of the bill, did not agree in the Senator's office that if this bill was allowed to pass in the House they would agree to a 50–50 split of the $35,000 allocated to his survey by the National Resources Committee, which proposition was thereafter turned down by his State engineer. I am sure the gentleman will not dispute me when I say that.

Mr. RICH. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Pennsylvania.

Mr. RICH. This $17,500 that the gentleman speaks of will come out of the Federal Treasury?

Mr. MARTIN of Colorado. This is an authorization, not an appropriation. There is no money appropriated in the bill, but it does authorize an appropriation of $50,000 to make the survey described in this bill.

Mr. RICH. If the survey is authorized the gentleman will come back and want $50,000 to do the work?

Mr. MARTIN of Colorado. Well, the gentleman knows the answer to that as well as I do.

[Here the gavel fell.]

Mr. DEMPSEY. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, this bill now before us was submitted to the Reclamation and Irrigation Committee of the Senate and unanimously reported by that committee. It passed the Senate unanimously. It was introduced in the House and referred to the Irrigation and Reclamation Committee. That committee reported it unanimously.

There was a fund of $35,000, just as stated to you by the gentleman from Colorado, that the National Resources Committee had to do with. Insofar as the Senator from New Mexico is concerned and insofar as I am concerned, I see no reason why they should not divide that particular amount as between Colorado and New Mexico, but I submit that has no place in this bill.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. The gentleman will admit this bill could not be amended by trying to divide some other fund down there in a department.

Mr. DEMPSEY. I say this bill has nothing to do with dividing any fund. This bill is for a specific purpose.

Mr. MARTIN of Colorado. But that $35,000 is also down there for the same purposes.

Mr. DEMPSEY. For this purpose in part and for some other things in part, but this bill provides for a specific thing, and it should be carried forward for that purpose.

Mr. MARTIN of Colorado. Let me ask the gentleman this question: Is it not a fact that if this bill passes the way it is now, your people get the $50,000 in this bill and the $35,000 in the Resources Board allocation and Colorado gets nothing? Is not that the kind of split we are going to get out of this matter?

Mr. DEMPSEY. May I say to the gentleman from Colorado that if this bill passes in its present form, a survey is carried on exactly as provided by the bill. New Mexico does not get any money from it. They simply make a survey to determine what to do with the waters of this river and whether it benefits Colorado or New Mexico or Arizona is aside from the question.

Mr. MARTIN of Colorado. In reply I would like to state to the gentleman from New Mexico that I believe I know him well enough to be able to say that if this were left to him he would accept this amendment. He does not accept it because he might get some criticism from his own State, which wants all of this money.

Mr. DEMPSEY. The State of New Mexico is not getting any money as a result of this bill. This is used to survey in Colorado.

Mr. MARTIN of Colorado. Sure; to get water to transfer to the State of New Mexico—every drop of it.

Mr. DEMPSEY. Not from Colorado. If the gentleman from Colorado or his people objected to this bill they should have appeared before our committee and made known their objections, which they did not do, and I ask that the House vote down the amendment, because I think it is improper.

Mr. MARTIN of Colorado. I want to say further to the gentleman and to the Members of the House that I could have had this bill objected off this calendar and I would not need to have taken the floor. I have been fair enough to New Mexico and fair enough to the gentleman to let this bill come up for consideration and I ask the House to be fair enough to me to adopt my amendment and give our State just one-third of the $50,000 that this bill carries.

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it strikes me that the only fair thing to do is to vote this amendment up and then vote the bill down. We have waited on the Republican side to have these two gentlemen get this matter patched up, because they are both very high-class gentlemen and no doubt have some personal interest in the outcome of this measure because of the interest of their constituents. Since they have failed to agree and since the gentleman from Colorado has made out such a fair case here, I think we ought to support him because it is very evident he is not going to get what he thought he would get and what he understood he was going to get. Therefore, we ought to vote his amendment up and then we ought to vote the bill down because, apparently, they do not need this money, and they cannot agree about this $50,000 or $60,000 or $65,000, and goodness knows Franklin D. Roosevelt needs it and we ought to save this money.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Colorado.

The amendment was agreed to.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. DEMPSEY) there were—ayes 85, noes 6.

Mr. RICH. Mr. Speaker, I object to the vote on the ground there is no quorum present, and I make the point of order there is not a quorum present.

The SPEAKER pro tempore. The Chair will count.

Mr. RICH. Mr. Speaker, I withdraw the point of no quorum; but if we have any more rumpuses on the Democratic side, I shall not withdraw it.

So the bill was passed.

A motion to reconsider was laid on the table.

The title of the bill was amended to read as follows: "To provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and the Animas River, and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama and the Rio Grande."

MEMORIAL TO BETSY ROSS

The Clerk called House Joint Resolution 470, to authorize the selection of a site and the erection thereon of a suitable monument as a memorial to Betsy Ross.

Mr. McLEAN, Mr. WOLCOTT, and Mr. RICH objected.

EXTERIOR BOUNDARY OF THE UTE INDIAN RESERVATION, UTAH

The Clerk called the bill (H. R. 9156) to define the exterior boundary of the Ute Indian Reservation in the State of Utah, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. COCHRAN. Mr. Speaker, I reserve the right to object. I want to know if the committee is willing to act favorably on the recommendation of the Department of the Interior and the Bureau of the Budget and strike out the authorization for $650,000. If the committee is willing to strike out that section, I have no objection to the bill, but if it will not strike out that section, I shall object.

Mr. MURDOCK. Mr. Speaker, suppose we do this. On page 5, in line 17, after the comma——

Mr. COCHRAN. No; I shall not agree to anything except what the Department recommends and the Bureau of the Budget recommends.

Mr. MURDOCK. I believe this will accomplish the thing that the gentleman is asking for. The tribe of Indians involved have some funds down there to their credit. If we strike out the appropriation from the Treasury and make it from the Indian funds exclusively, does that satisfy the gentleman from Missouri?

Mr. COCHRAN. That is what the Director of the Budget recommends.

Mr. MURDOCK. That is what I am willing to do. I am willing to strike out any appropriation from the Treasury, and make it exclusively an appropriation from the funds to the credit of the Indians.

Mr. COCHRAN. If the gentleman will read the letter from the Assistant Secretary of the Interior he will find that he says:

> The objectionable text is found in section 3 of the bill, beginning with line 14 on page 5, and ending with the word "provided" in line 1, page 6.

Now the gentleman wants to retain that.

Mr. MURDOCK. I am willing to strike any appropriation direct from the Treasury and make it exclusively from the funds of the Indians.

Mr. COCHRAN. All right, let us strike out all after line 14 if you don't want to retain it.

Mr. MURDOCK. On which page?

Mr. COCHRAN. Page 5. I am willing to let the bill go through under those conditions.

Mr. MURDOCK. Will the gentleman yield?

Mr. COCHRAN. The gentleman said he wanted to do it and I am willing to do that. Six hundred and fifty thousand dollars is involved here, and you get a revolving fund, and this money can be taken out of that, and you are only increasing the annual appropriation by $650,000.

Mr. MURDOCK. I have stated my position.

Mr. COCHRAN. All right, let us strike that all out.

Mr. MURDOCK. Will the gentleman yield long enough for me to make a brief explanation of what I am willing to do and how it may be accomplished without ruining the bill?

Mr. COCHRAN. I am merely following the Secretary of the Interior and the Bureau of the Budget.

Mr. MURDOCK. The Indians have money to their credit and I am willing to take the language out of the bill that provides for funds out of the Treasury not otherwise appropriated and make the whole amount come out of the Indian funds, and that can be accomplished.

Mr. RICH. Mr. Speaker, I object.

Mr. COCHRAN. Mr. Speaker, I object.

CALIFORNIA INDIANS

The Clerk called the bill (S. 1793) to amend the act entitled "An act authorizing the Attorney General of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602).

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. BURDICK. Mr. Speaker, will the gentleman withhold that?

Mr. COSTELLO. Yes.

Mr. BURDICK. The only harmful part of the bill is section 4. As I understand it, proponents of the measure are willing to cut out section 4 of the bill, and that is satisfactory.

I do not think it should be passed over, because there is a case pending in the courts now where this legislation is necessary.

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. ROGERS of Oklahoma. I would like to inquire if the only objection the gentleman has is on account of the letter from the Department; and if that is the case, I would like to inform the gentleman that I have a letter from the Secretary saying that if section 4 is stricken from the bill there is no objection to it. I am prepared to offer an amendment to strike section 4 if the gentleman will allow the bill to be considered.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, reserving the right to object, unfortunately I have not had an opportunity to see the amendment which is being offered. I have had several communications regarding this proposed legislation opposing the passage of it in its present form. There are several amendments necessary in order to put the bill in satisfactory form, and I believe for that reason I will have to object to its present consideration.

The SPEAKER pro tempore. Objection is heard. The Clerk will report the next bill.

Mr. JENKINS of Ohio. Will the gentleman reserve his objection for a moment?

Mr. COSTELLO. I shall be glad to.

Mr. JENKINS of Ohio. I have no interest in this bill, nor has anybody on our side, as far as I know, but I understand the people interested in this bill have exercised a great deal of patience in an attempt to satisfy all objections, and I believe the gentleman might work a hardship on some innocent people if he would not permit this bill to be passed. That is the way I understand it.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. COCHRAN. When I went to my office this evening I found a letter sent to me by messenger from the Secretary of the Interior, in which he says that if section 4 is stricken from this bill it will remove his objections. I have the letter in my hand. I am opposed to the bill with section 4 in it.

Mr. COSTELLO. The only letter I have had was from the Commissioner of Indian Affairs, dated May 4, objecting to the passage of the bill. That letter was sent to me by Mr. Collier, urging me to prevent the passage of the bill at this time. I have received no other communication. There is a great deal of interest in this legislation in the State of California. The legislation provides that the Indians may be able to employ their own attorneys. That in itself would retard the activity of this suit that is now pending before the courts. Another provision which this bill contains at the present time is one to investigate the roll of Indians and check and make sure that all Indians who have any claim at all to share under the judgment in this court would be entitled to come in here.

That investigation of the roll would require a great deal of time and it would be almost impossible to satisfy. Whether this amendment that is being offered at this stage of the proceeding would cure those defects of which complaint has been raised, I cannot say, but I have been informed by different organizations that they would prefer to have this bill not passed at the present session, and let the matter go over until next session. For that reason I feel I shall be obliged to object. I will be glad to withhold the objection if the gentleman wishes to make a statement.

Mr. LEA of California. Will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. LEA of California. I am in receipt of a letter from the Secretary of the Interior to the same effect as stated by the gentleman from Missouri [Mr. COCHRAN]. The Secretary takes the position that if section 4 is eliminated from the bill he will have no further objection to its passage.

As to the 2-year clause providing for the enrollment of the Indians, I would be glad to offer an amendment to reduce that to 1 year and eliminate that unnecessarily long delay involved for that purpose.

Mr. COSTELLO. I do not think that the objections to the provision regarding enrollment would be satisfied merely by reducing the time. In view of the fact that I am not familiar with the nature of the amendments at this time, I believe the best thing would be to pass this bill over without prejudice, which would still allow us to consider it again. It might give an opportunity later during the course of the week to call the bill up.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. JENKINS of Ohio. The chances are this will be the last Consent Calendar day.

Mr. COSTELLO. It undoubtedly will be the last Consent Calendar day, but still it would give an opportunity to look at the amendments and it could be called up by unanimous consent during the week.

Mr. JENKINS of Ohio. Would the gentleman agree that if we passed it over now we could call it up the last thing before we close tonight? Would the gentleman agree to that?

Mr. COSTELLO. I have had several communications from California objecting to the passage of this bill. I do not like to jeopardize their interests by passing the bill at this time unless I know exactly the nature of the amendments.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California that the bill be passed over without prejudice?

There was no objection.

PUBLIC WELFARE DEPARTMENT FOR PUERTO RICO

The Clerk called the next bill, H. R. 12119, to amend sections 13 and 19 of the act of March 2, 1917, entitled "An act

to provide a civil government for Porto Rico, and for other purposes."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JENKINS of Ohio. Mr. Speaker, I understand this bill is in the same category as the other Puerto Rico bill, and consequently I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ADDITIONAL JUDGE FOR THE DISTRICT OF KANSAS

The Clerk called the next bill, S. 3434, to provide for the appointment of one additional judge for the district of Kansas.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

INDIANS OF OKLAHOMA

The Clerk called the next bill, S. 2047, to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes

Be it enacted, etc., That the United States, acting through the Congress, hereby readmits, reacknowledges, and assumes continued responsibility for the guardianship of our Indian citizens and, in exercising such guardianship, does hereby pledge such Indian citizens of all tribes that it is and will be the continuing policy of the Government to establish justice for and to promote the general welfare of the Indians of the United States.

SEC. 2. Pursuant to the general policy set forth in section 1 hereof, the Government, acting through the Congress, hereby declares it to be for the best interest and general welfare of the Indians of Oklahoma to provide a plan whereunder all Indians may be accorded all rights, opportunities, and privileges and may eventually assume full responsibility as citizens in the said State and Nation. Pursuant to such policy the following specific things to be done are hereby set forth:

(a) The restricted lands, funds, or other property of the Indians of the State of Oklahoma, as herein provided are to be retained in the custody of the Secretary of the Interior, in trust, save as provided in this act, but nothing herein contained shall be construed as reimposing restrictions on any such property from which the restrictions have previously been removed.

(b) The restricted lands, funds, or other property belonging to competent adult Indians, as herein provided for, shall be relieved by the Secretary of the Interior of all restrictions as rapidly as the best interests of such Indians will permit and justify.

(c) The Government hereby declares its policy to be that the aged, infirm, and incompetent Indians shall have every possible care, assistance, and protection and that the Indian youth shall have educational facilities and advantages to the end that they may assume their place among the citizenship of the State and Nation.

(d) All claims held by any Indian tribe, group, or band against the Government shall be considered and adjudged, and such amounts as may be found to be due any such tribe, group, or band shall be paid and expended as may be provided by law.

(e) Pursuant to the provisions of paragraph (b) of section 2, the Secretary of the Interior at least once during each 4-year period shall cause to be created a competency commission, and such commission shall make a survey and examination of each adult Indian of the State of Oklahoma in order to ascertain whether such Indian is qualified and should have his or her restrictions removed on all or any part of any property, real or personal, of such Indian, and in the event the recommendations of such commission are favorable to the removal of the restrictions in whole or in part the Secretary of the Interior is authorized to issue patent in fee to such Indians for or otherwise remove the restrictions from such lands, property, and funds, as may be recommended by such commission, and which property and funds are in the possession or under the jurisdiction of the Secretary of the Interior: *Provided, however,* That such competency commission shall consist of at least one qualified Indian representative of the respective tribe or tribes to be so visited and examined, together with the superintendent or other officer in charge of the respective agency or school having jurisdiction over such tribe or tribes, and one other member to be designated by the Secretary of the Interior for such purpose: *Provided further,* That the Secretary of the Interior at any time may exercise the authorities specified in section 7 of this act.

SEC. 3. It is hereby declared to be the policy of Congress to provide adequate educational facilities for the Indian population of the State of Oklahoma, with preference to those of one-quarter or more of Indian blood, as follows:

(a) The present policy of providing funds for the payment of tuition to public State schools for Indian children shall be continued and maintained.

(b) All existing Indian boarding schools shall be continued as now operating until otherwise provided by law.

(c) Funds may be made available for the purpose of constructing, equipping, and maintaining school buildings in such sections as may be deemed necessary for carrying out the policy stated and the intent of this section.

(d) The Secretary of the Interior is hereby authorized and directed to make diligent effort to provide adequate educational facilities for all Indian children of school age: *Provided,* That preference in the boarding schools shall be given to Indian children without means of support, Indian children retarded because of lack of educational facilities, and orphaned Indian children.

SEC. 4. From time to time, as conditions require, funds shall be provided for maintenance of existing boarding and day schools, hospitals, and sanatoria, and for the construction of such additional day schools, hospitals, and sanatoria to provide adequate school and hospitalization facilities for the Indians of Oklahoma, with preference to those of one-quarter or more of Indian blood.

SEC. 5. That when used in this act the term "tribe" shall be construed to mean any Indian tribe, organized band, or group of Indians composed of persons on the classified rolls of the Indian Office or persons containing one-half or more of Indian blood and residing in the State of Oklahoma.

SEC. 6. For the purpose of providing lands for Indians in the State of Oklahoma, the Secretary of the Interior is hereby authorized, in his discretion, to acquire, through purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing reservations, including trust or otherwise restricted lands now in Indian ownership, allotted or inherited, whenever said Secretary deems it advisable to permit the present Indian owner or owners to part with the same or their interests therein. In the sale of any restricted Indian land, pursuant to the terms of this or any other act of Congress, the Secretary of the Interior shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians of the same or any other tribe, at a fair valuation to be fixed by appraisement satisfactory to the Indian owner or owners of such restricted land, or if offered for sale at auction said Secretary shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians by meeting the highest bid otherwise offered therefor. Title to all land so acquired or set aside shall be taken in the name of the United States, in trust for the tribe, band, group, or individual for whose benefit such land is so acquired, and the Secretary of the Interior is hereby authorized to designate or proclaim the tribe, band, community, or group of Indians for whose benefit such land is so acquired, and said Secretary is further authorized to prescribe such rules and regulations as he may deem necessary to control the use, management, and operation of such lands for the benefit of the Indians, including the assignment of the right to use part or parts of such land by individual Indians, the ownership of any improvements placed thereon by or at the expense of the occupant to remain in such occupant and to be devisable and inheritable under such rules and regulations as the Secretary of the Interior may prescribe, and not otherwise: *Provided,* That in accepting title to any individually owned restricted Indian land for the benefit of any tribe or group of Indians, the Secretary of the Interior, in consideration for such conveyance, may assign the same land to or for the benefit of the former Indian owner or owners, for such period or periods as the said Secretary may deem proper, including a further right or power in such former owner or owners to lease such land to third parties, upon such terms and conditions as the Secretary of the Interior may prescribe: *Provided, however,* That nothing herein contained shall be construed as granting or recognizing in any such individual occupant or his or her heirs, any title to any tribal or communally owned lands so occupied, or as giving to the courts of the State of Oklahoma any jurisdiction over any matter affecting the title to, right to use or occupy, or the ownership of any improvements located on any such tribal or communally owned lands; all of which questions are hereby committed to the exclusive jurisdiction of the Secretary of the Interior. Any restricted land, funds, or other securities belonging to Indians of the State of Oklahoma shall, while held by the Secretary of the Interior, be free from any and all taxes save those provided by existing law.

SEC. 7. That at any time prior to the expiration of the existing period of trust or other restrictions against alienation of any lands, funds, or other property belonging to any Indians of the State of Oklahoma, whether held under a trust, tribal, or other form of patent, deed, or any other instrument containing restrictions against alienation, the President of the United States be, and he is hereby, authorized in his discretion, to extend such trust or other restricted period for such further period or periods as he may deem best: *Provided, however,* That during such trust or restricted period, or any extension or extensions thereof, the Secretary of the Interior, in his discretion, whenever satisfied that the best interest of the Indian owner or owners of such restricted property, and that of his immediate family, would best be served thereby, may, with or without

application from the Indian owner or owners, remove the restrictions in whole or in part, in such manner and under such rules and regulations as the said Secretary may prescribe: *Provided further*, That before removing the restrictions from any land, funds, or other property, belonging to any adult restricted Indian, without the consent of such Indian, the Secretary of the Interior shall give at least 30 days' notice in writing to such Indian owner to show cause why such action should not be had: *Provided further*, That in any case wherein a restricted Indian has applied to the Secretary of the Interior for the removal of his or her restrictions on land, property, securities, or funds and such application has been rejected, and in any case wherein the Secretary has acted to remove restriction or issue a patent in fee without the consent of the Indian owner of the restricted property, an appeal will lie to the Federal court under whose jurisdiction the land is located and if the application is for the removal of restrictions on property, securities, or funds only, then the appeal will lie to the Federal court having jurisdiction of the legal residence of the applicant and if the Federal court shall find that the action of the Secretary of the Interior in denying such application was arbitrary, or without due regard to the best interests of the Indian applicant and that of his immediate family such court may, in its discretion, overrule the action of the Secretary of the Interior and the decision of the Federal court shall be final and binding upon the Secretary of the Interior. In all cases where appeals are authorized as provided herein, the applicant is entitled to have a certified copy of all papers, including the application and order of rejection, and such applicant shall pay all necessary expenses in connection with the preparation and certification of such transcript: *Provided further*, That, in the event an appeal is taken as authorized herein and such appeal is denied by any Federal court, then the costs of such appeal shall be assessed and taxed against the applicant: *And provided further*, That nothing contained in this act shall be construed as authorizing the removal of restrictions on Osage headrights owned or possessed by persons of Indian blood, which shall remain inalienable, except by will, as now provided by law.

SEC. 8. That the provisions of sections 2, 3, 4, 5, 6, and 7 of the act of January 27, 1933 (47 Stat. 777), entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes in Oklahoma", be, and the same hereby are, made applicable to all Indians of said State, regardless of tribe or degree of Indian blood, and all such Indians having any restricted lands, funds, or other property shall have the right, at their election, either to create private trusts out of such restricted property, pursuant to the terms of said act, or allow the same to remain subject to supervision of the Secretary of the Interior: *Provided*, That it was not intended by the enactment of section 1 of said act to make it retroactive, to extend restrictions on lands other than homesteads of the Indians therein described, or to restrict funds which otherwise were unrestricted after April 26, 1931.

SEC. 9. Any group of Indians residing on any area of tribal land or on land acquired by the United States for the use of Indians shall have the right to organize for its common welfare and to adopt a constitution and bylaws, under such rules and regulations as the Secretary of the Interior may prescribe. The Secretary of the Interior may issue to any such organized group a charter of incorporation, which shall become operative when ratified by a majority vote of the adult members of the organization voting: *Provided, however*, That the total vote cast shall not be less than 40 percent of those entitled to vote. Such charter may convey to the incorporated group, in addition to any powers which may properly be vested in a body corporate under the laws of the State of Oklahoma, the right to participate in the revolving credit fund and to enjoy any other rights or privileges secured to an organized Indian tribe under the act of June 18, 1934 (48 Stat. 984).

The Secretary of the Interior may from time to time delegate and convey to a corporation so chartered, subject to any qualifications that may appear necessary or desirable, any or all powers now vested in the Secretary of the Interior or in the Commissioner of Indian Affairs with respect to the management or control of lands, funds, or other property held or enjoyed by the corporation or its members, the administration of services performed by the Interior Department for such corporation or its members, or the regulation of the conduct or affairs of such corporation and its members. Such action shall become effective when ratified by a majority vote of the adult members of the corporation voting: *Provided, however*, That the total vote cast shall not be less than 40 percent of those entitled to vote. Wherever the management and control of its funds shall be vested in an Indian corporation, such funds may be deposited in any national bank within the State of Oklahoma or otherwise invested, utilized, or disbursed in accordance with the terms of the corporate charter.

SEC. 10. The Secretary is authorized and directed to establish an Oklahoma Indian Credit Corporation, hereinafter referred to as the "Corporation", to issue a charter to such corporation, defining its powers, and providing for a board of directors to serve without pay and to consist of seven members, one of whom shall be the director of credit of the Indian Credit Administration, and four of whom shall be representative Indians of the State of Oklahoma, and to appoint, at a salary determined by him, a manager for such corporation. In addition to any powers which the Secretary may delegate to such corporation necessary for the proper performance of its functions, such corporation shall be authorized in its charter to purchase stock in and to make loans to Indian cooperative credit, producers, consumers, marketing, and land management associations and to individual Indians as defined in the act of June 18, 1934 (48 Stat. 984), under rules and regulations prescribed by the Secretary of the Interior: *Provided*, That no loan shall be made to any individual unless the establishment of a cooperative credit association in an area reasonably convenient to such individual has been proved to the satisfaction of the corporation not to be feasible: *Provided further*, That no loan to any individual or association nor purchase of stock shall be made without the approval of the manager of the corporation. For the purposes and expenses of the corporation and cooperative associations organized pursuant to this act, there shall be appropriated, out of the Treasury of the United States, the sum of $2,000,000.

SEC. 11. Any 10 or more Indians, as defined in the act of June 18, 1934 (48 Stat. 984), who reside in convenient proximity to each other may petition the corporation for a charter for a local cooperative association for any one or more of the following purposes: Credit administration, production, marketing, consumers' protection or land management. Upon approval of the petition by the corporation and by the Secretary, the Secretary shall issue to such person a charter defining the powers of such cooperative association, the district within which it shall operate, and the conditions of membership, and prescribing the manner of conducting its business. The provisions of this act, the regulations of the Secretary of the Interior, and the charters of the cooperative associations issued pursuant thereto, shall govern such cooperative associations but in those matters not covered by said act, regulations, or charters, the laws of the State of Oklahoma, if applicable, shall govern. All credit associations shall, and any other cooperative association may, possess voting and nonvoting stock with a par value as fixed in the charter. The nonvoting stock shall be purchased by the corporation or otherwise taken by it in exchange for loans made to the cooperative associations in such proportion to the loans made as may be prescribed in the regulations of the Secretary. The voting stock shall be issued only to members of the cooperative association, and must be purchased by every member thereof to the amount required in the charter of the association; except that every credit association shall require its members to possess stock to the amount of 5 percent of the face value of any loan. Any member may pay for such stock either by cash supplied by him or through assignment to the association of a part of his patronage dividend. In any stock or nonstock cooperative association no one member shall have more than one vote, and membership therein shall be open to all individuals of one-half or more Indian blood residing within the prescribed district. Any Indian, regardless of his degree of blood, who has relinquished to the Secretary title to land and who has been assigned land by said Secretary pursuant to section 6 of this act is entitled to become a member of a land-management association. The officers of all cooperative associations must be approved by the corporation, and all books and accounts of such associations shall at all times be open to inspection by the corporation or the Secretary.

SEC. 12. The corporation shall continue until otherwise directed by act of Congress; and the charters of all cooperative associations organized pursuant to this act shall not be amended or revoked by the Secretary except after a majority vote of the membership. The charters of the said corporation and cooperative associations may convey the right to make contracts, to acquire, hold, and dispose of real and personal property necessary and incident to the conduct of their business, to prescribe fees and charges, subject to the regulations of the Secretary, for loans and other services, to buy and sell stocks in their own or other associations or corporations; and such other powers as may, in the judgment of the Secretary, be necessary and incident to carrying out the powers and duties described in this act. Said corporation and cooperative associations may sue and be sued in any court of the State of Oklahoma or of the United States having jurisdiction of the cause of action, but a certified copy of all papers filed in any action against a cooperative association in a court of Oklahoma shall be served upon the corporation. Within 20 days after such service or within such extended time as the trial court may permit, the corporation may intervene in such action or the Secretary, upon the request of the corporation, may remove such action to the United States district court to be held in the district where such petition is pending by filing in such action in the State court a petition for such removal together with the certified copy of the papers served upon the corporation. It shall then be the duty of the State court to accept such petition and proceed no further in such action. The said copy shall be entered in the said district court within 20 days after the filing of the petition for removal, and the said district court is hereby given jurisdiction to hear and determine said action.

In addition to the foregoing powers the cooperative associations may, by delegation from the Secretary of the Interior, receive the power to manage, operate, and assign lands purchased or acquired by the Secretary pursuant to section 6 of this act and to regulate the leasing thereof and the disposition, use, inheritance, and devise of the improvements placed thereon.

SEC. 13. The provisions of this act are to be considered, held, and construed as supplemental to the rights, privileges, and benefits set forth and provided in the act of June 18, 1934 (48 Stat. 994): *Provided*, That the Indian tribes and Indian citizens of Oklahoma shall have equal rights, opportunities, and privileges under the provisions of the last-mentioned act when applicable: *Provided further*, That all funds appropriated under the several grants of authority contained in said act for the purchase of land

as provided in section 5 thereof; for the purpose of establishing a revolving fund as provided in section 10 thereof; for the making of loans to Indians for the payment of tuition and other expenses in recognized vocational and trade schools as provided in section 11 thereof; are hereby made available for use under the provisions of this act, and Oklahoma Indians shall be accorded and allocated a fair and just share of any and all funds hereafter appropriated under the authorization herein set forth.

SEC. 14. For the purpose of carrying out the several provisions of this act and supplemental to the authorizations contained in the act of June 18, 1934 (48 Stat. 984), funds are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and all sums appropriated pursuant to this authority shall be expended under the direction and supervision of the Secretary of the Interior: *Provided*, That specific authority is hereby granted to appropriate funds for—

(a) General support and civilization, including education;

(b) For relief of distress and conservation of health;

(c) For industrial assistance and advancement and general administration of Indian property;

(d) For the enlargement, extension, improvement, and repair of the buildings and grounds of existing plants and projects;

(e) For the employment of inspectors, supervisors, superintendents, clerks, field matrons, farmers, physicians, Indian police, and other employees;

(f) For the suppression of traffic in intoxicating liquor and deleterious drugs; and

(g) For the purchase of horse-drawn and motor-propelled passenger-carrying vehicles for official use.

SEC. 15. The Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 16. All acts or parts of acts inconsistent herewith are hereby repealed.

SEC. 17. This act may be cited as the "Oklahoma Indian General Welfare Act of 1935."

With the following committee amendment:

Strike out all after enacting clause and insert the following:

"That the Secretary of the Interior is hereby authorized, in his discretion, to acquire by purchase, relinquishment, gift, exchange, or assignment any interest in lands, water rights, or surface rights to lands, within or without existing Indian reservations, including trust or otherwise restricted lands now in Indian ownership: *Provided*, That such lands shall be agricultural and grazing lands of good character and quality in proportion to the respective needs of the particular Indian or Indians for whom such purchases are made. Title to all lands so acquired shall be taken in the name of the United States, in trust for the tribe, band, group, or individual Indian for whose benefit such land is so acquired, and while the title thereto is held by the United States said lands shall be free from any and all taxes, save that the State of Oklahoma is authorized to levy and collect a gross production tax, not in excess of the rate applied to production from lands in private ownership, upon all oil and gas produced from said lands, which said tax the Secretary of the Interior is hereby authorized and directed to cause to be paid.

"SEC. 2. Whenever any restricted Indian land or interests in land, other than sales or leases of oil, gas, or other minerals therein, are offered for sale, pursuant to the terms of this or any other act of Congress, the Secretary of the Interior shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians of the same or any other tribe, at a fair valuation to be fixed by appraisement satisfactory to the Indian owner or owners, or if offered for sale at auction said Secretary shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians by meeting the highest bid otherwise offered therefor.

"SEC. 3. Any recognized tribe or band of Indians residing in Oklahoma shall have the right to organize for its common welfare and to adopt a constitution and bylaws, under such rules and regulations as the Secretary of the Interior may prescribe. The Secretary of the Interior may issue to any such organized group a charter of incorporation, which shall become operative when ratified by a majority vote of the adult members of the organization voting: *Provided, however*, That such election shall be void unless the total vote cast be at least 30 percent of those entitled to vote. Such charter may convey to the incorporated group, in addition to any powers which may properly be vested in a body corporate under the laws of the State of Oklahoma, the right to participate in the revolving credit fund and to enjoy any other rights or privileges secured to an organized Indian tribe under the act of June 18, 1934 (48 Stat. 984): *Provided*, That the corporate funds of any such chartered group may be deposited in any national bank within the State of Oklahoma or otherwise invested, utilized, or disbursed in accordance with the terms of the corporate charter.

"SEC. 4. Any 10 or more Indians, as determined by the official tribal rolls, or Indian descendants of such enrolled members, or Indians as defined in the act of June 18, 1934 (48 Stat. 984), who reside within the State of Oklahoma in convenient proximity to each other may receive from the Secretary of the Interior a charter as a local cooperative association for any one or more of the following purposes: Credit administration, production, marketing, consumers' protection, or land management. The provisions of this act, the regulations of the Secretary of the Interior, and the charters of the cooperative associations issued pursuant thereto shall govern such cooperative associations: *Provided*, That in those matters not covered by said act, regulations, or charters, the laws of the State of Oklahoma, if applicable, shall govern. In any stock or nonstock cooperative association no one member shall have more than one vote, and membership therein shall be open to all Indians residing within the prescribed district.

"SEC. 5. The charters of any cooperative association organized pursuant to this act shall not be amended or revoked by the Secretary except after a majority vote of the membership. Such cooperative associations may sue and be sued in any court of the State of Oklahoma or of the United States having jurisdiction of the cause of action, but a certified copy of all papers filed in any action against a cooperative association in a court of Oklahoma shall be served upon the Secretary of the Interior, or upon an employee duly authorized by him to receive such service. Within 30 days after such service or within such extended time as the trial court may permit, the Secretary of the Interior may intervene in such action or may remove such action to the United States District Court to be held in the district where such petition is pending by filing in such action in the State court a petition for such removal together with the certified copy of the papers served upon the Secretary. It shall then be the duty of the State court to accept such petition and to proceed no further in such action. The said copy shall be entered in the said district court within 30 days after the filing of the petition for removal, and the said district court is hereby given jurisdiction to hear and determine said action.

"SEC. 6. The Secretary is authorized to make loans to individual Indians and to associations or corporate groups organized pursuant to this act. For the making of such loans and for expenses of the cooperative associations organized pursuant to this act, there shall be appropriated out of the Treasury of the United States, the sum of $2,000,000.

"SEC. 7. All funds appropriated under the several grants of authority contained in the Act of June 18, 1934 (48 Stat. 984), are hereby made available for use under the provisions of this act, and Oklahoma Indians shall be accorded and allocated a fair and just share of any and all funds hereafter appropriated under the authorization herein set forth: *Provided*, That any royalties, bonuses, or other revenues derived from mineral deposits underlying lands purchased in Oklahoma under the authority granted by this act, or by the Act of June 18, 1934, shall be deposited in the Treasury of the United States, and such revenues are hereby made available for expenditure by the Secretary of the Interior for the acquisition of lands and for loans to Indians in Oklahoma as authorized by this act and by the Act of June 18, 1934 (48 Stat. 984).

"SEC. 8. This act shall not relate to or affect Osage County, Okla.

"SEC. 9. The Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act. All acts or parts of acts inconsistent herewith are hereby repealed."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHOCTAW INDIANS OF MISSISSIPPI

The Clerk called the next bill, S. 2715, conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. TABER, Mr. WOLCOTT, Mr. JENKINS of Ohio, and Mr. RICH objected.

NAVAL AIR BASE, TONGUE POINT, OREG.

The Clerk called the next bill, H. R. 10129, authorizing an appropriation for the development of a naval air base at Tongue Point, Oreg.

Mr. UMSTEAD, Mr. TARVER, and Mr. TABER objected.

Mr. LUDLOW. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. LUDLOW. What becomes of Calendar No. 770, the bill to amend the Federal Register Act?

The SPEAKER pro tempore. The bill was objected to twice and should not have been on the calendar. It is on the calendar only through clerical error.

ASSINIBOINE INDIANS

The Clerk called the next bill, H. R. 9144, conferring jurisdiction on the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes.

Mr. WOLCOTT, Mr. MCLEAN, Mr. TABER, Mr. MITCHELL, and Mr. COSTELLO objected.

CLASSIFIED STATUS FOR CERTAIN SPECIAL-DELIVERY MESSENGERS

The Clerk called the next bill, H. R. 11822, to permit certain special-delivery messengers to acquire a classified status through noncompetitive examination.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. COSTELLO, Mr. CLARK of Idaho, Mr. TAYLOR of South Carolina, and Mr. TABER objected.

Mr. HAINES. Mr. Speaker, will not the gentleman from California withhold his objection?

Mr. COSTELLO. Mr. Speaker, I withhold my objection to permit the gentleman to make a statement.

Mr. HAINES. Mr. Speaker, this is a good bill and has the approval of the Post Office Department. Will the gentleman from California kindly tell me his objection to this bill?

Mr. COSTELLO. My particular objection to the passage of the bill is that it takes a group of special-delivery messengers who are not now under civil service and gives them an examination which is not open to all competitors who may desire to compete in the examination. The examination is limited exclusively to this limited group of employees employed as special-delivery messengers, and then confers on them a civil-service status in the Post Office Department. It blankets into the Department a small group by a special examination. It seems to me such bills defeat the very purpose for which the civil service was established and the very basis of entrance into the civil service, which is through competitive examination open to all who desire to compete.

Mr. HAINES. This bill is designed to take care of a certain group of old men who have been a long time in the service. If they do not have this opportunity, they will never have any opportunity to get in the classified service.

Mr. SWEENEY. Mr. Speaker, if the gentleman will yield, some of these men have been in the service 10 or 15 years. The bill is not retroactive but just gives recognition of service performed in the past.

The regular order was called for.

The SPEAKER pro tempore. The regular order is, Is there objection to the consideration of the bill?

Mr. COSTELLO, Mr. CLARK of Idaho, Mr. TAYLOR of South Carolina, and Mr. TABER objected.

MEMORIAL TO UNKNOWN SOLDIERS, PHILADELPHIA, PA.

The Clerk called the next bill, H. R. 9040, to provide for the erection of a memorial in the National Cemetery of Philadelphia, Pa., in honor of the 40 unknown soldiers of America's wars who lie buried there.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. COSTELLO and Mr. CLARK of Idaho objected.

There being no further objections, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to erect on a suitable site in the national cemetery located in the city of Philadelphia, Pa., a memorial in honor of the 40 unknown soldiers of America's wars who lie buried there. Such memorial shall be erected only after the plans and specifications therefor have been submitted to, and approved by, the Commission of Fine Arts.

SEC. 2. There is authorized to be appropriated the sum of $25,000, or so much thereof as may be necessary, to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 2, strike out "$25,000" and insert in lieu thereof "$2,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider was laid on the table.

TERMINAL MARKER, JEFFERSON DAVIS NATIONAL HIGHWAY

The Clerk called the next bill, S. 2737, authorizing the erection in the District of Columbia of a suitable terminal marker for the Jefferson Davis National Highway.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. RICH, Mr. TABER, Mr. WOLCOTT, and Mr. JENKINS of Ohio objected.

BLUE RIDGE PARKWAY

The Clerk called the next bill, H. R. 12455, to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. TABER, Mr. RICH, Mr. WOLCOTT, and Mr. JENKINS of Ohio objected.

AMENDMENT OF PUBLIC BUILDINGS ACT OF MAY 25, 1926

The Clerk called the next bill, H. R. 11959, to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926 (44 Stat. 630), as amended.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ELIMINATION OF UNNECESSARY RENEWALS OF OATHS OF OFFICE BY CIVILIAN EMPLOYEES

The Clerk called the next bill, H. R. 12219, to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments.

Mr. WOLCOTT, Mr. TABER, and Mr. JENKINS of Ohio objected.

AMENDMENT OF SECTION 4B OF THE NATIONAL DEFENSE ACT, AS AMENDED

The Clerk called the next bill, S. 4132, to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BOILEAU. Mr. Speaker, reserving the right to object, as I understand, the language in this bill is broad enough to permit the President of the United States to definitely fix the enlisted personnel of the Army. In other words he may provide the number of privates in the Army, the number of first-class privates, sergeants, and so forth, and in that way he may increase by Executive order the enlisted personnel of the Army. I do not believe that is the intention of the legislation, but the language is broad enough to permit that.

Mr. HILL of Alabama. If the gentleman will yield, I may say that is not the intention of the bill. I have prepared an amendment that I propose to offer to make sure the intention as the gentleman has just stated it is carried out; that is, so that there can be no increase in the number of enlisted personnel.

Mr. WOLCOTT. Will the gentleman tell us what his amendment is?

Mr. HILL of Alabama. On page 2, strike out the period, insert a colon and the following language:

Provided further, That nothing herein shall be construed to authorize any increase in the number of the enlisted personnel of the Regular Army.

Mr. BOILEAU. With the adoption of that amendment I shall have no objection to the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4b of the National Defense Act, as amended, be, and the same hereby is, amended by striking out the present wording and substituting therefor the following:

"SEC. 4b. Enlisted men: On and after July 1, 1936, the grades and ratings of enlisted men shall be such as the President may from time to time direct, with monthly base pay in each grade and pay for each rating as prescribed by law. The numbers in grades and/or ratings of enlisted men shall be such as are authorized from time to time by the President by Executive order: *Provided*, That nothing in this section shall operate to reduce the pay which any enlisted man is now receiving during his current enlistment and while he holds his present grade and rating, nor to change the present rate of pay of any enlisted man now on the retired list, nor to change existing provisions of law relating to

flying cadets: *Provided further*, That the transportation privileges authorized by section 12 of the act of Congress approved May 18, 1920, shall apply only to enlisted men of the first three grades."

SEC. 2. All laws and parts of laws in conflict with the provisions of this act are repealed as of the effective date of this act.

Mr. HILL of Alabama. Mr. Speaker, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HILL of Alabama: Page 2, line 9, strike out the period, insert a colon, and add the following language:

"*Provided further*, That nothing herein shall be construed to authorize any increase in the number of the enlisted personnel of the Regular Army."

The amendment was agreed to.

The bill was ordered to be a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF CONTRACTORS IN RECONSTRUCTION NAVIGATION DAMS AND LOCKS ON THE MISSISSIPPI RIVER

The Clerk called the next bill, H. R. 10846, to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

EXEMPTION OF CERTAIN BRIDGES FROM TAXATION

The Clerk called the next bill, S. 3107, to exempt publicly owned interstate highway bridges from State, municipal, and local taxation.

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

NATURAL GAS

The Clerk called the next bill, H. R. 12680, to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes.

Mr. RICH, Mr. TABER, Mr. FADDIS, Mr. COOPER of Ohio, and Mr. WOLCOTT objected.

ERECTION OF A PEDESTAL FOR THE ALBERT GALLATIN STATUE IN DISTRICT OF COLUMBIA

The Clerk called Senate Joint Resolution 215, authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this joint resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ACCEPTANCE BY SECRETARY OF THE INTERIOR OF UNSURVEYED LANDS IN STATE OF ARIZONA

The Clerk called the next bill, H. R. 12062, to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, in his discretion, to accept as a basis for exchange with the State of Arizona under authority of section 8 of the act of June 28, 1934 (48 Stat. 1269), unsurveyed lands which, if surveyed, would fall within numbered school sections in place designated by the act of June 20, 1910 (36 Stat. 557), and otherwise become the property of the State. For the purpose of such exchange the identification and area of the offered unsurveyed school sections may be determined by protraction, but no reservation by the State of minerals, easements, or rights of use may be made in such offered lands, and the selections made in lieu of such offered lands shall be based upon equal areas of vacant, unappropriated, and unreserved nonmineral public lands. The selection by the State of lands in lieu of any such protracted school sections shall be a waiver of its right to such sections. Except as herein modified, the provisions of said section 8 of the act of June 28, 1934, shall remain in full force and effect.

SEC. 2. That the Secretary of the Interior is hereby authorized to establish and administer additional grazing districts in the State of Arizona pursuant to the provisions and subject to the restrictions of "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934 (48 Stat. 1269), without regard to the 80,000,000 acres limitation contained in section 1 thereof: *Provided*, That no such grazing district shall be established until a hearing shall have been held in the vicinity of the proposed district, as provided by said act, to first ascertain the sentiments of the settlers, residents, and livestock owners of the area.

With the following committee amendment:

On page 2, strike out all of section 2.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACQUISITION OF CERTAIN LANDS BY THE TOWN OF BENSON, ARIZ.

The Clerk called the next bill, H. R. 11183, to provide for acquisition of certain lands by the town of Benson, Ariz., for school and park purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to transfer without cost to the State of Arizona title to an area of surveyed, unreserved, unappropriated, nonmineral public lands within such State equal in acreage and value to section 16, township 17 south, range 20 east, Gila and Salt River meridian.

SEC. 2. Notwithstanding any provision of law to the contrary, the State of Arizona is authorized to transfer without cost to the town of Benson title to section 16, township 17 south, range 20 east, Gila and Salt River meridian, for school and park purposes. Unless such transfer of title to the town of Benson is made within 1 year after the date of the execution of the deed conveying land to the State of Arizona pursuant to section 1 of this act, title to such lieu land shall revert to the United States.

SEC. 3. The joint resolution entitled "Joint resolution authorizing the State of Arizona to transfer to the town of Benson without cost title to section 16, township 17 south, range 20 east, Gila and Salt River meridian, for school and park purposes", approved August 24, 1935, is repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STUDIES AND PLANS FOR DEVELOPMENT OF HYDROELECTRIC POWER PROJECTS AT CABINET GORGE ON THE COLUMBIA RIVER

The Clerk called the next bill, H. R. 12663, to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, and a reclamation project for the Rathdrum Prairie area, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DIRKSEN and Mr. RICH objected.

Mr. WHITE. Will the gentlemen reserve their objection?

Mr. DIRKSEN. I withhold my objection.

Mr. WHITE. Mr. Speaker, this bill has been amended to meet the objections that were made to the bill in its original form. The bill has been approved by the Secretary of the Interior and also has the approval of the Director of the Budget. The bill has been passed by the Senate and has been unanimously reported by the Committee on Irrigation and Reclamation. The bill as it stands provides only for the investigation of the possibility of pumping water by a hydroelectric power project in order to rehabilitate four or five irrigation districts which are in distress out in that country. These irrigation districts are now pumping water from various wells and lakes that are going dry. This bill has the support of the Grange and the people all over the northern part of the State of Idaho. It is a very small matter, involving a very minor appropriation to make this examination.

Mr. DIRKSEN. This is just the entering wedge for another appropriation out there.

Mr. WHITE. These reclamation projects are already in existence. The people out there are in distress for the want

of water. The wells have gone dry and the lakes are going down.

Mr. DIRKSEN. Why was not this matter incorporated in the general Interior Department appropriation bill in the first instance?

Mr. WHITE. I may say this will come out of the money that has been accumulated in the irrigation fund.

Mr. DIRKSEN. This simply aggravates the agricultural situation as at present existing. It is a piecemeal proposition to crowd in other irrigation projects from year to year.

Mr. WHITE. The agricultural situation in this district is already aggravated and these people are in distress. I hope the gentleman will not object to an investigation, which is all that the bill calls for.

Mr. DIRKSEN. I will say to the gentleman that I will go so far as to ask that the bill be passed over without prejudice, otherwise I shall object.

Mr. WHITE. The committee has reported the bill out, and it only calls for an investigation, and I hope the gentleman will not object.

Mr. RICH. Mr. Speaker, reserving the right to object, the gentleman says they are going to get the money out of the reclamation fund. This afternoon we had a bill up here and they said they were going to take the money called for under that bill out of the reclamation fund, although I understand they have spent all the money, and there is now no money left in the reclamation fund.

Mr. WHITE. If that is true, then there will not be anything done about it. It is my information that money is available in the reclamation fund. Let me remind the gentleman that these funds are obtained from the public-land States and do not come out of tax money paid into the Treasury.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OF THE NATIONAL DEFENSE ACT OF JUNE 3, 1916

The Clerk called the next bill, S. 4026, to amend the National Defense Act of June 3, 1916, as amended.

Mr. McLEAN. Mr. Speaker, reserving the right to object, will the gentleman from Alabama tell me whether or not an amendment was proposed by the adjutant generals of the several States?

Mr. HILL of Alabama. The gentleman from California [Mr. COSTELLO] has an amendment that he proposes to offer which will take care of the National Guard officers, putting them on a parity with the Reserve officers and the Regular Army officers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 112 of the National Defense Act, as amended by the act of June 15, 1933 (48 Stat. 161), be, and the same is hereby, amended by striking out the phrase "except for training".

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 6, strike out the word "training" and insert in lieu thereof the following: "*Provided*, That for the purposes of this section the service of officers, warrant officers, the enlisted men of the National Guard or of the National Guard of the United States while en route to or from or during their attendance at encampments, maneuvers, or other exercises, or at service schools, under the provisions of sections 94, 97, and 99 of the National Defense Act of June 3, 1916, as amended, shall be considered as service under a call or order into the active service of the United States."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LITTLE ROCK CONFEDERATE CEMETERY, ARKANSAS

The Clerk called the next bill, S. 4190, to amend the act approved February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, Arkansas, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. HILL of Alabama. Mr. Speaker, reserving the right to object, I do not think the gentleman from Michigan should object to the bill. In 1913 the city of Little Rock gave some land to the Federal Government to be used as a cemetery for the burial of Confederate soldiers only. What the bill would do would be to remove the limitation of burying only Confederate soldiers and let the Federal Government bury all different classes of soldiers in the cemetery. The Federal Government today needs this cemetery to bury different classes of soldiers and is anxious to have the bill passed, and as I say, the only purpose of the bill is to remove the limitation under which only Confederate soldiers can be buried there today.

Mr. WOLCOTT. I hope the gentleman will not object to the bill going over without prejudice, in order that we may have further time to study it.

Mr. HILL or Alabama. I may say to the gentleman that I have no personal interest whatever in the measure, but it is certainly to the interest of the Government to get this land to be used for the burial of World War soldiers, Spanish War soldiers, Union soldiers, and all classes of soldiers. I may say to the gentleman further that adjoining this particular cemetery the Federal Government has another cemetery in which it has been burying all classes of soldiers, but that cemetery today is filled up and the Government must have additional land or otherwise be put to the expense of shipping the bodies of these different classes of soldiers to cemeteries far from where they die and this means additional cost of transportation to the Government.

The bill is absolutely in the interest of the Government. I have no personal interest in the matter, but, as I have said, it is a matter that is entirely in the interest of the Government.

Mr. TERRY. Mr. Speaker, will the gentleman yield?

Mr. HILL of Alabama. I yield to the gentleman from Arkansas.

Mr. TERRY. Mr. Speaker, there is a great deal more space in this park the gentleman from Alabama is speaking about. He is correct in stating that the portion formerly used for Federal soldiers entirely has been completely used up.

Mr. WOLCOTT. I think we should consider it a little further and I hope the gentleman will not object to its going over without prejudice. Mr. Speaker, I renew my unanimous-consent request that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

BACHELOR OF SCIENCE DEGREES

The Clerk called the bill (H. R. 11922) to amend the act of May 25, 1933 (48 Stat. 73).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved May 25, 1933 (48 Stat. 73), be amended by changing the period at the end of the act to a colon and by adding the following words: "*Provided*, That on and after the date of the accrediting of the said academies by the Association of American Universities the superintendents of the respective academies may, under such rules and regulations as the respective secretaries may make, confer the degree of bachelor of science upon all living graduates of the said academies."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CONSTRUCTION OF MILITARY POSTS, PANAMA CANAL DEPARTMENT

The Clerk called the bill (H. R. 10640) to authorize appropriations for construction at military posts, Panama Canal Department, and for other purposes.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. It seems to me that we are getting into rather important legislation when we authorize the construction at military posts of buildings totaling in cost $1,600,000. Personally I have been in favor of a national defense system adequate to protect our natural resources and our people, comparable with any in the world, but it does not seem to me logical for us to be adopting bills which have as their purpose the establishment of military and naval policies by unanimous consent. In order to allow the sponsors of the bill to bring this up in the regular way, so that we may consider it and give every one on the floor an opportunity to be heard and an opportunity to vote on the establishment of a military and naval policy, I ask unanimous consent that the bill go over without prejudice.

Mr. HILL of Alabama. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. HILL of Alabama. Has the gentleman definitely made up his mind that he wants this bill to go over?

Mr. WOLCOTT. I have made up my mind to object to it if it does not, because I do not think we have any business authorizing an appropriation for any purpose, to say nothing of establishing a military and naval policy regulating Army posts. We have a bill here now on the calendar to follow, no. 873, providing for an authorization of $21,000,000.

Mr. TARVER. Mr. Speaker, I demand the regular order.

Mr. WOLCOTT. Mr. Speaker, I renew my request that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan that the bill be passed over without prejudice?

Mr. TARVER. I object.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

CONSTRUCTION AT MILITARY POSTS

The Clerk called the bill (H. R. 12511) to authorize appropriations for construction at military posts, and for other purposes.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, for the same reasons I gave in objecting to the consideration of Calendar No. 872, H. R. 10640, I object to the consideration of this bill.

COMPENSATION OF CERTAIN IMMIGRATION AND NATURALIZATION SERVICE EMPLOYEES

The Clerk called the bill (H. R. 12244) to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 24 of the Immigration Act of 1917 (39 Stat. 893) as amended (U. S. C., title 8, sec. 109), is amended by adding at the end thereof new paragraphs, as follows:

"Immigration and Naturalization Service employees of the following classifications shall be divided into grades, as follows:

"Senior border patrol inspectors: Grade 1, salary $2,400; grade 2, salary $2,500; grade 3, salary $2,600.

"Border patrol inspectors: Grade 1, salary $2,100; grade 2, salary $2,200; grade 3, salary $2,300.

"Naturalization examiners: Grade 1, salary $2,600; grade 2, salary $2,800; grade 3, salary $3,000.

"Interpreters: Grade 1, salary $1,800; grade 2, salary $1,900; grade 3, salary $2,000; grade 4, salary $2,100; grade 5, salary $2,200.

"Clerks: Grade 1, salary $1,700; grade 2, salary $1,800; grade 3, salary $1,900; grade 4, salary $2,000; grade 5, salary $2,100.

"Guards and matrons: Grade 1, salary $1,800; grade 2, salary $1,900; grade 3, salary $2,000; grade 4, salary $2,100; grade 5, salary $2,200.

"Telephone operators: Grade 1, salary $1,440; grade 2, salary $1,500; grade 3, salary $1,560; grade 4, salary $1,620; grade 5, salary $1,680.

"Laborers in charge: Grade 1, salary $1,500; grade 2, salary $1,560; grade 3, salary $1,620; grade 4, salary $1,680.

"Laborers: Grade 1, salary $1,320; grade 2, salary $1,380; grade 3, salary $1,440; grade 4, salary $1,500.

"Charwomen in charge: Grade 1, salary $1,440; grade 2, salary $1,500; grade 3, salary $1,560.

"Charwomen: Grade 1, salary $1,260; grade 2, salary $1,320; grade 3, salary $1,380.

"Messenger-clerks: Grade 1, salary $1,260; grade 2, salary $1,320; grade 3, salary $1,380.

"Messengers: Grade 1, salary $960; grade 2, salary $1,020; grade 3, salary $1,080.

"On the 1st of the month next following the date of the approval of this act all employees of the above classification shall be promoted to appropriate salary grades as hereinabove authorized. Thereafter each such employee shall be promoted successively to the next higher salary grade at the beginning of the next quarter following 1 year's satisfactory service (determined by standards of efficiency to be defined by the Commissioner of Immigration and Naturalization with the approval of the Secretary of Labor) in the next lower grade, until the maximum salary grade of the particular classification shall have been reached.

"Promotions for meritorious service above the maximum rates specified herein may be made at the discretion of the Secretary of Labor upon the recommendation of the Commissioner of Immigration and Naturalization.

"Administrative promotions for clerks above grade 5 shall be at the discretion of the Secretary of Labor and upon the recommendation of the Commissioner of Immigration and Naturalization to the following salary grades: $2,200, $2,300, $2,400, $2,500, and $2,600: *Provided*, That not to exceed 50 percent of the clerks in these administrative grades shall be promoted after no less than 1 year of meritorious service to the next higher administrative grade, until the maximum administrative grade for clerks herein provided has been reached.

"New appointments shall be made only at grade 1 of the appropriate classification, but an employee may be transferred from one classification to another without reduction of compensation, in the interest of good administration, at the discretion of the Commissioner of Immigration and Naturalization with the approval of the Secretary of Labor.

"Nothing herein contained shall be construed to reduce the rate of salary of any person employed in the Immigration and Naturalization Service on the date of the approval of this act.

"The appropriation of such sums as may be necessary for the enforcement of this act is hereby authorized."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

STATE OF NEVADA

The Clerk called the next bill, S. 3907, for the relief of the State of Nevada.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. LAMNECK. Reserving the right to object, Mr. Speaker, I should like to know something about this bill.

Mr. SCRUGHAM. This bill simply authorizes the reissuance of a check which was lost in transfer.

Mr. LAMNECK. I withdraw my reservation of objection, Mr. Speaker.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 3646, as amended, of the Revised Statutes of the United States, the chief disbursing officer of the Treasury Department is authorized and directed to issue, without the requirement of an indemnity bond, a duplicate of original check numbered 81257, drawn September 6, 1935, in favor of "State treasurer of Nevada, trust fund" for $3,978.97 and lost after delivery.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTEREST PAYMENTS ON AMERICAN EMBASSY DRAFTS

The Clerk called the next bill, S. 1896, to provide for interest payments on American Embassy drafts.

The SPEAKER pro tempore. Is there objection?

Mr. WHITE. Mr. Speaker, I object.

Mr. BLOOM. Mr. Speaker, will the gentleman reserve his objection?

Mr. WHITE. I will reserve my objection if the gentleman wishes to make a statement. What does this bill provide?

Mr. BLOOM. The bill pays interest on a loan that this Gavernment made in Turkey years ago. It has been recommended by President Hoover. It has been recommended by three Presidents and all their Secretaries of State. It is recommended by President Roosevelt. It is interest on money borrowed by this Government. They are asking for the interest. It was money loaned to this Government during the war.

Mr. WHITE. How much money is involved?

Mr. BLOOM. The interest on it is about $44,000, but it is a debt of this Government. Those people loaned the money to the United States Government. President Roosevelt and President Hoover and all Secretaries of State say that it should be paid. It has passed the Senate.

Mr. WHITE. The principal has been paid?

Mr. BLOOM. The principal has been paid in installments. The Government only borrowed it for 3 days during the war, and they did not pay it until years afterward. The bankers who loaned this money to the Government are asking for the interest, and every one in three administrations has O. K.'d the bill.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. BOILEAU. I should like to ask the gentleman who are the creditors?

Mr. BLOOM. The bankers who loaned the money.

Mr. BOILEAU. American bankers?

Mr. BLOOM. No. They are foreign bankers.

Mr. BOILEAU. Is there any way in which this debt could be applied on the American war debt?

Mr. BLOOM. No.

Mr. BOILEAU. Is it from the same countries?

Mr. BLOOM. No. This is from Vienna. The Vienna bank loaned this money through the Embassy in Turkey at that time. I have no personal interest in it, but everyone says it is a just claim of this country and should have been paid.

Mr. REILLY. Will the gentleman yield?

Mr. BLOOM. I yield.

Mr. REILLY. Why has not the claim been paid?

Mr. BLOOM. There was not sufficient money in a certain fund to pay this debt. Our Government borrowed this money for 3 days, and the bankers at that time said they would not charge any interest, but it took years before it was paid. The only reason it was not paid was that in a certain fund the money was not available at that time.

Mr. REILLY. Is it not a general debt of the National Government?

Mr. BLOOM. It is a debt of this Government; yes.

Mr. REILLY. When was it made?

Mr. BLOOM. In about 1915.

Mr. REILLY. And they have had billions in the Treasury since that time.

Mr. BLOOM. But not in this special fund. The money had to come from a special fund to pay for this. The report shows the details.

The SPEAKER pro tempore. Is there objection?

Mr. WHITE. Mr. Speaker, in view of the fact that the principal has been paid I am constrained to object.

Mr. LAMNECK. Mr. Speaker, I object.

COMMUNICATIONS ACT OF 1934

The Clerk called the next bill, H. R. 12646, to amend section 318 of the Communications Act of 1934.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MONAGHAN. Mr. Speaker, I object.

Mr. HEALEY. Mr. Speaker, will the gentleman reserve his objection?

Mr. MONAGHAN. I will reserve the objection.

Mr. HEALEY. Will the gentleman allow the bill to go over without prejudice?

Mr. MONAGHAN. I will consent to it going over without prejudice.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that the bill H. R. 12646 may go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There is no objection.

TIME CREDITS FOR SUBSTITUTES IN MOTOR-VEHICLE SERVICE

The Clerk called the next bill, H. R. 6868, to provide time credits for substitutes in the motor-vehicle service.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. TAYLOR of South Carolina. Mr. Speaker, I object.

MIGRATORY BIRD TREATY ACT

The Clerk called the next bill, S. 4584, to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), to extend and adapt its provisions to the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico February 7, 1936, and for other purposes.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the title of the act entitled, "An act to give effect to the convention between the United States and Great Britain for the protection of migratory birds concluded at Washington, August 16, 1916, and for other purposes", approved July 3, 1918 (40 Stat. 755), is hereby amended as of the day on which the President shall proclaim the exchange of ratifications of the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded February 7, 1936, or on the day of the enactment of this act, whichever date is later, so that it will read as follows:

"An act to give effect to the conventions between the United States and Great Britain for the protection of migratory birds concluded at Washington August 16, 1916, and between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico, February 7, 1936, and for other purposes."

SEC. 2. That said act approved July 3, 1918, is hereby amended as of the day aforesaid by striking out the word "convention" wherever it occurs therein and by inserting in lieu thereof the word "conventions."

SEC. 3. That section 2 of said act approved July 3, 1918, is hereby amended as of the day aforesaid so as to read as follows:

"SEC. 2. That unless and except as permitted by regulations made as hereinafter provided, it shall be unlawful at any time, by any means or in any manner, to pursue, hunt, take, capture, kill, attempt to take, capture, or kill, possess, offer for sale, sell, offer to barter, barter, offer to purchase, purchase, deliver for shipment, ship, export, import, cause to be shipped, exported, or imported, deliver for transportation, transport or cause to be transported, carry or cause to be carried, or receive for shipment, transportation, carriage, or export, any migatory bird, or any part, nest, or egg of any such birds, included in the terms of the conventions between the United States and Great Britain for the protection of migratory birds concluded August 16, 1916, and the United States and the United Mexican States for the protection of migratory birds and game mammals concluded February 7, 1936."

SEC. 4. That section 4 of said act approved July 3, 1918, is hereby amended as of the day aforesaid by adding at the end thereof the following:

"It shall be unlawful to import into the United States from Mexico, or to export from the United States to Mexico any game mammal, dead or alive, or parts or products thereof, except under permit or authorization of the Secretary of Agriculture in accordance with such regulations as he shall prescribe having due regard to the laws of the United Mexican States relating to the exportation and importation of such mammals or parts or products thereof and the laws of the State, District, or Territory of the United States from or into which such mammals, parts, or products thereof, are proposed to be exported or imported, and the laws of the United States forbidding importation of certain live mammals injurious to the interests of agriculture and horticulture, which regulations shall become effective as provided in section 3 hereof."

SEC. 5. That section 9 of said act approved July 3, 1918, is hereby repealed as of the day aforesaid and the following is hereby substituted in lieu thereof:

"SEC. 9. That there is authorized to be appropriated, from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and to accomplish the purposes of said conventions and this act and regulations made pursuant thereto, and the Secretary of Agriculture is authorized out of such moneys to employ in the city of Washington and elsewhere such persons and means as he may deem necessary for such purpose and may cooperate with local authorities in the protection of migratory birds and make the necessary investigations connected therewith."

SEC. 6. That all moneys now or hereafter available for administration and enforcement of said act approved July 3, 1918, shall be equally available for the administration and enforcement of said act as hereby amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES DISTRICT COURT FOR CHINA

The Clerk called the next bill, H. R. 12257, to extend the jurisdiction of the United States Court for China to offenses committed on the high seas.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act creating a United States Court for China and prescribing the jurisdiction thereof", approved June 30, 1906 (34 Stat. 814; U. S. C., title 22, sec. 191), be, and it is hereby, amended to read as follows:

"That a court is hereby established, to be called the United States Court for China, which shall have exclusive jurisdiction in all cases and judicial proceedings whereof jurisdiction may now be exercised by United States consuls and ministers by law and by virtue of treaties between the United States and China except insofar as the said jurisdiction is qualified by section 2 of this act; and to concurrent jurisdiction of all offenses committed on the high seas in cases in which the person or persons charged with such offenses shall be found in or be brought first into China. The said court shall hold sessions at Shanghai, China, and shall also hold sessions at the cities of Canton, Tientsin, and Hankau at stated periods, the dates of such sessions at each city to be announced in such manner as the court shall direct, and a session of the court shall be held in each of these cities at least once annually. It shall be within the power of the judge, upon due notice to the parties in litigation, to open and hold court for the hearing of a special cause at any place permitted by the treaties, and where there is a United States consulate, when, in his judgment, it shall be required by the convenience of witnesses, or by some public interest. The place of sitting of the court shall be in the United States consulate at each of the cities, respectively.

"That the seal of the said United States Court for China shall be the arms of the United States, engraved on a circular piece of steel of the size of a half dollar, with these words on the margin, 'The Seal of the United States Court for China.'

"The seal of said court shall be provided at the expense of the United States.

"All writs and processes issuing from the said court and all transcripts, records, copies, jurats, acknowledgments, and other papers requiring certification or to be under seal may be authenticated by said seal, and shall be signed by the clerk of said court. All processes issued from the said court shall bear test from the day of such issue."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT MOULTRIE (S. C.) MILITARY RESERVATION

The Clerk called the next bill, S. 4432, authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. RICH, Mr. WOLCOTT, and Mr. MARCANTONIO objected.

EQUALIZATION OF ALLOWANCES FOR QUARTERS AND SUBSISTENCE OF ENLISTED MEN

The Clerk called the next bill, S. 1976, to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That so much of the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926 (44 Stat. 257; U. S. C., Appendix title 37, sec. 192), which provides "That hereafter enlisted men, including the members of the United States Army Band, entitled to receive allowances for quarters and subsistence shall continue, while their permanent stations remain unchanged, to receive such allowances while sick in hospital or absent from their permanent-duty stations in a pay status: *Provided further*, That allowances for subsistence shall not accrue to such an enlisted man while he is in fact being subsisted at Government expense", is hereby amended to read as follows: "That hereafter enlisted men of the Army, Navy, and Marine Corps, including the members of the United States Army, Navy, and Marine Corps Bands and the Naval Academy Band, entitled to receive allowances for quarters and subsistence, shall continue, while their permanent stations remain unchanged, to receive such allowances while sick in hospital or absent from their permanent-duty stations in a pay status: *Provided further*, That allowances for subsistence shall not accrue to such an enlisted man while he is in fact being subsisted at Government expense."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUPREME COURT OF THE DISTRICT OF COLUMBIA

The Clerk called the next bill, S. 4038, to amend an act of Congress approved March 3, 1863, entitled "An act to reorganize the courts in the District of Columbia, and for other purposes."

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the court established by section 1 of the act of March 3, 1863 (12 Stat. 762), entitled "An act to reorganize the courts in the District of Columbia, and for other purposes", shall hereafter be known as the district court of the United States for the District of Columbia: *Provided*, That nothing in this act shall affect the jurisdiction or functions of the court.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANCESTRAL HOME OF JAMES K. POLK

The Clerk called the next bill, H. R. 9875, to provide $50,000 for the care, maintenance, and improvement of the ancestral home of James K. Polk, and for other purposes.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. WOLCOTT, Mr. TABER, and Mr. RICH objected.

SUPPLY DEPOT AND LABORATORY, POCATELLO, IDAHO

The Clerk called House Joint Resolution 366.

The SPEAKER pro tempore. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of Agriculture is hereby authorized to purchase on behalf of the United States such tract or tracts of land in Pocatello, Idaho, including structures thereon, as in his judgment may be suitable for the establishment of a game management supply depot and laboratory for use of the Department of Agriculture, and to pay all costs incident to examining, transferring, and perfecting title to said land, and to construct thereon such building or buildings and to repair, add to, or remodel any existing structures thereon as in his judgment may be suitable for use as a depot and laboratory, and to purchase and install therein such equipment machinery as may be necessary for its efficient use and operation; he is authorized to provide such sidewalks and approaches in and around said premises as may be required. That appropriations made for the administration, protection, maintenance, control, improvements, and development of wildlife sanctuaries, reservations, and refuges under the control of the Secretary of Agriculture shall be available for the purchase, transportation, and handling of supplies and materials for distribution at cost from game management supply depots maintained by the Department of Agriculture to projects specially provided for, and transfers between the appropriations for said purposes are hereby authorized in order that the cost of supplies and materials and transportation and handling thereof drawn from central warehouses so maintained may be charged to the particular project benefited; and such supplies and materials as remain in said depots at the end of any fiscal year shall be continuously available for issuance during subsequent fiscal years and to be charged for by such transfers of funds between said appropriations for the fiscal year then current without decreasing in any way the appropriations made for that fiscal year: *Provided*, That supplies and materials shall not be purchased solely for the purpose of increasing the value of storehouse stock beyond reasonable requirements for any current fiscal year.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMISSIONED LINE AND ENGINEER OFFICERS OF THE COAST GUARD

The Clerk called the next bill, H. R. 12734, to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to substitute Senate bill 4654 for the House bill.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is the Senate bill identical with the House bill?

Mr. BLAND. It is an identical bill; but I shall offer an amendment to the Senate bill for the reason that the bill at the time it was originally introduced would have met the situation, but Admiral Hamlet retired last Saturday and in order to cover the situation now it is necessary to amend the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes," approved January 12, 1923 (42 Stat. 1130), is hereby amended by striking out the first proviso in that section and inserting the following proviso in lieu thereof: "*Provided*, That any officer who is now serving or shall hereafter serve as Commandant in the Coast Guard shall, when retired, be retired with the rank of Commandant and with the pay of a rear admiral (upper half) of the Navy on the retired list and that an officer whose term of service as Commandant has expired may be appointed a captain and shall be an additional number in that grade, but, if not so appointed, he shall take the place on the lineal list in the grade that he would have attained had he not served as Commandant and be an additional number in such grade;".

Mr. BLAND. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLAND: Page 1, strike out, in lines 8, 9, and 10, the words "is now serving or shall hereafter serve as Commandant in the Coast Guard shall, when retired," and insert in lieu thereof the following: "who was serving on June 1, 1936, or shall thereafter serve as Commandant of the Coast Guard, shall, when retired, whether before or after the date of the enactment of this act,".

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a similar House bill (H. R. 12734) were laid on the table.

SAC AND FOX TRIBES OF INDIANS IN THE STATE OF OKLAHOMA

The Clerk called the next bill, H. R. 10669, authorizing an appropriation for payment to the Sac and Fox Tribes of Indians in the State of Oklahoma.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, due to the fact the author of the bill is not here I think it would be better to pass the bill over.

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman withhold his request?

Mr. JENKINS of Ohio. Yes.

Mr. ROGERS of Oklahoma. The author of the bill has gone home, I may say to the gentleman, but if I can help him out I shall be glad to do so. He put the bill in my charge.

Mr. JENKINS of Ohio. I think if the author is not here it would be well to pass the bill over without prejudice.

Mr. ROGERS of Oklahoma. Possibly I can take care of the situation. What does the gentleman wish to know about the bill?

Mr. JENKINS of Ohio. I wish to know about the merits of the bill.

Mr. ROGERS of Oklahoma. I may say to the gentleman that as the bill has been reported by the committee I do not want to see it passed. If, however, the gentleman does not object to the consideration of the bill, I shall ask unanimous consent to substitute the Senate bill for the House bill. The Senate bill, I assume, is at the Speaker's desk, inasmuch as it has passed the Senate and was recommended by the Department.

Mr. JENKINS of Ohio. Will it cost any money?

Mr. ROGERS of Oklahoma. It will cost a small sum to refund the Indians certain money spent in the administration of Indian affairs of other tribes.

Mr. JENKINS of Ohio. How much?

Mr. ROGERS of Oklahoma. Forty thousand dollars. This is for a whole tribe of Indians.

Mr. RICH. Where are you going to get the money?

Mr. BURDICK. May I ask what is the real purpose of taking a——

The regular order was demanded.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT, Mr. JENKINS of Ohio and Mr. RICH objected.

INVESTIGATION OF AGRICULTURAL IMPLEMENTS AND MACHINERY

The Clerk called House Joint Resolution 212, to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. BURDICK. Mr. Speaker, I object.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

Mr. BURDICK. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. MITCHELL of Illinois. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WOLCOTT. Will the Chair advise us what joint resolution we are now considering?

The SPEAKER pro tempore. House Joint Resolution 212, to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery.

Mr. WOLCOTT. What is the parliamentary situation?

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MITCHELL] has asked unanimous consent that the joint resolution be passed over without prejudice.

Is there objection to the request of the gentleman from Illinois?

Mr. TERRY. Will the gentleman withdraw his request?

Mr. MITCHELL of Illinois. No. I have asked unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. TERRY. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. MITCHELL of Illinois. Mr. Speaker, I object.

ADJUSTMENT AND SETTLEMENT OF LOSSES SUSTAINED BY COOPERATIVE MARKETING ASSOCIATIONS

The Clerk called Senate Joint Resolution 38, for the adjustment and settlement of losses sustained by the Cooperative Marketing Associations.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

Mr. LAMNECK. Mr. Speaker, I object.

Mr. PIERCE. Will the gentleman withhold his objection?

Mr. LAMNECK. I withhold the objection.

Mr. PIERCE. I should like to tell the gentleman a little about this joint resolution. There were many people in the days of the Farm Board out there in the West who held their wheat on account of telegrams and on account of certain requests made by the Farm Board. The Agricultural Committee last winter heard hearings in connection with this bill. I served on a subcommittee that considered the matter, and it was considered very thoroughly. It was our opinion at that time these men had certain rights that should be adjusted.

The Senate has passed this joint resolution. The House has amended it, so that the Court of Claims may consider the matter after an impartial hearing and determine the facts in the case.

Mr. JONES. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Texas.

Mr. JONES. May I suggest that the Court of Claims is not authorized to render a decision but only to make a finding and a recommendation to the Congress on this long-disputed proposition.

Mr. PIERCE. That is true.

Mr. JONES. The Court of Claims simply makes a recommendation.

Mr. LAMNECK. Then this joint resolution does not permit the Secretary of Agriculture or any other executive officer to pay these losses?

Mr. PIERCE. Not at all.

Mr. JONES. It simply authorizes the Court of Claims to make an investigation and a recommendation.

Mr. LAMNECK. I withdraw my objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. COSTELLO. Mr. Speaker, I object. As I view this bill it seems to me those who dealt in this commodity were simply speculating and this is simply an action for loss by speculation.

Mr. PIERCE. No; that is not the testimony that was given before the committee.

Mr. JONES. Most of the farmers were involved in cooperatives, to which the Farm Board had made loans on wheat during the old Farm Board operation. This simply authorizes the Court of Claims to make an investigation of the facts, after which they shall make a recommendation to the Congress. That is all there is to it.

Mr. COSTELLO. There is no question but what they actually sustained a loss.

Mr. JONES. There is no question about that. The Court of Claims is authorized to investigate these losses, the amount thereof, and all the facts connected with the matter to see whether it will recommend that any action be taken. It is purely a recommendation.

Mr. COSTELLO. The result of this would be that the Court of Claims would ultimately find that these men had suffered certain losses.

Mr. JONES. Undoubtedly they would do that.

Mr. COSTELLO. The court would find what the amount of those losses were in each particular instance. They would further find there was no legal ground on which the court could render a decision in favor of these cooperatives. Then the next step would be to present bills to Congress on the basis of this being a moral obligation on the part of the Government.

Mr. JONES. They would find whether or not in their judgment there was a moral and equitable obligation. That is all.

Mr. BOILEAU. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman stated that the Court of Claims would hold in one of its findings that they had no authority to pay these claims. That is not the question involved in this joint resolution, because under the circumstances the Court of Claims would not have authority to find in favor of the claimants. This merely provides for an investigation.

I call the gentleman's attention also to the fact that the Farm Board asked these particular cooperatives to withhold their grain from the market. They were cooperating with the Farm Board, and the only purpose of the bill is to have the Court of Claims determine the facts in the matter and present them to Congress. Under no conditions is the Court of Claims authorized to allow payment of the claims.

Mr. COSTELLO. These losses were sustained due to the fact that they anticipated an increase in the price of their commodities.

Mr. BOILEAU. That will be according to what the Court of Claims may determine. The cooperatives claim they sustained their losses because they were complying with the request of the Farm Board, and that is the meat of the matter in a nutshell. We want the Court of Claims to make a finding and submit it to the Congress.

Mr. JONES. May I state to the gentleman that this matter has been under discussion for a long time, and it seems to me that the Court of Claims, which has the facilities, ought to go into the matter and determine the facts.

Mr. RICH. I object, Mr. Speaker. They tell me this joint resolution would cost the Government $400,000, and where are you going to get the money?

Mr. JONES. Mr. Speaker, will the gentleman withhold his objection a moment?

Mr. BOILEAU. Mr. Speaker, if the gentleman will withhold his objection a moment, I should like to state to the gentleman that the language is very clear that the Court of Claims is to make its recommendation to the Congress, and the Court of Claims cannot authorize the payment of one cent. . The facts are in dispute and we want the facts presented to the Congress by the Court of Claims so that the matter may be decided on its merits.

Mr. RICH. Why do they have to have this joint resolution in order to go to the Court of Claims?

Mr. BOILEAU. In order that the Court of Claims may determine the facts. This joint resolution does not authorize the Court of Claims to render judgment.

The regular order was demanded.

Mr. COSTELLO. Mr. Speaker, I object to the passage of the joint resolution.

COMMEMORATION OF THE WINNING OF THE OREGON COUNTRY FOR THE UNITED STATES

The Clerk called House Joint Resolution 450, authorizing the erection of a memorial building to commemorate the winning of the Oregon country for the United States.

Mr. TARVER. Mr. Speaker, reserving the right to object, will the author of the joint resolution or some other Member who may have the information state the amount of expenditure contemplated by this joint resolution?

Mr. MOTT. The erection of the memorial at Champoeg, Oreg., which commemorates the establishment of the first government west of the Mississippi, will cost altogether $250,000. The State of Oregon is contributing $125,000 and we are asking the Government to contribute $125,000.

Champoeg, Oreg., was the place where the inhabitants of the Oregon country, which took in the States of Oregon, Washington, Idaho, Montana, and Wyoming, met in 1844 and established a government of their own and invited the United States to come in and take jurisdiction over them. The meeting was called at which delegates from the entire population, consisting of half British and half American, met and discussed this matter and took a vote upon it, and this was the establishment of the government.

The next year James K. Polk ran for President with the recognition of the Oregon country and the assumption of jurisdiction by the United States as a part of his platform.

Mr. TARVER. The gentleman may recall that a few moments ago, when a bill came up to commemorate the birthplace or residence of James K. Polk, objection was heard on the gentleman's side of the House.

Mr. MOTT. I certainly did not object.

Mr. TARVER. The objection was on the ground that this is not the time to engage in extraordinary expenditures for purposes of this kind. I think the purpose of the gentleman's bill is a worthy one and under ordinary circumstances I would not object, but I do not believe this is a time to begin the expenditure of comparatively large sums of money for purposes that might very well be deferred until a later date, so I shall be compelled to object.

Mr. MOTT. If the gentleman will withhold his objection a moment, the historical significance of this memorial has been recognized.

The regular order was demanded.

Mr. TARVER. I object, Mr. Speaker.

RELIEF OF UNEMPLOYMENT

The Clerk called the next bill, H. R. 12374, to amend the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933.

Mr. RICH. Mr. Speaker, reserving the right to object, let us have some explanation of this bill.

Mr. SCRUGHAM. This bill authorizes the employment by the relief organization of destitute prospectors. The Geological Survey sent out prospectors primarily to prospect for war minerals. This puts them on something they are familiar with and can do.

Mr. RICH. In other words, it is a P. W. A. activity hunting for more jobs.

Mr. WOLCOTT. Mr. Speaker, I suggest to the gentleman from Pennsylvania [Mr. RICH] that after carefully considering the bill I have come to the conclusion that it is a good bill. It does not cost the Government anything, and it merely helps them.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933, is amended by adding at the end thereof the following new section:

"SEC. 7 (a) The President is further authorized, under such rules and regulations as he may prescribe and through the agency of the Works Progress Administration, to provide for employing citizens of the United States who are unemployed in the discovery and development of the mineral resources of the United States and to provide for furnishing the persons so employed with a cash allowance of $1 per day and subsistence and necessary supplies at the rate of $1 per day, and such medical attendance and hospitalization as may be necessary, during the period they are so employed, and, in the discretion of the Administrator, to provide for the transportation of such persons to the places of employment.

"(b) For the purpose of this section the Director of the United States Geological Survey, under the direction of the President, shall designate such areas of the United States, to be known as prospecting areas, as he shall deem best suited to the operations contemplated under this section, having due regard to the geologic structure and the mineral-producing qualities of such lands, and shall supply to the Administrators of the Works Progress Administration such available technical advice as to occurrence and value of minerals as may best assist in directing this work into productive channels."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

AMENDING THE COMMUNICATIONS ACT

Mr. LEA of California. Mr. Speaker, I ask unanimous consent to return to Calendar No. 880, H. R. 12646, to amend section 318 of the Communications Act.

Mr. MONAGHAN. Mr. Speaker, I reserve the right to object. I objected to that bill when it was under consideration and I should like to offer an amendment to the bill.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent to return to Calendar 880. Is there objection?

Mr. COSTELLO. Mr. Speaker, I reserve the right to object. I believe it is bad policy for us, after passing a bill on the calendar, to return to it. I think the only fair thing to the other bills is to proceed with the calling of the calendar regularly, and much as I dislike to object to returning, I am obliged to do so.

The SPEAKER pro tempore. Objection is heard.

INTERNATIONAL CONVENTION FOR PROTECTION OF INDUSTRIAL PROPERTY

The Clerk called the bill (H. R. 5805) to effectuate certain provisions of the International Convention for the Protection of Industrial Property, as revised at The Hague on November 6, 1925.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. I am frank to say that I do not understand the bill. I do not understand what jurisdiction The Hague has over industrial property in the United States.

Mr. DALY. The United States, in common with a number of European nations, agreed to an exchange of filing of certifications of copyrights and trade marks. In 1925 all of the nations got together and agreed to amend their rules, giving each nation the right to file within 6 months in any other country after the trade mark or copyright was registered within its own country. Every country did that with the exception of the United States. Our rule was 4 months, and this bill is to increase it to 6 months to make it uniform with the rules of the other countries.

Mr. WOLCOTT. That is, instead of having to do with industrial property, it has to do with industrial trade marks and copyrights.

Mr. DALY. That is all.

Mr. CHURCH. Mr. Speaker, I object.

NAVAL AIR BASE AT TONGUE POINT, OREG.

Mr. MOTT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 783, H. R. 10129, authorizing an appropriation for the development of a naval air base at Tongue Point, Oreg.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

Mr. COSTELLO. Mr. Speaker, in view of the fact that I objected to returning to Calendar No. 880, I am bound to object to this. If we go back to any one bill on the calendar, we may have to go back to every bill objected to.

Mr. MOTT. May I explain to the gentleman why I make this request?

Mr. COSTELLO. We are going to object to returning to any bill on the calendar.

Mr. TARVER. The gentleman who objected to the bill has left the hall.

Mr. MOTT. I know one of the gentlemen who objected to it did so inadvertently.

The SPEAKER pro tempore. Is there objection?

Mr. TARVER. I object.

Mr. MOTT. Will the gentleman object to returning at the end of the call?

Mr. COSTELLO. For the same reason I shall object.

INTERNATIONAL CONVENTION FOR THE PROTECTION OF INDUSTRIAL PROPERTY

The Clerk called the next bill, H. R. 5806, to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHURCH. Mr. Speaker, reserving the right to object, will someone explain the bill?

The SPEAKER pro tempore. Is there objection? The Chair hears none and the Clerk will report the bill.

Mr. CHURCH. Mr. Speaker, I object.

The SPEAKER pro tempore. The objection comes too late. The Clerk will report the bill.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That section 4887 of the Revised Statutes (U. S. C., title 35, sec. 32) be amended to read as follows:

"No person otherwise entitled thereto shall be debarred from receiving a patent for his invention or discovery, nor shall any patent be declared invalid by reason of its having been first patented or caused to be patented by the inventor or his legal representatives or assigns in a foreign country, unless the application for said foreign patent was filed more than 12 months, in cases within the provisions of section 4886 of the Revised Statutes, and 6 months in cases of designs, prior to the filing of the application in this country, in which case no patent shall be granted in this country.

"An application for patent for an invention or discovery or for a design filed in this country by any person who has previously regularly filed an application for a patent for the same invention, discovery, or design in a foreign country which, by treaty, convention, or law, affords similar privileges to citizens of the United States shall have the same force and effect as the same application would have if filed in this country on the date on which the application for patent for the same invention, discovery, or design was first filed in such foreign country, provided the application in this country is filed within 12 months in cases within the provisions of section 4886 of the Revised Statutes, and within 6 months in cases of designs, from the earliest date on which any such foreign application was filed. But no patent shall be granted on an application for patent for an invention or discovery or a design which had been patented or described in a printed publication in this or any foreign country more than 2 years before the date of the actual filing of the application in this country, or which had been in public use or on sale in this country for more than 2 years prior to such filing."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL CIRCUIT JUDGE FOR THE THIRD CIRCUIT

The Clerk called the next bill, S. 4457, authorizing the appointment of an additional circuit judge for the third circuit.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. WALTER. Will the gentleman withhold his request?

Mr. WOLCOTT. I will withhold the request.

Mr. WALTER. I do not know of any other circuit where there has been demonstrated greater need for a temporary judge. All the members of the bar in New Jersey, eastern Pennsylvania, and in Delaware have complained for many years, due to the inability of one of the judges to properly take care of the business. He is upward of 82 years of age. He has not been in court for nearly 2 years, with the result that the appellate list is crowded to the extent that it is impossible to have decisions handed down.

Mr. WOLCOTT. If the gentleman will have in mind, there were several bills on the calendar creating judgeships which the Committee on the Judiciary, because of the importance of the subject, saw fit to embody in an omnibus bill and bring them out, and they were considered on the floor and each was considered on its merits. We thought those bills were of such importance that they deserved some consideration on the floor. This is a bill providing for the appointment of a judge for even a higher court—the circuit court of appeals.

For the same reasons given when the bills were here to create district judgeships, I am constrained to object, so that we may have more time to consider the subject. I do not want to kill this bill. I realize we are doing things in the last days of the Congress that we might not otherwise do. Having in mind that the reason we are here tonight considering 100 bills on the Consent Calendar is because we have not had a Calendar Wednesday throughout this session, we cannot be blamed too much if we insist that some of these bills of major importance, such as this, be given some consideration so that the membership may assume their individual responsibility in voting for or against these bills.

Mr. WALTER. This bill was very carefully considered and it should have been included in the list of bills when we sought a rule for the district court judges. In some way it was overlooked. However, the need for this is greater than for any of the district court judges, with the possible exception of the one in New York. The gentleman must bear in mind this is a very large circuit. There are upward of 5,000,000 people in this circuit.

Mr. WOLCOTT. I am sympathetic with the condition, but I wish the gentleman would see the Speaker some time when suspensions are in order and move to suspend the rules so that we could at least give a little consideration to the merits of the bill.

Mr. WALTER. As far as the merits are concerned, I can only say there are two judges in one of the largest districts in the United States sitting. This bill was passed out of the committee by a unanimous vote. As a matter of fact, the gentleman from Pennsylvania [Mr. WILSON], a member of the gentleman's side of the House, has been most interested in the passage of this bill. It was he who urged the passage of the bill when it was considered by the committee.

Mr. WOLCOTT. Mr. Speaker, for the time being I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. LAMBERTSON. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

HURRICANE CONTROL IN GULF OF MEXICO

The Clerk called the next bill, H. R. 10313, to provide for hurricane control in the Gulf of Mexico and environs during the hurricane season.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to substitute an identical Senate bill, S. 4734.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is that the same as the House bill as amended?

Mr. BLAND. This is the same as the House bill when amended.

The SPEAKER pro tempore. Is there objection to the substitution of the Senate bill?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That to the extent facilities of the Coast Guard will permit and within the limits of such appropriations as may be made for such purpose, which are hereby authorized, the Secretary of the Treasury when the Coast Guard is under the Treasury Department, and the Secretary of the Navy when the Coast Guard is a part of the Navy, are requested to patrol the Gulf of Mexico and environs for the purpose of cooperating with the Secretary of Agriculture in furnishing the Weather Bureau data to better enable such Bureau to forecast the size and course of tropical hurricanes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 10313) was laid on the table.

PILCHARD INVESTIGATION BY BUREAU OF FISHERIES

The Clerk called the next business, House Joint Resolution 597, authorizing an investigation by the Bureau of Fisheries of the California sardine (pilchard) fishing industry.

The SPEAKER pro tempore. Is there objection to the present consideration of the House joint resolution?

Mr. RICH. Mr. Speaker, reserving the right to object, I should like to ask the gentleman what it is going to cost to make this investigation?

Mr. BLAND. It it impossible to tell just how far the investigation will have to go. I should say it would not be very expensive. The matter of appropriations will be entirely within the control of the Committee on Appropriations. The work is to be done not by a congressional commission but by an authorized bureau of the Government, the Bureau of Fisheries.

Mr. RICH. Has the gentleman some idea of the cost? Has he discussed this particular bill with the Bureau of Fisheries?

Mr. BLAND. I do not think they could possibly tell. They will take advantage of the studies that have been made by the California Fish and Game Commission, by Stanford University, and also other commissions, and they will make their own independent research.

Mr. RICH. This is the establishment of another bureau in the Department of Fisheries.

Mr. BLAND. It is not. It is the Bureau of Fisheries.

Mr. RICH. But some group of individuals will go out there to make this study.

Mr. BLAND. The Bureau of Fisheries will make the study. It will probably necessitate some additional help; but the fishing industry is one of the greatest industries in the United States. There is a serious question as to whether there is depletion and we want the question determined by the Federal Government for conservation purposes.

Mr. RICH. The Congress is not going to help the fishing interests of this country until it stops the importation of fish from foreign countries.

Mr. BLAND. I quite agree with the gentleman; I am willing to see it done.

The SPEAKER pro tempore. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the United States Bureau of Fisheries is authorized and directed to make a complete and scientific investigation of the pilchard (Sardinia caerulea) fisheries and fishing industry along the Pacific coast of the United States with a view

to determining the most appropriate method of regulating such industry in the public interest and providing for continuing conservation and wise utilization of the resource, and to report to the Congress the results of such investigation, together with its recommendations.

SEC. 2. In carrying out the purposes of this resolution, the United States Bureau of Fisheries is authorized to cooperate to the fullest practicable extent with the coastal States and other public or private agencies, and for such purpose is further authorized, with the consent of any such State, to utilize any services and facilities made available by such State.

SEC. 3. There is hereby authorized to be appropriated $10,000 for the fiscal year ending June 30, 1937, to begin the investigation herein authorized and directed, and there are hereby authorized to be appropriated such additional sums as may be necessary to carry out the purposes of this resolution.

With the following committee amendments:

Page 1, line 3, after "the" insert "United States".

Page 1, line 5, strike out "California sardine (pilchard)" and insert pilchard (Sardinia caerulea) fisheries and".

Page 2, line 4, after "the" insert "United States".

Page 2, line 12, after "directed" insert ", and there are hereby authorized to be appropriated such additional sums as may be necessary to carry out the purposes of this resolution".

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the joint resolution was amended to read: "Joint resolution authorizing an investigation by the United States Bureau of Fisheries of the pilchard (Sardinia caerulea) fisheries and fishing industry along the Pacific coast of the United States."

FIRE PROTECTION EQUIPMENT, PASSENGER VESSELS

The Clerk called the next bill, S. 2127, to amend section 4471 of the Revised Statutes of the United States, as amended.

Mr. WHITE. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. RAMSPECK. Gladly. Mr. Speaker, this bill, as amended by the House committee, provides authority to the Bureau of Navigation and Steamboat Inspection to require sprinkler systems on passenger vessels having accommodations for 50 or more passengers. I have in my possession a letter from J. B. Weaver, Director of the Bureau, stating that as amended he approves the bill. This will be a contribution toward the safety of passenger vessels.

Mr. WHITE. Mr. Speaker, I withdraw my reservation of objection.

Mr. RAMSPECK. It is a safety measure.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4471 of the Revised Statutes of the United States, as amended (U. S. C., title 46, sec. 464), be, and the same is hereby, amended by adding thereto the following new paragraph:

"On and after July 1, 1936, every steamer permitted by her certificate of inspection to carry as many as 50 passengers or upward shall be equipped with an automatic sprinkler system, which shall be in addition to any other device or devices for fire protection. Such automatic sprinkler system shall consist of an arrangement of piping connecting one or more adequate supplies of water (which supplies shall be in addition to any other water supply of the vessel) with a distributing device which is so assembled and located as to discharge and diffuse automatically over all portions of the vessels accessible to passengers and/or crew (except cargo holds, machinery spaces, and when of fireproof construction, toilets and bathrooms) a spray of water which will be effective to extinguish fire. Such system shall be kept at all times in good working condition and ready for immediate use. The Bureau of Navigation and Steamboat Inspection shall cause to be made at least once in every 90 days such tests and inspections as insure the proper working of such automatic sprinkler systems. In carrying out the provisions of this paragraph the Bureau of Navigation and Steamboat Inspection is hereby authorized and directed to prescribe rules and regulations to govern the work of installing automatic sprinkler systems in steam vessels."

With the following committee amendment:

Strike out all of the language in the bill, commencing with line 7, page 1, and continuing through line 19, on the second page, and insert in lieu thereof the following:

"On and after July 1, 1937, every passenger vessel with berthed or stateroom accommodations for 50 or more passengers shall be equipped with an automatic sprinkler system which shall be, in addition to any other device or devices for fire protection, of a type prescribed by the Board of Supervising Inspectors and approved by the Secretary of Commerce. All enclosed portions of such vessels accessible to passengers or crew (except cargo holds, machinery spaces, and when of fire-resisting construction, toilets, bathrooms, and spaces of similar construction) shall be protected by an automatic sprinkler system: *Provided*, That if after investigation the Bureau of Navigation and Steamboat Inspection finds in the case of a particular vessel the application of this act is unnecessary to properly protect life on such vessel, an exception may be made. The Bureau of Navigation and Steamboat Inspection shall cause to be made suitable tests and inspections as will insure the proper working of such systems. In carrying out the provisions of this paragraph the Bureau of Navigation and Steamboat Inspection is hereby authorized and directed to prescribe the particular approved type, character, and manner of installation of systems be fitted. The term "type" as herein used shall be considered to mean any system which will give a prescribed or required efficiency and shall not mean some peculiar shape or design and shall not be confined to some brand or make."

The committee amendment was agreed to.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a letter from the Director of the Bureau of Navigation and Steamboat Inspection endorsing this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The letter referred to follows:

DEPARTMENT OF COMMERCE,
BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION,
Washington, June 2, 1936.

Hon. ROBERT RAMSPECK,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN RAMSPECK: Referring to S. 2127, as amended by your committee, relative to the installation of sprinkler systems on board passenger vessels:

I have read the proposed amendment carefully and consider the act a good one, as amended, and feel that if the act is administered properly by this Bureau it will contribute to the safety of passenger vessels in no uncertain manner, and the latitude given the Bureau, if intelligently used, will prevent undue hardship on the industry without sacrificing the effectiveness of the object of the act.

Yours very truly,

J. B. WEAVER, *Director.*

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL BUREAU OF INVESTIGATION

The Clerk called the next bill, H. R. 11152, to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (b) of section 3 of the act approved July 3, 1926, chapter 801, as amended (U. S. C., title 5, sec. 693, subdivision (b)), be, and it is hereby, amended to read as follows:

"(b) Superintendents of United States national cemeteries, and such employees of the offices of solicitors of the several executive departments, of the Architect of the Capitol, of the Library of Congress, of the United States Botanic Garden, of the recorder of deeds and register of wills of the District of Columbia, of the United States Soldiers' Home, of the National Home for Disabled Volunteer Soldiers, of the State Department without the continental limits of the United States who are United States citizens and not within the Foreign Service as defined in the act of May 24, 1924, and amendments thereof, of the Indian Service at large whose tenure of employment is not intermittent nor of uncertain duration, and the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation of the Department of Justice."

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, my purpose in speaking at this point on this bill and in urging its passage is to refute certain unfair and improper criticisms recently made against the Federal Bureau of Investigation, and to let the American people know that those few criticisms do not represent the viewpoint of Members of Congress, despite the fact that one or two Members of one of the bodies have engaged in criticisms of one of the finest public officials we have in the Federal

governmental service, J. Edgar Hoover, Director of the Bureau of Investigation.

Mr. Hoover and his men have done wonderful work and have done it fearlessly. He has stamped out organized and syndicated crime; and the people of America are grateful to him and to the men under him for the character of service they have rendered. He could not do it alone if he did not have the right kind of men under him. While the names of those men are not carried in the press, they are, nevertheless, entitled to as much honor as is Mr. Hoover himself, and Mr. Hoover is the first man who gives to those employed in his Department the honor to which they are entitled and the tribute owed them by an appreciative people.

Criticism, unfair and unwarranted, as I have said, has been directed against him. A silent whispering campaign has been undertaken from some known sources, but the unanimous press of America have editorially commented upon the unfair criticism and have supported Mr. Hoover in the fearless character of work he and his men have performed.

The press of America have unanimously expressed appreciative sentiments of the American people for Director Hoover and the men of his Bureau for purging America of organized crime, of the thorough investigations made, of obtaining evidence necessary for a conviction, and of the arrests of the leaders of organized crime in criminal gangs in America.

There are no words of mine that could add to the praise already given to the men of the Federal Bureau of Investigation. However, what words I can utter in this connection are directed toward those who are engaged in unfair and unwarranted criticism of this fearless public official.

In connection with the able work of the Bureau of Investigation, I might also say that there is complete cooperation and coordination between all of the divisions and the various activities of the Department of Justice. Attorney General Cummings has established an organization in the Department of Justice which commands respect and attention, of which the American people may well be proud. There is complete and entire harmony existing in the entire Department of Justice under the able leadership of Attorney General Cummings, and that particularly applies to the harmony that exists between Attorney General Cummings and Director J. Edgar Hoover. To a great extent, the success of the Bureau of Investigation in its fearless work is due to the constant support given Mr. Hoover and his men by the Attorney General and his assistants.

I cannot let this occasion pass without complimenting all of the assistants of the Attorney General and praising them for the complete harmony which exists in the Department of Justice, and for the fine public service that they are rendering. It is impossible to name all of them, but there is one assistant to the Attorney General, Hon. Joseph B. Keenan, to whom I desire to pay special tribute at this time. Mr. Keenan for over 3 years had charge of all criminal prosecutions for the Department of Justice throughout the country, and he is now occupying the position of Assistant to the Attorney General, a much-deserved promotion in recognition of his able service. During the years he was in charge of the criminal prosecutions he fearlessly performed that work. There was complete harmony between Mr. Keenan and the other branches of the Department of Justice. Mr. Keenan has been succeeded as Assistant Attorney General in charge of criminal prosecutions by Mr. Brien McMahon, who is continuing the same character of work that Mr. Keenan so ably performed.

I am going to briefly refer to some of the accomplishments during the past few years of the Bureau of Investigation, the jurisdiction of which has been greatly enlarged during the past few years by the passage of a number of bills dealing with interstate crimes. The more prominent of these include the Federal kidnaping statute, laws relating to the robbery of banks, organized or operating under the laws of the United States, laws pertaining to the interstate transportation of stolen property, the extortion statutes, and the statute covering interstate flight to avoid prosecution or the giving of testimony in certain cases.

Let me call to your attention some of the accomplishments of the Bureau of Investigation under the leadership of Director Hoover. Since the Federal kidnaping statute was passed in June 1932 there have been 65 cases of kidnaping investigated by this Bureau, and every case has been solved. Literally hundreds of extortion cases have been concluded. During the fiscal year ended June 30, 1935, this Bureau spent a total of $4,626,000, and during that same period of time the savings and recoveries effected in cases investigated by the Bureau amounted to over $38,000,000. In other words, for every dollar spent, the Government and the taxpayers received in return approximately $9. Further, convictions were secured by this Bureau last year in 94 out of every 100 people who were brought to trial. This is an outstanding record of convictions, showing a thorough investigation of the evidence by the Bureau of Investigation and the able manner in which the cases were tried by legal representatives of the Department of Justice. During the fiscal year ended June 30, 1935, the records show 3,717 convictions were secured and over 5,400 fugitives from justice were apprehended as a result of the work of the Bureau of Investigation. As a result of the thorough investigations by this Bureau, covering the period from July 1, 1935, up to the present time, the legal representatives of the Department of Justice have obtained 3,070 convictions.

Among some of the outstanding cases handled during this period were the capture of Alvin Karpis and other dangerous members of the kidnaping gang, the kidnapers of Mr. Edward G. Bremer, of St. Paul; the apprehension and conviction of William Mahan, the kidnaper of that fine young boy, George Weyerhaueser; the capture and conviction of Thomas H. Robinson, Jr., who kidnaped Mrs. Berry Stoll, of Louisville, Ky.; and the capture and return to prison of Sam Coker, a notorious bank robber. As a result of this character of fearless work, organized kidnaping no longer exists.

However, kidnaping has existed since Biblical times, and we cannot be lulled into a feeling of security which will result in the Congress reducing its appropriation to this important activity.

In handling the bank-robbery cases which come within the jurisdiction of the Bureau of Investigation, the number of such robberies has been reduced from an average of 14 a month to about 4 a month. This has been brought about as a result of the prosecutions and convictions of members of organized gangs of bank robbers.

In every other activity that comes within the jurisdiction of the Bureau of Investigation, where violations of Federal laws were involved, the men of the Bureau of Investigation, under Mr. Hoover's leadership, have fearlessly performed the same character of public service.

It is a significant and pleasing fact to note that the Bureau of Investigation of the Department of Justice, enjoys the confidence, cooperation, and support of all of the police departments of the United States.

It is also pleasing to note the efficient manner in which the Department of Justice, under Attorney General Commings, is performing its various duties. It is particularly pleasing for me, in speaking in behalf of the pending bill, to provide for the extension of retirement privileges to the employees of the Bureau of Investigation, to compliment Director Hoover and those serving with him upon the great public service they are performing for the American people in enforcing the various laws under the jurisdiction of the Bureau, and especially for the great work they have done in the extermination of organized crime from America. [Applause.]

The pro-forma amendment was withdrawn.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF LANDS IN MONTGOMERY COUNTY, MD.

The Clerk called the next bill, H. R. 5168, authorizing the Secretary of Agriculture to convey certain lands to the

Maryland-National Capital Park and Planning Commission of Maryland, for park purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey by a good and sufficient deed to the Maryland National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of the laws of the 1927 session of said assembly, all of the following pieces or parcels of land situate, lying, and being in Montgomery County, in the State of Maryland, being a part of a tract of land called "Oatland", designated and described as follows: Beginning for the same at a point at the end of 631.62 feet measured on the last line of a conveyance made the 13th day of December 1855, by John Davidson and wife to James H. Davidson for 60 acres 1 rood and 23 square perches of land, more or less, a part of said tract, it being where said line is intersected by a line of fence running southward from said point and with the last line of the aforesaid conveyance north 87¼°, west 73.93 perches, to a large post and stone; thence with the first line of said conveyance with 3°35′ allowance for west variation and running with the fence south 40¼′, west 71.32 perches; thence with the second line with 3¼° allowance for west variation, running with the fence south 77°, east 26½ perches, to a stake; then north 3½°, west 28¾ perches to the division fence of the experimental station; thence with said fence south 87¼°, east 75.67 perches; then still with the line of fence north 3½° east 7.81 perches; thence to include a small piece of land running through a house and bisecting a pear tree south 87¼°, east 20.3 perches, to a stake in the first aforesaid line of fence running southward from the place of beginning; thence with said fence north 3°, west 26.15 perches, to the place of beginning, containing 20 acres of land, more or less, being all of the same land and premises described in and conveyed by deed from Henry Bradley Davidson and Mary S. P. Davidson to the United States of America, dated July 5, 1899, recorded July 7, 1899, among the land records for said Montgomery County in Liber T. D. No. 8, folio 429, and the following; also all that tract or part of tract of land situate in said Montgomery County called "Friendship", or by whatever name or names the same may be known, contained within the metes and bounds, courses, and distances following, to wit: Beginning for the same at a stone at the end of 1,432.67 feet on the twelfth line of a conveyance made the 10th day of February, in the year 1863, by William Peters to Allison Naylor for parts of tracts of land called "Pritchett's Purchase and Friendship", containing 161 acres, more or less, and running thence with the twelfth line of said conveyance south 2°3′, west 642.2 feet, to a stake on the east side of the branch; still with the outlines of said conveyance south 29°, east 227.7 feet, to a point where formerly stood a bounded white oak tree marked for Batemans corner in the division line of the land of John Davidson and the land formerly owned by Charles King; then with said division line reversed south 35°32′, west 1,419 feet, to the end of the seventeenth line of Friendship; then with said seventeenth line reversed north 23°25′, west 1,538.12 feet, to a stake; then leaving the outlines and running across said conveyance north 66°35′, east 1,469.58 feet, to the place of beginning, containing 34.09 acres of land; excepting, however, 4.09 acres of land heretofore conveyed to Elizabeth Jane Wilson and others to the Metropolitan Southern Railroad Co. on the 10th day of July, in the year 1890, by deed of that date recorded among the land records of Montgomery County, Md., in Liber J. A. No. 19, folio 450, and the following, leaving the quantity of land hereby intended to be conveyed to contain 30 acres of land, more or less, being all of the same land described in and conveyed by deed from Elizabeth J. Wilson, Robert Wilson, and others to the United States of America, dated August 11, 1902, recorded December 18, 1902, among the land records for said Montgomery County in Liber T. D. No. 24, folio 224, and the following to be used exclusively for public park purposes. If the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinues the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey, by a good and sufficient deed to the Maryland-National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of laws of the 1927 session of said assembly, all of that piece or parcel of land situate, lying, and being in Montgomery County, in the State of Maryland, being a part of the area comprising the Bethesda Experimental Station of the Bureau of Animal Industry, designated and described as the east 18 acres. This land is to be used exclusively for public park, parkway, or playground purposes; and if the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinues the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America. The control and supervision of this land shall remain in the Secretary of Agriculture until such time, after approval of this act, as will enable the Department of Agriculture to complete the transfer of the animal experimental station now located on the lands heretofore described to the new site at Beltsville, and to complete the emergency research studies now being conducted. The Secretary of Agriculture is further authorized, in his discretion to issue to the Maryland-National Capital Park and Planning Commission a revocable permit for the remaining 32 acres of the Bethesda Experimental Station of the Bureau of Animal Industry. The plans for development of these lands for park, parkway, or playground purposes shall be approved by the National Capital Park and Planning Commission.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLASSIFIED EXECUTIVE CIVIL SERVICE OF THE UNITED STATES

The Clerk called the next bill, H. R. 6679, extending the classified executive civil service of the United States.

Mr. LEHLBACH and Mr. McLEAN objected.

TRANSFER OF LANDS IN MONTGOMERY COUNTY, MD.

Mr. LEWIS of Maryland. Mr. Speaker, I was about to propound a unanimous-consent request with reference to the bill (H. R. 5168) authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission, of Maryland, for park, parkway, and playground purposes of Maryland for park purposes, but the services at the fire were a little quicker than my tongue.

I ask unanimous consent, Mr. Speaker, with reference to H. R. 5168, that the provisions of the House bill just passed be substituted for those of the bill (S. 4105) of like import and that the Senate bill be passed in lieu of the House bill, and that the action of the House in passing the House bill be vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER pro tempore. The House will return to the consideration of H. R. 5168, vacate the proceedings of the House in connection therewith, and substitute the Senate bill. Is there objection?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey by a good and sufficient deed to the Maryland-National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of the laws of the 1927 session of said assembly, all or such part or parts of the following pieces or parcels of land as may now or hereafter be designated by the National Capital Park and Planning Commission situate, lying, and being in Montgomery County, in the State of Maryland, being a part of a tract of land called Oatland, designated and described as follows: Beginning for the same at a point at the end of 631.62 feet measured on the last line of a conveyance made the 13th day of December 1855, by John Davidson and wife to James H. Davidson for 60 acres 1 rood and 23 square perches of land, more or less, a part of said tract, it being where said line is intersected by a line of fence running southward from said point and with the last line of the aforesaid conveyance north 87¼°, west 73.93 perches to a large post and stone; thence with the first line of said conveyance with 3°35′ allowances for west variation and running with the fence south 40¼′, west 71.32 perches; thence with the second line with 3¾° allowance for west variation, running with the fence south 77°, east 26½ perches, to a stake; then north 3½°, west 28¾ perches, to the division fence of the experimental station; thence with said fence south 87¼° east 75.67 perches; then still with the line of fence north 3½°, east 7.81 perches; thence to include a small piece of land running through a house and bisecting a pear tree south 87¼°, east 20.3 perches, to a stake in the first aforesaid line of fence running southward from the place of beginning; thence with said fence north 3°, west 26.15 perches, to the place of beginning, containing 20 acres of land, more or less, being all of the same land and premises described in and conveyed by deed from Henry Bradley Davidson and Mary S. P. Davidson to the United States of America, dated July 5, 1899, recorded July 7, 1899, among the land records for said Montgomery County in Liber T. D. No. 8, folio 429, and the following; also all that tract or part of tract of land situate in said Montgomery County called Friendship, or by whatever name or names the same may be known, contained within the metes and bounds, courses, and distances following, to wit: Beginning for the same at a stone at the end of 1,432.67 feet on the twelfth line of a conveyance made the 10th day of February in the year 1863 by William Peters to Allison Naylor for parts of tracts of land called Pritchett's Purchase and Friendship, containing 161 acres, more or less, and running

thence with the twelfth line of said conveyance south 2°3', west 642.2 feet, to a stake on the east side of the branch; still with the outlines of said conveyance south 29°, east 227.7 feet, to a point where formerly stood a bounded white oak tree marked for Batemans corner in the division line of the land of John Davidson and the land formerly owned by Charles King; then with said division line reversed south 35°32', west 1,419 feet, to the end of the seventeenth line of Friendship; then with said seventeenth line reversed north 23°25', west 1,538.12 feet, to a stake; then leaving the outlines and running across said conveyance north 66°35', east 1,469.58 feet, to the place of beginning, containing 34.09 acres of land; excepting, however, 4.09 acres of land heretofore conveyed by Elizabeth Jane Wilson and others to the Metropolitan Southern Railroad Co. on the 10th day of July in the year 1890 by deed of that date recorded among the land records of Montgomery County, Md., in Liber J. A. No. 19, folio 450, and the following, leaving the quantity of land hereby intended to be conveyed to contain 30 acres of land, more or less, being all of the same land described in and conveyed by deed from Elizabeth J. Wilson, Robert Wilson, and others to the United States of America, dated August 11, 1902, recorded December 18, 1902, among the land records for said Montgomery County in Liber T. D. No. 24, folio 224, and the following to be used exclusively for public-park, parkway, or playground purposes. If the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinues the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America.

With the following amendment:

Strike out all after the enacting clause and insert the following: "That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey, by a good and sufficient deed to the Maryland-National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of the laws of the 1927 session of said assembly, all of that piece or parcel of land situate, lying, and being in Montgomery County, in the State of Maryland, being a part of the area comprising the Bethesda Experimental Station of the Bureau of Animal Industry, designated and described as the east 18 acres. This land is to be used exclusively for public park, parkway, or playground purposes; and if the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinue the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America. The control and supervision of this land shall remain in the Secretary of Agriculture until such time, after approval of this act, as will enable the Department of Agriculture to complete the transfer of the animal experimental station now located on the lands heretofore described to the new site at Beltsville, and to complete the emergency research studies now being conducted. The Secretary of Agriculture is further authorized, in his discretion, to issue to the Maryland-National Capital Park and Planning Commission a revocable permit for the remaining 32 acres of the Bethesda Experimental Station of the Bureau of Animal Industry. The plans for development of these lands for park, parkway, or playground purposes shall be approved by the National Capital Park and Planning Commission."

The SPEAKER pro tempore. Does the Chair understand the gentleman from Maryland desires to strike out all after the enacting clause and substitute the House bill for the Senate bill?

Mr. LEWIS of Maryland. Yes.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RAMSPECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RAMSPECK. Did the Clerk call H. R. 6679, extending the classified executive civil service of the United States?

The SPEAKER pro tempore. The Clerk called the bill and it was objected to, but in view of what happened, the Chair thinks it should be called again.

CLASSIFIED EXECUTIVE CIVIL SERVICE OF THE UNITED STATES

The Clerk called the bill (H. R. 6679) extending the classified executive civil service of the United States.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. LEHLBACH. Mr. Speaker, I object.

Mr. RAMSPECK. Will the gentleman from New Jersey withhold his objection?

Mr. LEHLBACH. I withhold my objection.

Mr. RAMSPECK. Mr. Speaker, this bill gives discretionary authority, the gentleman understands, of course, to the President of the United States to bring into the civil service positions which he cannot now bring in by Executive order. This is certainly in line with the gentleman's party platform as adopted at Cleveland, and I hope he will withdraw his objection.

If he has noticed the bill, it provides for a competitive examination.

Mr. McLEAN. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from New Jersey.

Mr. McLEAN. This bill will give discretionary power to cover into the civil service all employees of Government corporations organized under the laws of the State of Delaware without any authority of the Congress; is that not true?

Mr. RAMSPECK. I do not know if there are any such corporations that have Federal employees working for them. It will give authority, of course, to the President of the United States.

Mr. WOLCOTT. There is the Commodity Credit Corporation, which is a Delaware corporation.

The regular order was demanded.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. FADDIS. Mr. Speaker, I object.

CHOICE OF JOINT AND SURVIVORSHIP ANNUITY UPON RETIREMENT BY GOVERNMENT EMPLOYEES

The Clerk called the next bill, H. R. 12717, to provide for the right of election by employee, subject to the provisions of the Civil Service Retirement Act, of a joint and survivorship annuity upon retirement.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, reserving the right to object, does this right of election cost the Treasury any more money?

Mr. RAMSPECK. I may say to the gentleman from New York it does not cost the Treasury any money except what little incidental expense there may be in connection with the administration of the law in figuring the different plans. There is a little expense of administration, as reported by the Civil Service Commission. This gives the option to the employee when he retires and, of course, it will be necessary to figure out what the retirement will be under the particular plan.

Mr. TABER. Under the actuarial tables the cost to the Government will be the same?

Mr. RAMSPECK. Exactly the same.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the Civil Service Retirement Act of May 29, 1930, as amended (U. S. C., Supp. VII, title 5, sec. 694 (a)), is amended by striking out all of the second proviso of section 4 beginning with the words "*And provided further*" and ending with the words "multiple of twelve" and substituting the following in lieu thereof: "*Provided further*, That any employee at the time of his retirement may elect to receive, in lieu of the life annuity herein described, (1) an increased annuity of equivalent value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned; or (2) a joint and survivorship annuity of equivalent actuarial value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned but that such annuity shall be continued upon his death throughout the life of and paid to a beneficiary nominated by written designation duly executed and filed with the Civil Service Commission at the time of his retirement; or (3) a modified joint and survivorship annuity of equivalent actuarial value which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned but that one-half of his annuity shall be continued upon his death throughout the life of and paid to a beneficiary nominated by written designation duly executed and filed with the Civil Service Commission at the time of his retirement; or (4) an annuity payable during his life which shall carry with it a proviso that no unexpended part of the principal upon the annuitant's death shall be returned, with some other annuity payable after his death, provided the total value of the annuity during his life and of the succeeding annuity shall be computed to be of equivalent actuarial value to the annuity which he would have received on a single life plan and provided that this election shall be subject to the approval of the United States Civil Service Commission: *And provided further*, That no election of an annuity as set forth in items (2), (3), or (4) above shall

become effective in case a member dies from causes other than accidental within 30 days after the date on which such election is made, and in event of such death within this period such death shall be considered as a death in active service. For the purposes of this act all periods of service shall be computed in accordance with section 5 hereof, and the annuity shall be fixed at the nearest multiple of twelve."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUREAU OF ENGRAVING AND PRINTING

The Clerk called the next bill, S. 2712, to promote the efficiency of the Bureau of Engraving and Printing.

Mr. WHITE. Mr. Speaker, reserving the right to object, I would like to have the bill explained.

Mr. RAMSPECK. Mr. Speaker, the necessity for this bill grows out of the passage by a previous Congress of what is known as the Thomas amendment, giving the 40-hour week to certain employees in the Bureau of Engraving and Printing, which created a very severe administrative problem, because part of the employees did not get the 40-hour week and they have been working 44 hours while the people they are assisting work only 40 hours. They therefore have to stagger the hours. This measure is recommended by the Treasury Department and simply extends the 40-hour week to all employees in this Bureau, and is in line with what we did at the last session of Congress for the postal employees when we gave them a 40-hour week.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the adjustment of regular hours of duty of employees deemed necessary by the Secretary of the Treasury for the efficient administration of the Bureau of Engraving and Printing, the aggregate weekly earnings of employees of such Bureau whose compensation is fixed under the Classification Act of 1923, as amended, for full-time service, shall not be less by reason of such adjustment than the aggregate weekly earnings at basic salary rates for full-time service prior to March 28, 1934.

SEC. 2. For the purposes of this act, authority is hereby granted to the Secretary of the Treasury to adjust the hourly rates of compensation of employees of the Bureau of Engraving and Printing whose compensation is fixed under the Classification Act of 1923, as amended, to such extent as may be necessary to make the aggregate weekly compensation after such adjustment equal to the aggregate weekly compensation at basic salary rates for such employees for full-time service prior to March 28, 1934.

SEC. 3. This act shall take effect as of the 1st day of the first calendar month following the date of its enactment.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That section 23 of the Independent Offices Appropriation Act, 1935, is amended by adding at the end thereof the following new paragraph:

"'Where the adjustment of regular hours of duty of employees subject to the provisions of the preceding paragraph requires the adjustment of regular hours of duty of any employee whose compensation is fixed under the Classification Act of 1923, as amended, the aggregate weekly earnings of such employee whose compensation is fixed under the Classification Act of 1923, as amended, for full-time service shall not be less by reason of such adjustment than his aggregate weekly earnings for full-time service prior to March 28, 1934. Full-time service within the meaning of this paragraph shall not be less than 40 hours per week. For the purposes of this paragraph, authority is hereby granted to adjust the hourly rates of compensation of employees whose compensation is fixed under the Classification Act of 1923, as amended, to such extent as may be necessary to make the aggregate compensation for a 40-hour week equal to the compensation for a full-time week prior to March 28, 1934.'

"SEC. 2. This act shall take effect as of the 1st day of the first calendar month following the date of its enactment."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIANS ON THE BLACKFEET INDIAN RESERVATION, MONT.

The Clerk called House Joint Resolution 554, authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. MURDOCK. Mr. Speaker, there is on the Speaker's table Senate Joint Resolution 243, which was passed by the Senate on June 1, and which is identical with the House joint resolution, and at this time I ask unanimous consent that the Senate joint resolution may be substituted and considered in lieu of the House joint resolution.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is the Senate joint resolution identical with the House joint resolution as amended by the committee?

Mr. MURDOCK. It is. The joint resolution was introduced in the House by the gentleman from Montana [Mr. AYERS].

There being no objection, the Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 243

Resolved, etc., That the Secretary of the Interior is hereby authorized and directed to withdraw from the tribal fund of the Blackfeet, Blood, and Piegan Indians of the Blackfeet Reservation, Mont., credited or to be credited on the books of the Treasury under the act of March 13, 1924 (43 Stat. 21), a sufficient sum to make a per-capita distribution of $85 to each member of said tribes who was living and entitled to enrollment with said Indians on the date final judgment was rendered in their favor by the Court of Claims in the case Docket No. E–427; such per-capita distribution to be made under such rules and regulations as the Secretary of the Interior may prescribe.

SEC. 2. The balance remaining in the tribal fund of the Blackfeet, Blood, and Piegan Indians after the per-capita distribution herein authorized shall be available for disposition by the tribal council of said Indians, with the approval of the Secretary of the Interior, in accordance with the constitution and bylaws of the Blackfeet Tribe of the Blackfeet Indian Reservation.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution was laid on the table.

GROS VENTRE INDIANS OF THE FORT BELKNAP RESERVATION, MONT.

The Clerk called House Joint Resolution 557, authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. MURDOCK. Mr. Speaker, there is now on the Speaker's table Senate Joint Resolution 245, which was passed by the Senate on June 1, and I ask unanimous consent that the Senate joint resolution may be substituted for the House joint resolution.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of the Interior is hereby authorized and directed to withdraw from the Treasury and to distribute per capita, as provided herein, to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., the sum arising from a judgment rendered in their favor by the Court of Claims in the case docketed as E–427, credited or to be credited to said Indians on the books of the Treasury under the act of March 13, 1924 (43 Stat. 21).

SEC. 2. That for the purpose of making the distribution herein authorized, the Secretary of the Interior shall cause a roll of said Indians to be prepared by a commission consisting of the Gros Ventre members of the Fort Belknap Community Council. In the preparation of said roll, those members of the Gros Ventre Tribe whose names appear on the allotment roll made pursuant to the act of March 3, 1921 (41 Stat. 1355), and who are alive on the date of approval of this resolution shall first be enrolled, to which number shall be added the names of all children of one-fourth or more Gros Ventre Indian blood born to all allotted Indians of the Fort Belknap Reservation, regardless of place of residence of such children or their parents: *Provided*, That all such children so enrolled shall be alive and in being on the date of approval of this resolution: *Provided further*, That there shall be added to and included in the roll herein authorized the names of George Gambler and Josephine Gambler White, two Gros Ventre Indians omitted from the Fort Belknap allotment roll due to absence from the reservation: *Provided, however*, That said George Gambler and Josephine Gambler White have not been enrolled with or participated in the benefits of any other tribe.

SEC. 3. When the roll herein provided for shall have been completed and approved by the Secretary of the Interior, he shall thereupon cause the per-capita share due each member of said Gros Ventre Tribe so enrolled to be credited to the individual Indian money account of such member for expenditure in accordance with the individual Indian money regulations.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The similar House joint resolution was laid on the table.

EXTENDING NATURALIZATION PRIVILEGE TO CERTAIN WORLD WAR VETERANS

The Clerk called the bill (H. R. 12762) to extend the definition of an alien veteran, for naturalization purposes only, so as to include certain alien enemies and nationals of Turkey and Bulgaria who rendered active service in United States armed forces with personal record of loyalty to the United States, and for other purposes.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

DR. JOHN M'LOUGHLIN

The Clerk called the bill (H. R. 11536) to provide $25,000 for the restoring and preserving of the home of Dr. John McLoughlin at Oregon City, Oreg.

The SPEAKER pro tempore. Is there objection?

Mr. YOUNG. Mr. Speaker, I object.

INCREASING PENSION OF VETERANS IN REGULAR ESTABLISHMENTS

The Clerk called the bill (H. R. 12758) to increase the pension of certain veterans of the regular establishments on the rolls March 19, 1933.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, effective on the first day of the month following the month in which this act is enacted, any veteran who is entitled to pension for service-connected disability under Veterans' Regulation No. 1 (a), as amended, part II, promulgated under Public Law No. 2, Seventy-third Congress, and who was on March 19, 1933, in receipt of compensation under the World War Veterans' Act, 1924, as amended, or pension under the general pension law, for such service-connected disability, shall be entitled to receive pension at 75 percent of the compensation or the pension being paid on March 19, 1933, subject to the regulations issued under Public Law No. 2, Seventy-third Congress, pertaining to hospitalized and domiciled cases: *Provided*, That where the degree of such service-connected disability has increased or decreased since March 19, 1933, the percent limitation shall be determined on the basis of the rate of compensation or pension payable for such changed condition under the laws applied to such veteran in effect on March 19, 1933: *Provided further*, That in no event shall the rate of pension provided in this act exceed 75 percent of the rate of pension for similar disability under Veterans' Regulation No. 1 (a), as amended, part I.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GEORGE WASHINGTON BICENTENNIAL COMMISSION

The Clerk called House Joint Resolution 606, amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1934.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I reserve the right to object. I wonder if some member of the Committee on the Library will explain this joint resolution.

Mr. BLOOM. This joint resolution merely extends the time of the George Washington Bicentennial Commission for 1 year, until December 31, 1937, in order to complete the publications, and so forth.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935, is hereby amended by striking out "December 31, 1936" and inserting in lieu thereof "December 31, 1937."

The joint resolution was ordered to be engrossed, and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

TERMS OF COURT AT ORANGEBURG, S. C.

The Clerk called the bill (H. R. 12) to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the eastern district of South Carolina is divided into five divisions, to be known as the Aiken, Charleston, Columbia, Florence, and Orangeburg divisions. The Aiken division shall include the territory embraced in the counties of Aiken, Allendale, Barnwell, and Hampton. The Charleston division shall include the territory embraced in the counties of Beaufort, Berkeley, Charleston, Clarendon, Colleton, Dorchester, and Jasper. The Columbia division shall include the territory embraced in the counties of Kershaw, Lee, Lexington, Richland, and Sumter. The Florence division shall include the territory embraced in the counties of Chesterfield, Darlington, Dillon, Florence, Georgetown, Horry, Marion, Marlboro, and Williamsburg. The Orangeburg division shall include the territory embraced in the counties of Calhoun, Bamberg, and Orangeburg. The terms of the district court for the Aiken division shall be held at Aiken, for the Charleston division at Charleston, for the Columbia division at Columbia, for the Florence division at Florence, and for the Orangeburg division at Orangeburg.

SEC. 2. That the divisions of the western district of South Carolina, as now provided by law, shall remain unchanged and are not affected by this act, and all other provisions of the said act remain unchanged, as now provided by law.

SEC. 3. That the terms of the District Court for the Eastern District of South Carolina, in addition to the times and places now provided by law, shall be held at Orangeburg, in the county of Orangeburg, in the State of South Carolina, on the third Monday in November and the second Monday in April of each year hereafter.

With the following committee amendment:

Page 2, line 24, strike out the period and insert a colon and the following: "*Provided*, That facilities for holding court at Orangeburg are furnished free of expense to the United States."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPENSES OF COMMEMORATING ADMISSION OF STATE OF ARKANSAS INTO THE UNION

The Clerk called Senate Joint Resolution 229, providing for the contribution by the United States to the expense of the celebration by the State of Arkansas of its admission to the Federal Union.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. TABER. I object.

Mr. TERRY. Mr. Speaker, will the gentleman reserve his objection?

Mr. TABER. I do not see how I can. If we authorize the expenditure of $200,000 to celebrate the admission of every State into the Union, we will want to go right on down the line.

Mr. TERRY. May I suggest to the gentleman that this joint resolution does not authorize $200,000. This is an authorization for an appropriation of $150,000 by the Federal Government.

Mr. TABER. That is just as bad.

Mr. TERRY. This is something that is done in all the other centennials. We have voted for the San Diego and Chicago and various others and this is the smallest amount ever asked in the House.

Mr. TABER. I think I must object.

Mr. TERRY. I beg the gentleman not to object to this reasonable amount.

Mr. TABER. I feel I must object.

MODIFICATION OF CONTRACT LEASE, PORT OF NEW ORLEANS

The Clerk called the bill (S. 4252) to provide for the modification of the contract of lease entered into on June 12, 1922, between the United States and the Board of Commissioners of the Port of New Orleans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War, with the consent of the lessee, may, in his discretion, and in such manner as he may consider desirable, reduce the consideration of obligation, require repairs and maintenance, and otherwise modify the terms, consideration, and provisions of the lease entered into between the United States and the Board of Commissioners of the Port of New Orleans on June 12, 1922, as now or hereafter supplemented,

covering the New Orleans Army base or portions thereof, in the event it appears that full performance of the lessee's obligations under such lease will result in default by, or impose undue hardship upon, the lessee: *Provided*, That the rental shall not be made lower than the fair rental value to be determined by the Secretary of War from an appraisal by qualified disinterested appraisers, the cost of appraisal to be paid by the Secretary of War from the rental collected under the lease.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FEDERAL-AID HIGHWAY FREE BRIDGES

The Clerk called the next bill, H. R. 12745, to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CARMICHAEL. Mr. Speaker, I ask unanimous consent that an identical Senate bill (S. 4658) be substituted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That in the case of any State or States or political subdivision or subdivisions thereof which, prior to the date of approval of this act, shall have constructed and shall have in operation any toll bridges on the approved system of Federal-aid highways within such State or States or political subdivision or subdivisions thereof, and which shall, prior to July 1, 1938, cause any such toll bridge, or toll bridges, to be made free, the Secretary of Agriculture shall be, and he is hereby, authorized to pay out of the Federal-aid road funds apportioned to the State not to exceed 50 percent of such amount as may be approved by the Secretary of Agriculture as the reasonable construction cost of any such toll bridge: *Provided*, That no payment of Federal funds shall be made on account of any such bridge which was not constructed in accordance with plans and specifications which would meet the standards required by the Secretary of Agriculture at the time such bridge was constructed, nor on account of any bridge the construction of which was commenced or completed prior to March 3, 1927: *And provided further*, That no such payment shall be made which will exceed 50 percent of the reasonable cost of the labor and materials which were actually incorporated in the construction of such bridge, excluding all costs of rights-of-way, property damages, and financing costs, and any amount so paid on account of any such bridge shall be used by the highway department of such State for matching unobligated Federal-aid road funds available to the State for expenditure in the improvement of highways on the system of Federal-aid highways.

Mr. RANDOLPH. Mr. Speaker, I move to strike out the last word.

I would like to ask the author of the bill, is this a bill that would let the Federal Government pay 50 percent of the cost of purchasing toll bridges to make them free?

Mr. CARMICHAEL. That is correct.

Mr. RANDOLPH. I want to say that is commendable legislation. We in West Virginia are faced with that very problem, and I commend the gentleman.

Mr. CARMICHAEL. I thank the gentleman.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 12745) was laid on the table.

CLAIMS ON BEHALF OF FOREIGN GOVERNMENTS AND THEIR NATIONALS

The Clerk called the next bill, H. R. 6612, authorizing the appropriation of funds for the payment of claims of certain foreign governments under the circumstances hereinafter enumerated.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WHITE. Reserving the right to object, I would like to have that bill explained.

Mr. FREY. Mr. Speaker, this bill has been recommended by the State Department. It represents claims of nationals of China, Chile, Nicaragua, and other small countries, none of which is indebted to our country. It has been recommended by the State Department and by the last three Presidents.

Mr. WHITE. Mr. Speaker, I will withdraw my reservation of objection.

Mr. YOUNG. Reserving the right to object, Mr. Speaker, does not this bill provide for payment to the Government of Austria of some money, and to the Government of Great Britain $24,920?

Mr. FREY. They were all withdrawn.

Mr. YOUNG. It is now on page 2 of this bill.

Mr. McREYNOLDS. There are just a few private claims that the Government is interested in getting settled.

Mr. YOUNG. None of the governments in default of payment of their just debts are beneficiaries under this bill?

Mr. McREYNOLDS. That is correct.

Mr. YOUNG. I have no objection.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for payment to the Governments of Austria, Canada, Chile, China, Dominican Republic, France, Germany, Great Britain, Japan, Mexico, Netherlands, Nicaragua, and Norway, respectively, for the purposes indicated, as an act of grace and without reference to the legal liability of the United States the following amounts, namely:

To the Government of Austria, $133.11; France, $2,265.01; Germany, $3,635.50; Great Britain, $24,920.92; Mexico, $12.50, in settlement of the claims of their nationals arising out of the occupation by the American forces of Vera Cruz, Mexico, in 1914.

To the Government of Canada for the account of Janet Hardcastle Ross, a citizen of Canada, in full settlement of all claims for personal injury resulting from the dropping of a dummy bomb by a United States Navy airplane near Coronado, Calif., on March 27, 1929, the sum of $920.45.

To the Government of Chile for the account of Enriqueta Koch V. de Jeanneret as complete indemnity for injuries to her daughter, Lucia de Jeanneret, of Valparaiso, Chile, occasioned by an assault at Valparaiso by Andrew Stanley Kondek, seaman, United States Navy, on February 4, 1921, and as reimbursement of all expenses caused thereby, the sum of $2,000.

To the Government of China for the account of Li Potien, a citizen of China, as compensation for personal injuries sustained as a result of an assault committed by Anthony R. Tofil, private, United States Marines, at Tientsin, China, on January 2, 1929, the sum of $300; for the account of Ling Mau Mau, a citizen of China, as full indemnity for the personal injuries received by him as the result of a collision between the junk of Wong Miao Fah and a United States naval vessel on the Whangpoo River, Shanghai, China, on May 20, 1930, and for medical expenses incurred by Ling Mau Mau in connection with his injuries, the sum of $1,500; for the account of Yao Ah-Ken, $1,500; Chiang Ah-erh (Tsiange Ah Erh), $1,500; the family of Ts'ao Jung-k'uan (Dzao Yong Kwer), $1,500, as full indemnity for losses sustained by Yao Ah-Ken, Chiang Ah-erh (Tsiange Ah Erh), and by the family of Ts'ao Jung-k'uan (Dzao Yong Kwer) as the result of a collision between United States Marine Corps truck numbered 1130 and tramcar numbered B. 168, owned by the Shanghai Electric Construction Co., Ltd., in Shanghai China, on November 29, 1929; for the account of the estate of Li Ying-ting (Li Ing Ding), a citizen of China, the sum of $1,500 as full indemnity for the deaths of Li Yuen Han (Li Yung-hang), Wang Sze (Li Hwang-shih), Chun Wo (Li Chen-Ho), and Foh Ling (Li Fu-lin), the son, daughter-in-law, grandson, and granddaughter, respectively, of Li Ying-ting (Li Ing Ding), resulting from a collision between the junk of Li Ying-ting (Li Ing Ding) and a United States naval vessel on the Yangtze River on July 3, 1925, and for medical and burial expenses incurred by Li Ying-ting (Li Ing Ding), as a result of the collision; for the account of the estate of Chang Hsi Ying, a citizen of China, in payment of all claims arising out of a collision in Chinese waters, on June 2, 1927, between the United States naval vessel *Bittern* and a Chinese junk, resulting in the drowning of Chang Hsi Ying, a member of the crew of the junk, the sum of $500; for the account of Ch'u Shih-hsiang (Cheu S. Ziang), a citizen of China, $300; and for the account of Ma Juihsiang (Mo Zung Poo), a citizen of China, $300, as full indemnity for personal injuries resulting from assaults committed upon them by members of the United States Marine Corps at Shanghai, China, on May 26, 1931; in all, $8,900.

To the Government of the Dominican Republic for the account of Mercedes Martinez Viuda de Sanchez, a Dominican subject, as a recognition by this Government of the meritorious services rendered by her late husband, Emeterio Sanchez, in rescuing certain members of the U. S. S. *Memphis* on August 29, 1916, and to relieve her present financial condition, the sum of $500.

To the French Government for the account of Henry Borday, a citizen of France, as compensation for personal injuries sustained by him due to an assault at his place of business at Fort au Prince, Haiti, by two United States marines on October 3, 1916, the sum of $1,000, with simple interest at 6 percent per annum from October 3, 1916, until the date of payment.

To the Government of Great Britain for the account of N. J. Moosa, a British subject, as full indemnity for the personal injuries received by him as the result of a collision between a broker's trap in which he was riding and a United States Marine

Corps truck at Shanghai, China, on September 13, 1928, and for medical and hospital expenses incurred by him in connection with his injuries, the sum of $15.59; for the account of the Shanghai Electric Construction Co., Ltd., as full indemnity for losses sustained by the said company as the result of a collision between United States Marine Corps truck no. 1130 and tramcar no. B. 168 owned by the company in Shanghai, China, on November 29, 1929, the sum of (the equivalent of $157.20 Mexican) $78.60; for the account of the estate of Samuel Richardson as an indemnity for the death of Samuel Richardson, alleged to have been killed by United States marines at Consuelo, Dominican Republic, on May 1, 1921, the sum of $1,000.

To enable the Government of the United States to reimburse the Government of Great Britain in the sum of £32,859 17s. 5d., and the Government of Japan in the sum of yen 156,798.39, the amounts expended by these Governments on behalf of the United States, in pursuance of an understanding between the Governments of the United States, France, Great Britain, and Japan to share equally the expenses incident to an undertaking to deport enemy aliens from China to Australia during the World War, $240,000, or so much thereof as may be necessary to reimburse those Governments the amounts specified.

To the Government of the Netherlands for the account of the widow, Augusta Johnson Paula, and children of Miguel (Mengal Record) Paula, a native of the Netherlands (Dutch West Indies) and former messman of the S. S. *Montoso*, of the New York & Porto Rico Steamship Co. line, who died January 23, 1931, from cocaine poisoning while a patient at the United States Marine Hospital at New Orleans, La., the sum of $3,500.

To the Government of Nicaragua for the account of Mrs. Mercedes V. de Williams, a citizen of Nicaragua, as reimbursement for the deterioration of a boat said to have been owned by Mrs. Williams' husband, Fordyce (Frank) Williams, now deceased, and to have been loaned by him to individual members of the Marine Corps stationed at Prinzapolka, Nicaragua, for recreational purposes, and to have been used by them for such purposes in 1928 and 1929, the sum of $75; for the account of Raimunda Valladares de Calderon, the widow of Justo Calderon, and the children of Justo Calderon, a native of Nicaragua, who was shot to death by a member of the United States naval forces on January 30, 1930, the sum of $2,500; for the account of Demetrio Valle, a citizen of Nicaragua, as full indemnity for losses sustained by him as the result of a bombing operation by a United States Marine Corps airplane near Palsagua, Nicaragua, on or about April 12, 1929, the sum of $600; for the account of Salvador Buitrago Diaz, a Nicaraguan citizen, as full indemnity for damages alleged to have been done to his property by United States marines, on February 6, 1921, the sum of $1,500; for the account of the following-named families and individuals the sum of $11,700 as a total indemnity for losses sustained as a result of the death or personal injury of Manuel Gomez Molino and others during encounters with United States marines in December 1921 and January 1922:

(1) To the family of Manual Gomez Molino, who was killed December 8, 1921, $1,500; (2) to the family of Obdulio Gomez, who was killed December 8, 1921, $1,500; (3) to the family of Guadalupe Balverve (Valverde), who was killed December 8, 1921, $1,500; (4) to the family of Francisco Ramos, who was killed January 25, 1922, $1,500; (5) to the family of Estanislao Rocha, who was killed January 25, 1922, $1,500; (6) to the family of Julio Carbullo, who was killed January 25, 1922, $1,500; (7) to the family of Manuel Hernandez, who was killed January 25, 1922, $1,500; (8) to Manuel Pineda, who was wounded December 8, 1921, $150; (9) to Alejandro Malespin, who was wounded December 8, 1921, $150; (10) to Ignacio Doña, who was wounded December 8, 1921, $150; (11) to Manuel Aburto, who was wounded January 25, 1922, $150; (12) to Teofilo Farcia (Teofilo Garcia), who was wounded January 25, 1922, $150; (13) to Pedro R. Vega, who was wounded January 25, 1922, $150; (14) to Gilberto Lopez, who was wounded January 25, 1922, $150; (15) to Juan Ortiz, who was wounded January 25, 1922, $150; or the account of Benjamin Gonzales, of the city of Managua, Nicaragua, as full indemnity for money expended by him because of his being wounded by shooting by Robert C. Lare, a private of the United States Marine Corps, while on police patrol in said city, the sum of $343.55; for the accounts of Drs. Enrique Klinghoffer and Br. Rappaccioli, of Diriamba, Nicaragua, in full satisfaction of all claims against the United States for professional services, medicines, etc., furnished on November 10 and 11, 1929, to the late Maj. Charles S. McReynolds, United States Marine Corps, who was suffering from numerous stab wounds, the sum of $250; for the account of Juan Francisco Rivas, a resident of Leon, Nicaragua, the sum of $38.50, of which $32.50 is to reimburse the said Rivas for the cost of medical services rendered to said Rivas and his family and made necessary by an attack upon said Rivas, his wife, and child, by two privates in the United States Marine Corps Expeditionary Brigade in Nicaragua, on June 5, 1927, and $6 of which is to reimburse the said Juan Francisco Rivas for clothing of his said wife, damaged during said assault; for the account of Horacio de Jesus Castillo, a citizen of Nicaragua, as full indemnity for personal injuries sustained by him as the result of an assault committed upon him by a member of the United States Marine Corps at Matagalpa, Nicaragua, on February 24, 1931, the sum of $1,000; for the account of Emelia Obando, a citizen of Nicaragua, as full compensation for personal injuries sustained as the result of an assault committed upon her by a member of the United States Marine Corps at Matagalpa, Nicaragua, on November 3, 1931, the sum of $100; for the account of the children of Jesus Diaz, a citizen of Nicaragua, as full indemnity for his death as the result of being struck by a sack of post-exchange supplies dropped from a United States Marine Corps airplane at Matagalpa, Nicaragua, on June 21, 1928, the sum of $300; for the account of Domingo Portillo, and others of Matagalpa, as reimbursement of such part of the expense of the funeral of Jesus Diaz as was paid by them, the sum of $21.50; and for the account of José Luis Mongrio, of Matagalpa, as reimbursement for the cost of repairs to the roof of his house in that city damaged by the dropping of a sack of post-exchange supplies from a United States Marine Corps airplane on June 21, 1928, the sum of $80 (payment of the last three preceding claims arising from the accident involving a United States Marine Corps airplane at Matagalpa on June 21, 1928, to be made through the American consular agent at Matagalpa); in all, $18,508.55.

To the Government of Norway in full and final settlement of all claims for reimbursement on account of losses sustained by the owner and crew of the Norwegian steamer Tampen by reason of the detention of the vessel by the United States Coast Guard during June 1925, the sum of $8,765.

With the following committee amendments:

Page 1, line 7, strike out the word "Japan."

Page 5, beginning in line 19, strike out the remainder of the page, and lines 1 to 6, inclusive, or page 6.

Page, 10, beginning with line 9, strike out all of lines 9, 10, 11, 12, 13, and 14.

Mr. LUNDEEN. Mr. Speaker, I want to inquire about these amendments. What were the amendments which were just now read? Did they strike out nations that are indebted to our country?

Mr. McREYNOLDS. The amendments strike out England and some other countries which we thought were indebted to us in a very large amount, something like $250,000.

Mr. LUNDEEN. If there is any nation in there that is indebted to us that has not been stricken out I would have to object, and that would be the first time I have objected on this floor during all these years.

EUROPEAN WAR DEBTS DUE TODAY

Today, June 15, 1936, we are notified by European nations of another series of defaults in their war debts to the United States. They balance their budgets, they increase their armies and navies for war, but they cannot pay America. I opposed these loans in 1917, 19 years ago. I was scoffed at by the so-called wise, but I was right, and here we are, millions of unemployed, millions on relief. We need this money now due us and they can pay. What are we going to do about it? I am willing to follow the course of Andrew Jackson, who compelled the French to pay their war debt to the United States more than 100 years ago. I commend his state papers to gentlemen of the House. In two speeches in the Seventy-third and Seventy-fourth Congresses I reviewed his manner of compelling payment of war debts. We need more Jackson Americans in America.

Mr. McREYNOLDS. I think the gentleman would be a little late in objecting, but the gentleman from Pennsylvania [Mr. FREY], who is on the subcommittee, says there is none. I have not examined the bill.

Mr. FREY. All of them were stricken out where payments were to the Government itself. The only payments in here are to nationals.

Mr. McREYNOLDS. I hope the gentleman gets the distinction.

The SPEAKER pro tempore. The question is on the committee amendments.

The committee amendments were agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENTS TO THE AMERICAN WAR MOTHERS, INC.

The Clerk called the next bill, S. 3296, to authorize certain payments to the American War Mothers, Inc.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

DIVISION OF COURT AT THOMASVILLE, GA.

The Clerk called the next bill, H. R. 11614, to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsections (d) and (e) of section 77 of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, sec. 150), is amended as follows:

"(d) The middle district shall include seven divisions, constituted as follows: The Athens division, which shall include the territory embraced on January 1, 1925, in the counties of Clarke, Elbert, Franklin, Greene, Hart, Madison, Morgan, Oconee, Oglethorpe, and Walton; the Macon division, which shall include the territory embraced on such date in the counties of Baldwin, Bibb, Bleckley, Butts, Crawford, Hancock, Houston, Jasper, Jones, Lamar, Monroe, Peach, Pulaski, Putnam, Twiggs, Upson, Washington, and Wilkinson; the Columbus division, which shall include the territory embraced on such date in the counties of Chattahoochee, Clay, Harris, Marion, Meriwether, Muscogee, Quitman, Randolph, Stewart, Talbot, and Taylor; the Americus division, which shall include the territory embraced on such date in the counties of Crisp, Dooly, Lee, Macon, Schley, Sumter, Terrell, Webster, and Wilcox; the Albany division, which shall include the territory embraced on such date in the counties of Baker, Calhoun, Dougherty, Early, Miller, Mitchell, Turner, and Worth; the Valdosta division, which shall include the territory embraced on such date in the counties of Berrien, Cook, Echols, Irwin, Lanier, Lowndes, and Tift; and the Thomasville division, which shall include the territory embraced on such date in the counties of Thomas, Brooks, Colquitt, Grady, Decatur, and Seminole.

"(e) The terms of the district court for the Athens division shall be held at Athens on the first Mondays in June and December; for the Macon division at Macon on the first Mondays in May and November; for the Columbus division at Columbus on the first Mondays in March and September; for the Americus division at Americus on the second Mondays in February and June: *Provided*, That suitable rooms and accommodations are furnished for holding court at Americus free of cost to the Government until a public building shall have been erected or put into proper condition for such purpose in said city; for the Albany division at Albany on the first Mondays in April and October; for the Valdosta division at Valdosta on the third Mondays in March and September; and for the Thomasville division on the third Mondays in May and November: *Provided*, That suitable rooms and accommodations are furnished for holding court thereat free of cost to the Government at Thomasville."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL JUDGE OF DISTRICT COURT FOR EASTERN, MIDDLE, AND WESTERN DISTRICTS OF TENNESSEE

The Clerk called the next bill, S. 3179, to appoint one additional judge of the District Court of the United States for the Eastern, Middle, and Western Districts of Tennessee.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, for the reasons I have given in other cases of this kind, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NORTHERN MONTANA AGRICULTURAL AND MANUAL TRAINING SCHOOL

The Clerk called the next bill, S. 1871, granting certain public lands to the State of Montana for the use and benefit of the Northern Montana Agricultural and Manual Training School.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this bill authorizes the conveyance of 500,000 acres of land to the State of Montana for the purpose of establishing a land-grant college. It would seem to me that if we are to authorize the conveyance of half a million acres of land we should give some consideration to it. I ask unanimous consent, therefore, that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEATH VALLEY MONUMENT, CALIFORNIA

The Clerk called the next bill, H. R. 4024, to amend an act of Congress approved June 13, 1933 (48 Stat. 139), entitled "An act to extend the mining laws of the United States to the Death Valley Monument in California."

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, it is impossible to tell from the report on this bill how extensive the bill is. I wish the sponsor of the bill would explain what is intended to be done.

Mr. Speaker, in the absence of anyone to explain the bill, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SARATOGA NATIONAL HISTORICAL PARK, N. Y.

The Clerk called the next bill, S. 32, to provide for the creation of the Saratoga National Historical Park in the State of New York, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, we have been consistently opposed to the creation of new national parks because of the tremendous expense involved in their maintenance. I think further consideration should be given to this bill.

Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GOVERNMENT FREE BATHHOUSE, HOT SPRINGS, ARK.

The Clerk called the next bill, H. R. 11176, increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.

Mr. BURDICK. Mr. Speaker, reserving the right to object, I wish someone would explain the bill. If there is to be a penalty on bathing, I want to know it.

Mr. DRIVER. Mr. Speaker, replying to the inquiry of the gentleman from North Dakota, I may say that this is purely a measure to provide against the perpetration of fraud on the Government in the operation of a free bathhouse in the city of Hot Springs.

Mr. BURDICK. Mr. Speaker, I have no objection.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act limiting the privileges of the Government free bathhouse on the public reservation at Hot Springs, Ark., to persons who are without and unable to obtain the means to pay for baths", approved March 2, 1911 (U. S. C., 1934 ed., title 16, sec. 371), is hereby amended to read as follows:

"That only persons who are without and unable to obtain the means to pay for baths and are suffering from ailments for which bathing in the water of the Hot Springs Reservation will afford relief or effect a cure shall be permitted to bathe at the free bathhouse on the public reservation at Hot Springs, Ark., and before any person shall be permitted to bathe at the free bathhouse on the reservation he shall be required to make oath, before such officer duly authorized to administer oaths for general purposes as the superintendent of the Hot Springs Reservation shall designate, that he is without and unable to obtain the means to pay for baths, and any person desiring to bathe at the free bathhouse on the Hot Springs Reservation making a false oath as to his financial condition shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not less than $25 nor more than $300 and be imprisoned for not less than 5 days nor more than 60 days."

With the following committee amendment:

Page 2, line 15, strike out "less than 5 days nor".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LAND OFFICE

The Clerk called the next bill, H. R. 12426, authorizing the payment of certain salaries and expenses of employees of the General Land Office.

Mr. WHITE. Mr. Speaker, reserving the right to object, I would like to have the bill explained.

Mr. DEROUEN. Mr. Speaker, I shall move to substitute a Senate bill for the House bill.

Mr. WHITE. Mr. Speaker, I would like to know something about the situation. We have passed the Taylor Grazing Act and cut down the work of the General Land

Office. I do not know why we should increase their salaries or personnel.

Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

MEMORIAL TO DR. SAMUEL ALEXANDER MUDD

The Clerk called House Joint Resolution 496, for the erection of a memorial to Dr. Samuel Alexander Mudd.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this joint resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CALIFORNIA STATE PARK SYSTEM

The Clerk called the next bill, H. R. 1994, to provide for the selection of certain lands in the State of California for the use of the California State park system.

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, I wish somebody would explain the bill. I would like to know something about this exchange, this giving of national lands to a State park system.

Mr. BURNHAM. Mr. Speaker, this is desert land in the Imperial Valley on the edge of the mountain side covered with desert growth. The State of California and the State Park Commission of California are willing to take it over, and build trails through it, and so and so forth at the expense of the State. The Secretary of the Interior not only has made a favorable report, but recommends the legislation. There is no cost to the Government.

Mr. GRISWOLD. Do I understand that this is now Federal land?

Mr. BURNHAM. Yes.

Mr. GRISWOLD. And title to it will be transferred to the State of California?

Mr. BURNHAM. To the California State Park Commission; but if they do not use the land within a year the title will revert to the Federal Government.

Mr. GRISWOLD. What does the Federal Government receive for transferring these national lands to the State of California?

Mr. BURNHAM. The lands remain there. We do not take a thing away from the Government. The State of California only makes it possible for tourists and others to visit this land.

Mr. GRISWOLD. As I understand the bill, it transfers the title to this land, and that is what I am interested in.

Mr. BURNHAM. Yes.

Mr. GRISWOLD. It transfers title from the Federal Government to the State of California.

Mr. BURNHAM. Reserving to the Government all mineral rights. There is a reversion clause in there also, so that if the lands are not used for State park purposes they revert to the Federal Government.

Mr. GRISWOLD. Whether they will be used for park purposes or not, we are giving some land belonging to the Federal Government to the State of California as a gift.

Mr. BURNHAM. The land has no value for agricultural purposes. It is desert land without any agricultural value. There is desert growth upon these lands and there is fossil remaining thereon that the State of California would like to protect and perpetuate. It is not protected now.

Mr. DOCKWEILER. The State wants to protect and perpetuate the desert foliage and plant life. There are many visitors who come to this desert land, which belongs to the Government, and they take the varieties of cacti off this land and bring it home because they are nice in home gardens. This is making a great inroad on the typical desert plant life of California. The State of California will preserve it because in connection with the desert lands now owned by the State of California, the State has passed laws forbidding gardeners, individuals, and various other people who are interested in plant life, from taking it off the land. We are trying to preserve this growth. There are hundreds of varieties of plant life out there.

Mr. GRISWOLD. I am not objecting to the State of California desiring to preserve that plant life.

Mr. DOCKWEILER. I wish the gentleman would not object.

The regular order was demanded.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. GRISWOLD. Mr. Speaker, I object.

SELECTION OF CERTAIN LANDS IN THE STATE OF CALIFORNIA FOR USE OF THE CALIFORNIA PARK SYSTEM

The Clerk called the next bill, H. R. 1995, to provide for the selection of certain lands in the State of California for the use of the California State park system.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subject to valid rights existing on the date of this act, the State of California may within 5 years select for State park purposes by legal subdivisions all or any portion of the public land not reserved for public purposes in the following townships:

Township 9 south, range 9 east; township 9 south, range 10 east; township 10 south, range 9 east; township 10 south, range 10 east; township 10 south, range 11 east; township 11 south, range 9 east; township 11 south, range 10 east; and township 11 south, range 11 east, San Bernardino meridian.

Upon the submission of satisfactory proof that the land selected contains characteristic desert growth and scenic or other natural features which it is desirable to preserve as a part of the California State park system the Secretary of the Interior shall cause patents to issue therefor: *Provided*, That there shall be reserved to the United States all coal, oil, gas, or other, mineral contained in such lands, together with the right to prospect for, mine, and remove the same at such times and under such conditions as the Secretary of the Interior may prescribe: *Provided further*, That any patent so issued shall contain a provision reserving to the United States for the use of the United States and its permittees, including Imperial irrigation district, the perpetual right to flow or permit water to flow over or pond or permit water to be ponded upon any part of the lands so patented with right to go upon same and to locate, relocate, construct, reconstruct, and maintain any works necessary or convenient to the full use thereof, including telephone and electrical transmission lines, and shall also contain provision for reversion of title to the United States upon a finding by the Secretary of the Interior that for a period of more than 1 year the land has not been used by the State for park purposes: *And provided further*, That in order to consolidate park areas or to eliminate private holdings therefrom lands patented hereunder may be exchanged with the approval of and under rules prescribed by the Secretary of the Interior for privately owned lands in the area hereinbefore described of approximately equal value containing the natural features sought to be preserved hereby. The lands so acquired to be subject to all conditions and reservations prescribed by this act, including the reversionary clause hereinbefore set out.

With the following committee amendment:

Page 2, line 21, after the word "thereof", insert "including telephone and electrical transmission lines."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF FAYETTE COUNTY, TEX., FROM THE SOUTHERN JUDICIAL DISTRICT OF TEXAS TO THE WESTERN JUDICIAL DISTRICT OF TEXAS

The Clerk called the next bill, H. R. 12737, to transfer Fayette County, Tex., from the southern judicial district of Texas to the western judicial district of Texas.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

INCREASE OF EFFICIENCY OF THE MEDICAL CORPS OF THE REGULAR ARMY

The Clerk called the next bill, H. R. 8874, to increase the efficiency of the Medical Corps of the Regular Army.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of promotion there shall be credited to officers of the Medical Corps all active service as officers of the Medical Reserve Corps rendered by them between April 23, 1908, and April 6, 1917.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERM OF COURT AT BENTON, ILL.

The Clerk called the next bill, H. R. 12557, to provide for a term of court at Benton, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last two sentences of section 79 of the Judicial Code (U. S. C., 1934 ed., title 28, sec. 152) are amended to read as follows: "Terms of the district court for the eastern district shall be held at Danville on the first Mondays in March and September; at Cairo, on the first Mondays in April and October; at East St. Louis, on the first Mondays in May and November; and at Benton, on the first Mondays in June and December. The clerk of the court for the eastern district shall maintain an office in charge of himself or a deputy at Danville, at Cairo, at East St. Louis, and at Benton, which shall be kept open at all times for the transaction of the business of the court, and shall there keep the records, files, and documents pertaining to the court at that place."

With the following committee amendment:

Page 1, line 10, after the word "December", insert a colon and the following proviso: "*Provided*, That facilities for holding court at Benton are furnished free of expense to the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF BOUNDARIES OF THE FORT PULASKI NATIONAL MONUMENT, GEORGIA

The Clerk called the next bill, H. R. 11180, to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the boundaries of the Fort Pulaski National Monument on Cockspur Island,, Ga., be, and they are hereby, extended to include all of the lands on said island now or formerly under the jurisdiction of the Secretary of War.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to accept in behalf of the United States, lands, interest in lands, easements, and improvements located on McQueens and Tybee Islands, in Chatham County, Ga., as may be donated for an addition to the Fort Pulaski National Monument, and upon acceptance thereof the same shall be a part of said monument, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized to construct, or cause to be constructed, in connection with and as a part of the road system of Fort Pulaski National Monument, a bridge or causeway and approaches thereto across the South Channel of the Savannah River from Cockspur Island to McQueens Island in Chatham County, Ga., at a point which he may designate as most suitable to the interests of the Federal Government.

SEC. 4. That the administration, protection, and development of the aforesaid national monument as extended by this act shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes": *Provided*, That the Secretary of the Interior may authorize the use of lands therein by other Federal agencies when deemed by him not detrimental to the purposes of said national monument.

With the following committee amendment:

On page 2, line 19, after the word "provided", strike out the remainder of line 19 and all of lines 20, 21, and 22 and insert: "That there is permanently reserved for the unlimited use of the Corps of Engineers, United States Army, for deposit of dredging materials and other purposes, a strip of land along the north shore of Cockspur Island extending shoreward 200 feet from the present high-water line: *And provided further*, That the portion of Cockspur Island bounded on the east by a north and south line across the island, and distant 2,900 feet west from the northwesterly salient angle of Fort Pulaski, and extending from Savannah River on the north to the South Channel on the south; on the west by a north and south line, parallel with said east boundary, distant 1,700 feet therefrom, and likewise extending from the Savannah River on the north to the South Channel on the south, is reserved to the Treasury Department for use for a quarantine station."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRELIMINARY EXAMINATION OF THE SAGINAW RIVER AND ITS TRIBUTARIES, MICH.

The Clerk called the next bill, H. R. 9092, to provide for the preliminary examination of the Saginaw River and its tributaries in Saginaw County, Mich., with a view to the controlling of floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Saginaw River and its tributaries in Saginaw County, Mich., with a view to improvements for the control of floods and navigation, in accordance with the provisions of section 3 of an act entitled "An act to provide for the control of floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from the appropriations heretofore or hereafter made for examination, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF THE WORLD WAR ADJUSTED-COMPENSATION ACT

The Clerk called the next bill, S. 3257, to amend the World War Adjusted Compensation Act.

Mr. TABER. Mr. Speaker, reserving the right to object, I wonder if there is anyone present who can explain this bill.

Mr. THOMPSON. Mr. Speaker, I believe I can explain the bill.

The purpose of this bill is to amend the Adjusted Compensation Act so as to apply to some 2,500 provisional officers under the grade of major who were exempted from the original act.

In the Army there were about 2,250 of these men and in the Marine Corps about 60 or 70 and in the Navy about 200. These men were taken into the Army, Navy, and Marine Corps, some from the ranks and some from the training camps, without waiting for their commissions to go through in the regular course.

The committee held extensive hearings on this bill and came to the conclusion that this group was seriously discriminated against in the original adjusted-compensation act, and I may say to the gentleman from New York that there is considerable interest among various Members on both sides of the aisle in this particular bill in their desire to correct this very apparent discrimination against a small group of men who constituted some of the best officers who served the United States during the World War.

Mr. McCORMACK. Mr. Speaker, if the gentleman will yield further, the gentleman from Tennessee [Mr. REECE] is very much interested in this bill and made a very able presentation of the matter before the committee. The committee was unanimously convinced that the bill should be reported out, and while I can give an explanation I think the gentleman from Tennessee would make a more thorough explanation because of his profound knowledge of the bill, and I think my friend from New York would be pleased to hear from him, and I know he will assist the gentleman in making up his mind with respect to the measure.

Mr. REECE. Mr. Speaker, if the gentleman will permit, I think this was a very unfair discrimination against this group of service men, and in going over the records in the case I found that when the question was up for consideration before the Ways and Means Committee back in 1922 Gen. P. C. Harris at that time appeared before the committee and used this language:

> It is unfair to a great many men; and while it is true they were in the permanent establishment and in for the period of the war, a great many of them resigned immediately afterward. They went to the training camps and selected the Regular Army, because they thought they would get to France quicker, and then immediately resigned when they returned from France. I think that should be changed to include them.

They were in the same category as the other officers who were accorded the benefits of the adjusted-compensation act. They were in the service for the period of the emergency only and while they held this temporary, provisional commission, I think in a majority of the cases they accepted

these provisional commissions because they thought it gave them an opportunity to get to the front earlier, and they never had any intention of remaining in the Regular Establishment and did not remain in the Regular Establishment, and later on for all practical purposes they were in the great category of officers of the National Army, and I hope the gentleman will permit the bill to go through.

Mr. RANKIN. Mr. Speaker, I hope the gentleman will not object. This is a very meritorious proposition.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. KNUTSON. I may say to the gentleman that I was a member of the subcommittee that considered this measure, and we heard a number of representatives from veterans' organizations, all of whom were unanimously of the opinion that the enactment of this legislation would correct an injustice that has been done to a small group of very worthy officers in the World War.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. WOLCOTT. I remember very distinctly one morning in training camp the top sergeant yelling out, "All of you fellows who want provisional commissions in the United States Army and want immediately to go overseas, take two paces forward."

About two-thirds of the company did so, and a few of them got commissions. A few of us who were not quite so courageous as the others, but who at that time had the same status, later on were given the advantages of this act. Those who were courageous enough to take the two paces forward and were sent overseas immediately were denied the right to compensation.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b), section 202, of the World War Adjusted Compensation Act is amended to read as follows:

"(b) Any individual holding a permanent or provisional commission or permanent or acting warrant in any branch of the military or naval forces, or (while holding such commission or warrant) serving under a temporary commission in a higher grade—in each case for the period of service under such commission or warrant or in such higher grade after the accrual of the right to pay thereunder. This subdivision shall not apply to any noncommissioned officer, nor to any provisional officer of the Army under the grade of major, who was honorably separated from the military service prior to January 1, 1922: *Provided*, That applications under this act must be made within 1 year from the date of enactment."

With the following committee amendment:

Page 1, strike out all of line 12, and on page 2 all of lines 1, 2, and 3 and insert in lieu thereof the following: "This subdivision shall not apply to any noncommissioned officer nor to any provisional, probationary, or temporary officer of the military or naval forces under the grade of major or lieutenant commander, who was honorably separated from the military or naval service prior to January 1, 1922."

The committee amendment was agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

THREE HUNDREDTH ANNIVERSARY OF THE FOUNDING OF YORK COUNTY, MAINE

The Clerk called the bill (H. R. 12677) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I object.

TERCENTENARY CELEBRATION, RHODE ISLAND

The Clerk called House Joint Resolution 566, providing for the contribution by the United States to the expense of the tercentenary celebration by the State of Rhode Island.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I object.

BRIDGE ACROSS THE STRAITS OF MACKINAC

The Clerk called the bill (H. R. 12898) granting the consent of Congress to the Mackinac Straits Bridge Authority to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan.

The SPEAKER pro tempore. Is there objection?

Mr. MARCANTONIO. Mr. Speaker, I object.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice for the purpose of giving further consideration to the advisability of enacting it.

The SPEAKER pro tempore. Is there objection?

Mr. YOUNG. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. MARCANTONIO. Mr. Speaker, I object.

BRIDGE ACROSS MISSOURI RIVER, BROWNVILLE, NEBR.

The Clerk called the bill (S. 4461) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River at or near Brownville, Nebr., authorized to be built by the county of Atchison, State of Missouri, and the county of Nemaha, State of Nebraska, singly or jointly, by section 18 of the act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSOURI RIVER, DECATUR, NEBR.

The Clerk called the bill (S. 4462) to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River, between the towns of Decatur, Nebr., and Onawa, Iowa, authorized to be built by the county of Burt, State of Nevada, by section 29 of the act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, line 6, strike out "State of Nevada" and insert "State of Nebraska."

Page 1, line 9, strike out "the date of approval hereof" and insert "August 30, 1936."

The committee amendments were agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSOURI RIVER, SOUTH SIOUX CITY, NEBR.

The Clerk called the bill (S. 4463) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River, at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa, authorized to be built by the county of Dakota, State of Nebraska, by section 30 of the act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER AT BATON ROUGE, LA.

The Clerk called the bill (S. 4618) granting the consent of Congress to the Louisiana Highway Commission to con-

struct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto across the Mississippi River at or near Baton Rouge, La.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. YOUNG. Mr. Speaker, I object.

Mr. DEROUEN. Mr. Speaker, will the gentleman reserve his objection?

Mr. YOUNG. Yes.

Mr. DEROUEN. This is an important bill. It is an extension of the same law that we had, which expired. The State has provided the money. It is a free bridge. The bill was unanimously reported by the Interstate Commerce Committee of the House and has already passed the Senate and is now reported back to the House.

Mr. YOUNG. The title of the bill refers to a free or toll bill.

Mr. DEROUEN. It is a free bridge.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

Mr. DEROUEN. Mr. Speaker, will the gentleman let me explain the bill? That is usual in all those bills. It is a bill that takes care of all of the railroads west of the Mississippi River. It is the form that has been adopted and used all the way through, but it is a free toll bridge. It is similar to the prior law which expired, and so we are asking to be put back where we were before.

Mr. YOUNG. I offer an amendment to strike out the words "or toll" in the title and in the bill.

Mr. DEROUEN. I accept that amendment, insofar as it applies to the title, and no further.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Louisiana Highway Commission, an administrative body created and acting under the constitution and laws of the State of Louisiana, to construct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Baton Rouge, in the State of Louisiana, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. YOUNG. Mr. Speaker, I offer an amendment to strike out the words "or toll" in the title and in the bill wherever they appear.

The Clerk read as follows:

Amendment offered by Mr. YOUNG: Strike out the words "or toll" wherever they occur in the title or in the bill.

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WOLCOTT. That leaves this bill in a terrible condition. The whole of section 2 has to do with the raising of revenue for the retiring of bonds out of tolls. I think it is a rather poor way to legislate. Frankly, I do not know what the bill will read like if we strike out those two words wherever they occur in the bill.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. O'CONNOR. Of course, that is a pernicious way to amend any bill, to strike out the words "or toll" wherever they appear. That is no way to amend the bill. The way to handle that situation is to vote down the amendment.

Mr. YOUNG. I agree with the gentleman that that is no way to amend a bill, but I will also say it is no way to legislate, to bring in, during the closing hours of a session of Congress, at a night session, a bill to impose toll bridges upon people traveling upon the highways of this country.

Mr. JENKINS of Ohio. Mr. Speaker, I move to strike out the last word.

I appreciate the fight the gentleman is seeking to make, but I wonder if he has understood this. The gentleman's fight has been against privately owned toll bridges. This is not the case. This is a State agency. It is seeking the construction of a bridge that is both a highway bridge and a railroad bridge. Somebody has to pay for it. Of course, the railroads should pay for it. If the gentleman wants to strike out the words "or toll", he should strike them out only as to the highway part of the bridge. I think if the gentleman will consider that this is a publicly owned agency and that they will surely take care of their own people down there, the gentleman could well afford to withdraw his objection and still be consistent with his former position.

Mr. WOLCOTT. Mr. Speaker, I rise in opposition to the amendment.

I quite agree with the gentleman from New York [Mr. O'CONNOR], that the proper way to handle this situation now would be to vote down the amendment.

May I observe also that we should not always be opposed to toll bridges, merely because they are toll bridges. Frequently bridges would never be built if it were not for the fact that anticipatory bonds are issued against tolls. In about 50 percent of the bills which have passed this Congress in the last 6 years, we have provided that tolls shall be collected and that the bonds shall be retired out of the tolls collected. I have in mind at least a dozen bridges that are today giving service over navigable streams which would not have been built were it not for the fact that tolls were charged. We are following exactly the same principle in the collection of gasoline taxes in the several States.

That tax is collected upon this basis—that those who use the highways shall pay the tax. Toll bridges are constructed upon the same theory. We authorize the construction of toll bridges on the same theory—that the people who use the bridges pay for the bridge—instead of providing that the State shall build the bridge and tax all of the people generally for that purpose. There are occasions, and I think probably this is one of them, in which a toll is justified. This is not a private toll bridge. This is a bridge to be constructed by the Louisiana Highway Commission, a commission authorized by the State Legislature of the State of Louisiana to supervise the construction of bridges and for the retirement of bonds from the revenues collected.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. YOUNG].

The amendment was rejected.

The bill was ordered to be read a third time, was read the third time, and passed; and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER AT LA CROSSE, WIS.

The Clerk called the next bill, H. R. 12843, authorizing the State of Wisconsin to construct, maintain, and operate a free highway bridge across the Mississippi River at or near La Crosse, La Crosse County, Wis.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. WITHROW. Mr. Speaker, I ask unanimous consent to substitute the bill S. 4680 for the House bill. It is an identical Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State of Wisconsin be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near La Crosse, La Crosse County, Wis., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State of Wisconsin all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 12843) was laid on the table.

BRIDGE ACROSS DELAWARE RIVER BETWEEN HANCOCK, N. Y., AND BUCKINGHAM, PA.

The Clerk called the next bill, H. R. 12850, authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to substitute Senate 4710 for consideration at this time, the bill being identical to the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania be, and is hereby, authorized to reconstruct, maintain, and operate a free highway bridge and approaches thereto across the West Branch of the Delaware River, at a point suitable to the interests of navigation, at or near the vicinity of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa., in accordance with the provisions of the act entitled, "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 12850) was laid on the table.

BRIDGE ACROSS DELAWARE RIVER, BARRYVILLE, N. Y.

The Clerk called the next bill, H. R. 12851, authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to substitute S. 4709 in place of the bill H. R. 12851 for consideration at this time, both bills being identical.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania be, and is hereby, authorized to reconstruct, maintain, and operate a free highway bridge and approaches thereto across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS HUDSON RIVER, FIFTY-SEVENTH STREET, NEW YORK

The Clerk called the next bill, S. 1645, to provide for the creation of a commission to examine into and report the clear height above the water of the bridge authorized to be constructed over the Hudson River from Fifty-seventh Street, New York, to New Jersey, and for other purposes.

Mr. PEYSER. Mr. Speaker, I object.

Mr. O'CONNOR. Mr. Speaker, will not the gentleman withhold his objection?

Mr. PEYSER. Mr. Speaker, I withhold my objection to permit the gentleman to make a statement.

Mr. O'CONNOR. All this bill does is to authorize an investigation of the height of this bridge at Fifty-seventh Street across the Hudson River. It is a matter which has been pending here for years. It would bring into New York all the railroads which serve New York. The only opposition to it is from the New York Central Railroad, and a vice president of the New York Central, named Mr. Dougherty, has been very active, lobbying against this bill.

Everybody in New York who is concerned with the west side of Manhattan along Eleventh Avenue is interested in this bill. It would bring into New York the B. & O., which has no access; the Lackawanna, the Erie, and the Lehigh, which have been denied access to New York City because of this railroad combination and the opposition of years which comes solely from the New York Central.

Mr. PEYSER. Mr. Speaker, answering the gentleman from New York, I may say, quoting from the New York Times of June 3 of this year, that there are other objectors than the New York Central. The New York State Legislature has passed a resolution in opposition to this bill. The New York Chamber of Commerce, the Regional Planning Association, the Fifth Avenue Association, the Secretary of War and the Secretary of the Navy, and the Department of Commerce are opposed to the bill. Mr. Speaker, I object.

Mr. KENNEY. Will not the gentleman further withhold his objection?

Mr. PEYSER. Certainly.

Mr. KENNEY. Mr. Speaker, it seems that the only Member of this House in opposition to the bill is the gentleman from New York [Mr. PEYSER].

Mr. PEYSER. I beg the gentleman's pardon. There is a minority report on the bill signed by other Members.

Mr. KENNEY. Other New York newspapers have recommended this bridge. The New York Sun has recommended it. The bridge will furnish a terminal in New York for railroads that now have their terminii in New Jersey. It was part of the original plan of the Port of New York Authority. It is vital to the entire Nation that this railroad bridge should be built across the Hudson River.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. KENNEY. Yes.

Mr. O'CONNOR. The opposition from the New York Legislature and the organizations to which the gentleman referred came years ago, not recently.

Mr. KENNEY. Absolutely. They tried to get the Legislature of the State of New Jersey to memorialize Congress to repeal the charter of the bridge, but the Legislature of New Jersey refused to do so.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. PEYSER. Mr. Speaker, I object.

SIXTH WORLD'S POULTRY CONGRESS

The Clerk called the joint resolution (S. J. Res. 235) authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress.

The SPEAKER pro tempore. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the sum of $25,000, or such sum thereof as may be necessary, may be expended by the Secretary of Agriculture from the unexpended funds of the Agricultural Adjustment Administration, with a view to expanding the foreign demand for American-bred poultry through participation in the 1936 Sixth World's Poultry Congress, such funds to be used for staging a live-bird and educational exhibit and for the expenses of delegates of the United States to this conference: *Provided*, That of this sum a sum of $10,000 is hereby made immediately available for assembling, preparing, and shipping the live-bird exhibit and material showing poultry-husbandry methods followed in the United States: *Provided further*, That no part of the sum authorized to be expended by this resolution shall be used for the payment of expenses of delegates to such conference other than Government and State agriculture college officials.

SEC. 2. The President is hereby authorized and requested to extend to the World's Poultry Science Association an invitation to hold the Seventh World's Poultry Congress in the United States in 1939, and to extend an invitation to foreign governments to participate in and be represented by delegates and exhibits in such congress.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF BANKRUPTCY ACT

The Clerk called the next bill, S. 3841, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That (1) the last three sentences of the second paragraph of subsection (e) of section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, are hereby further amended to read as follows: "If the United States of America, or any agency thereof, or any corporation (other than the Reconstruction Finance Corporation) the majority of the stock of which is owned by the United States of America, is a creditor or stockholder, the interests or claims thereof shall be deemed to be effected by the plan, and the President of the United States, or any officer or agency he may designate, is hereby authorized to act in respect of the interests or claims of the United States or of such agency or other corporation. The expense of such submission shall be certified by the Commission and shall be borne by the debtor's estate. The Commission shall certify to the judge the results of such submission."

(2) That the first sentence of the third paragraph of said subsection (e) of said section 77 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: *Provided further*, That if, in any reorganization proceeding under this section, the United States is a creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against, the debtor, as creditor or stockholder), no plan which does not provide for the payment thereof shall be confirmed by the judge except upon the acceptance, certified to the court, of a lesser amount by the President of the United States or the officer or agency designated by him pursuant to the provisions of the preceding paragraph hereof: *Provided further*, That if the President of the United States or such officer or agency shall fail to accept or reject such lesser amount for more than 90 days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties are concerned shall be conclusively presumed."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That subsection (e) of section 77 of the act of July 1, 1898, entitled 'An act to establish a uniform system of bankruptcy throughout the United States', as amended, be, and is hereby, amended to read as follows:

"(e) Upon the certification of a plan by the Commission to the court, the court shall give due notice to all parties in interest of the time within which such parties may file with the court their objections to such plan, and such parties shall file, within such time as may be fixed in said notice, detailed and specific objections in writing to the plan and their claims for equitable treatment. The judge shall, after notice in such manner as he may determine to the debtor, its trustee or trustees, stockholders, creditors, and the Commission, hear all parties in interest in support of, and in opposition to, such objections to the plan and such claims for equitable treatment. After such hearing, and without any hearing if no objections are filed, the judge shall approve the plan if satisfied that: (1) It complies with the provisions of subsection (b) of this section, is fair and equitable, affords due recognition to the rights of each class of creditors and stockholders, does not discriminate unfairly in favor of any class of creditors or stockholders, and will conform to the requirements of the law of the land regarding the participation of the various classes of creditors and stockholders; (2) the approximate amounts to be paid by the debtor, or by any corporation or corporations acquiring the debtor's assets, for expenses and fees incident to the reorganization, have been fully disclosed so far as they can be ascertained at the date of such hearing, are reasonable, are within such maximum limits as are fixed by the Commission, and are within such maximum limits to be subject to the approval of the judge; (3) the plan provides for the payment of all costs of administration and all other allowances made or to be made by the judge, except that allowances provided for in subsection (c), paragraph (12) of this section, may be paid in securities provided for in the plan if those entitled thereto will accept such payment, and the judge is hereby given power to approve the same.

"If the judge shall not approve the plan, he shall file an opinion, stating his conclusions and the reason therefor, and he shall enter an order in which he may either dismiss the proceedings, or in his discretion and on motion of any party in interest refer the proceedings back to the Commission for further action, in which event he shall transmit to the Commission a copy of any evidence received. If the proceedings are referred back to the Commission, it shall proceed to a reconsideration of the proceedings under the provisions of subsection (d) hereof. If the judge shall approve the plan, he shall file an opinion, stating his conclusions and the reasons therefor, and enter an order to that effect, and shall send a certified copy of such opinion and order to the Commission. The plan shall then be submitted by the Commission to the creditors of each class whose claims have been filed and allowed in accordance with the requirements of subsection (c) hereof, and to the stockholders of each class, and/or to the committees or other representatives thereof, for acceptance or rejection, within such time as the Commission shall specify, together with the report or reports of the Commission thereon or such a summarization thereof as the Commission may approve, and the opinion and order of the judge: *Provided*, That submission to any class of stockholders shall not be necessary if the Commission shall have found, and the judge shall have affirmed the finding, (a) that at the time of the finding the corporation is insolvent, or that at the time of the finding the equity of such class of stockholders has no value, or that the plan provides for the payment in cash to such class of stockholders of an amount not less than the value of their equity, if any, or (b) that the interests of such class of stockholders will not be adversely and materially affected by the plan, or (c) that the debtor has pursuant to authorized corporate action accepted the plan and its stockholders are bound by such acceptance: *Provided further*, That submission to any class of creditors shall not be necessary if the Commission shall have found, and the judge shall have affirmed

the finding, that the interests of such class of creditors will not be adversely and materially affected by the plan, or that at the time of the finding the interests of such class of creditors have no value, or that the plan provides for the payment in cash to such class of creditors of an amount not less than the value of their interests. For the purpose of this section the acceptance or rejection by any creditor or stockholder shall be in writing, executed by him or by his duly authorized attorney, committee, or representative. If the United States of America, or any agency thereof, or any corporation (other than the Reconstruction Finance Corporation) the majority of the stock of which is owned by the United States of America is a creditor or stockholder, the interests or claims thereof shall be deemed to be affected by the plan and the President of the United States, or any officer he may designate is hereby authorized to act in respect of the interests or claims of the United States or of such agency or other corporation. The expense of such submission shall be certified by the Commission and shall be borne by the debtor's estate. The Commission shall certify to the judge the results of such submission.

"Upon receipt of such certification, the judge shall confirm the plan if satisfied that it has been accepted by or on behalf of creditors of each class to which submission is required under this subsection holding more than two-thirds in amount of the total of the allowed claims of such class which have been reported in said submission as voting on said plan, and by or on behalf of stockholders of each class to which submission is required under this subsection holding more than two-thirds of the stock of such class which has been reported in said submission as voting on said plan; and that such acceptances have not been made or procured by any means forbidden by law: *Provided*, That, if the plan has not been so accepted by the creditors and stockholders, the judge may nevertheless confirm the plan if he is satisfied and finds, after hearing, that it makes adequate provision for fair and equitable treatment for the interests or claims of those rejecting it; that such rejection is not reasonably justified in the light of the respective rights and interests of those rejecting it and all the relevant facts; and that the plan conforms to the requirements of clauses (1) to (3), inclusive, of the first paragraph of this subsection (e): *Provided further*, That if, in any reorganization proceeding under this section, the United States is a creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against, the debtor, as creditor or stockholder), no plan which does not provide for the payment thereof shall be confirmed by the judge except upon the acceptance, certified to the court, of a lesser amount by the President of the United States or the officer or agency designated by him pursuant to the provisions of the preceding paragraph hereof: *Provided further*, That if the President of the United States or such officer or agency shall fail to accept or reject such lesser amount for more than 90 days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties are concerned shall be conclusively presumed. If the judge shall confirm the plan, he shall enter an order and file an opinion with a statement of his conclusions and his reasons therefor. If the judge shall not confirm the plan, he shall file an opinion, with a statement of his conclusions and his reasons therefor, and enter an order in which he shall either dismiss the proceedings, or, in his discretion and on the motion of any party in interest, refer the case back to the Commission for further proceedings, including the consideration of modifications of the plan or the proposed new plans. In the event of such a reference back to the Commission, the proceedings with respect to any modified or new plan shall be governed by the provisions of this section in like manner as in an original proceeding hereunder.

"If it shall be necessary to determine the value of any property for any purpose under this section, the Commission shall determine such value and certify the same to the court in its report on the plan. The value of any property used in railroad operation shall be determined on a basis which will give due consideration to the earning power of the property, past, present, and prospective, and all other relevant facts. In determining such value only such effect shall be given to the present cost of reproduction new and less depreciation and original cost of the property, and the actual investment therein, as may be required under the law of the land, in light of its earning power and all other relevant facts."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALKER RIVER INDIAN RESERVATION

The Clerk called the next bill, S. 3805, to authorize the Secretary of the Interior to reserve certain lands on the public domain in Nevada for addition to the Walker River Indian Reservation.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to set aside not to exceed 175,200 acres, or so much thereof as he may deem advisable, of the public-domain lands in townships 11, 12, 13, 14, and 15 north, ranges 27, 28, 29, 30, and 31 east, Mount Diablo meridian, Nevada, as an addition to the Walker River Indian Reservation: *Provided*, That the said withdrawal shall not affect any valid rights initiated prior to the approval hereof: *Provided further*, That the Secretary of the Interior shall arrange, either by the maintenance of existing stock driveways or otherwise, to permit stock owned by others than Indians to cross the reservation at designated points. Executive order of November 26, 1934, temporarily withdrawing public-domain lands for classification, etc., under the Taylor Grazing Act of June 28, 1934 (ch. 865, 48 Stat. L. 1269), is hereby revoked as to such of the above-described lands as may be designated by the Secretary of the Interior for addition to the said Walker River Indian Reservation.

SEC. 2. Title to all minerals in said lands is hereby reserved to the United States and shall be subject to all forms of mineral entry or claim under the public land mining laws: *Provided*, That the Paiute Indians of the Walker River Reservation shall be paid by mineral claimants for the loss of any improvements on any lands located or withdrawn for mining purposes under rules and regulations to be prescribed by the Secretary of the Interior: *And provided further*, That an annual rental of not less than 5 cents per acre shall be paid to the superintendent of the reservation to be deposited to the credit of the tribe as compensation for loss of use or occupancy of any lands withdrawn for mining purposes or mineral entry. No mineral patent shall be granted to any applicant who is delinquent in the payment of rental or in the payment of any damages due the tribe under the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACCEPTANCE OF CERTAIN LANDS IN THE CITY OF SAN DIEGO, CALIF.

The Clerk called the next bill, H. R. 12328, to authorize the acceptance of certain lands in the city of San Diego, Calif., by the United States and the transfer by the Secretary of the Navy of certain other lands to said city of San Diego.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. BURDICK. Mr. Speaker, reserving the right to object, what is this bill all about?

Mr. BURNHAM. I may say to the gentleman this bill provides for the exchange of lands by the United States and the city of San Diego. The Federal Government transfers to the city of San Diego some 60 acres of submerged land adjoining the municipal airport which the city of San Diego originally gave to the Government a few years ago. In consideration of this the city of San Diego deeds to the Navy Department of the Federal Government 5 acres adjoining the marine base and 544 acres just back of La Jolla, fine land, which is being used as a rifle range, and it is very urgently needed by the Navy Department. They are very anxious that this bill be passed.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized on behalf of the United States to accept from the city of San Diego, Calif., free from all encumbrances and without cost to the United States, all right, title, and interest in and to the lands contained with the following-described area: Beginning at the intersection of the southeasterly line of Harasthy Street with the mean high-tide line of the bay of San Diego, as said mean high-tide line was established by that certain superior court action no. 35473; thence southwesterly along the southwesterly prolongation of the southeasterly line of Harasthy Street a distance of 159.66 feet to an intersection with the northeasterly Marine Base boundary line; thence north 60°34'59" west along the said Marine Base boundary line a distance of 1929.11 feet to its intersection with the said mean high-tide line of the bay of San Diego; thence in a general southeasterly direction, following along the said mean high-tide line to the point or place of beginning, containing 5.2474 acres of land; also approximately 544 acres of pueblo lands, owned by the city of San Diego more particularly described as follows: The easterly half of pueblo lot of 1300; all of pueblo lot 1309; all of pueblo lot 1310; all of that portion of pueblo lot 1311 lying easterly of Pacific Highway and southerly of Miramar Road; all of that portion of pueblo lot 1314 lying southerly of Miramar Road; all of that portion of pueblo lot 1315 lying southerly of Miramar Road; all of that portion of the westerly half of pueblo lot 1316 lying southerly of Miramar Road; said pueblo lands being according to the map thereof made by James Pascoe in 1870, a certified copy of which map is filed as miscellaneous map no. 36 in the office of the county recorder of San Diego County, Calif.; said lands being desired by the Navy Department for national defense, and particularly for the purpose of establishing and maintaining thereon a rifle range, together with barracks and other structures incident thereto.

The said Secretary of the Navy is also authorized hereby to transfer to the city of San Diego, Calif., free from all encumbrances and without cost to said city of San Diego, all rights,

title, and interest of the United States in and to the lands contained within that part of the Marine Corps Base, San Diego, Calif., containing 60.1605 acres, more particularly described as follows: Beginning at the point of intersection of the southwesterly prolongation of the northwesterly line of Bean Street with the combined United States pierhead and bulkhead line, as said combined United States pierhead and bulkhead line was established in 1928; thence north 83° west, a distance of 729.62 feet along the said combined pierhead and bulkhead line to an intersection with the southwesterly prolongation of the southeasterly line of Harasthy Street; thence north 28°49'40" east along the southwesterly prolongation of the southeasterly line of Harasthy Street, a distance of 4,008.27 feet to an intersection with the existing Marine Base boundary line; thence south 60°34'59" east along the said Marine Base boundary line, a distance of 677.88 feet to an intersection with the southwesterly prolongation of the northwesterly line of Bean Street; thence south 28°50'10" west along the southwesterly prolongation of the northwesterly line of Bean Street, a distance of 3,730.02 feet to the point or place of beginning, containing 60.1605 acres of bay area.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENTRY UNDER BOND OF EXHIBITS OF ARTS, SCIENCES, AND INDUSTRIES

The Clerk called the bill (H. R. 11767) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, we have had several bills of this nature up for consideration which specifically authorized the entry of these products for exposition purposes. If I understand the present bill correctly, it is a sort of blanket bill which takes in all of these expositions so that henceforth it will not be necessary to give specific authorization for each exposition.

Mr. CELLER. It is limited, of course, to the New York Port Authority. The New York Port Authority, as is known, is an entity set up by State compact between the States of New Jersey and New York with Government approval, the Government having approved the setting up of this port authority. This remains in the building of the port authority, and the exhibitions are to be conducted in the interest of the commerce of the two States. Every safeguard is thrown around the exhibition so as to prevent any miscarriage by way of goods entering without the proper payment of duty.

Mr. WOLCOTT. If the products of the exposition in Arkansas and the exposition in Texas come in through the port of New York they would come under this act?

Mr. CELLER. No. This refers only to the New York Port Authority building and is limited exclusively to that.

Mr. WOLCOTT. I have no objection, and I thank the gentleman for his explanation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the bill S. 3843, an identical bill, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That as used in this act:

(a) The term "exhibition" means any permanent exhibition or exhibitions, expositions, fairs, or any temporary exhibition or exhibitions, expositions or fairs of the arts, sciences, and industries, or of the products of the soil, mine, and sea, or of any hobby, or other like pursuits.

(b) The "Port Authority" means the Port of New York Authority, a municipal corporate instrumentality organized pursuant to a compact entered into on April 30, 1921, between the States of New York and New Jersey, and consented to by the Congress of the United States (ch. 77, U. S. Stat. L., vol. 42, pt. I, p. 174), and designated as the municipal corporate instrumentality of the said States for the purpose of effectuating said compact.

SEC. 2. All articles which shall be imported from foreign countries for the purpose of exhibit or display at an exhibition to be held at any time and from time to time by the Port Authority or by its tenants or licensees in the building known as the Port Authority Commerce Building, located on the block bounded by Eighth and Ninth Avenues, Fifteenth and Sixteenth Streets, Borough of Manhattan, city and State of New York, upon which articles there shall be a tariff, or customs duty, shall be admitted free of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe: but it shall be lawful, at any time during or at the close of any exhibition, exposition, or fair held pursuant to this act to sell for delivery at the close thereof any goods or property imported for and actually displayed at such exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when sold or withdrawn for consumption or use in the United States, shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal and to the requirements of the tariff laws in effect at such date: *Provided further*, That the Port Authority shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for articles imported under the provisions of this act, shall be reimbursed by the Port Authority to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930: *Provided further*, That all such articles shall, at the expiration of 2 years, be subject to the import duty then in force, unless the same shall have been sold or exported from this country prior to that time: *And provided further*, That nothing in this act contained shall be construed as an invitation, express or implied, from the Government of the United States to any foreign government, State, municipality, corporation, partnership, or individual to import any articles for the purpose of exhibition at the said exhibitions.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 11767) was laid on the table.

AUTHORIZATION OF SECRETARY OF WAR TO LEND WAR DEPARTMENT EQUIPMENT FOR USE AT THE EIGHTEENTH NATIONAL CONVENTION OF THE AMERICAN LEGION AT CLEVELAND, OHIO

The Clerk called the next bill, H. R. 11075, to authorize the Secretary of War to lend War Department equipment for use at the Eighteenth National Convention of the American Legion at Cleveland, Ohio, during the month of September 1936.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that the bill S. 3997, an identical bill, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized to lend, at his discretion, to the American Legion 1936 Convention Corporation, for use at the Eighteenth National Convention of the American Legion to be held at Cleveland, Ohio, in the month of September 1936, such tents, cots, and blankets, and other available stock out of the Army and National Guard supplies as such corporation may require to house properly Legionnaires attending such convention: *Provided*, That no expense shall be caused the United States Government by the delivery and return of such property, the same to be delivered at such time prior to the holding of such convention as may be agreed upon by the Secretary of War and the American Legion 1936 Convention Corporation: *Provided further*, That the Secretary of War, before delivering such property, shall take from such corporation a good and sufficient bond for the safe return of such property in good order and condition, and the whole without expense to the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 11075) was laid on the table.

AUTHORIZATION OF ACQUISITION OF LANDS IN THE VICINITY OF JACKSONVILLE, FLA., AS A SITE FOR A NAVAL AIR STATION

The Clerk called the next bill, H. R. 11501, to authorize the acquisition of lands in the vicinity of Jacksonville, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. UMSTEAD. Mr. Speaker, reserving the right to object, may I inquire the estimated cost of the authorization carried in this bill?

Mr. SEARS. This bill does not carry an appropriation of one single dollar. The city of Jacksonville gives to the Government 1,400 acres of land, and if it is not used by the Government in 5 years this land reverts back to the city.

Mr. UMSTEAD. Along with the authority to acquire the land it authorizes the installation of a naval air station there. What will the naval air station cost?

Mr. SEARS. It will not cost a thing unless approved by Congress.

Mr. UMSTEAD. I know that.

Mr. SEARS. Usually they put in there $5,000,000 or more shall be spent, but nothing can be spent on this unless the Congress authorizes the expenditure.

Mr. UMSTEAD. Of course, I know that an appropriation will have to be passed including this money.

Mr. SEARS. I doubt if it will cost anything.

Mr. UMSTEAD. May I ask the gentleman from Florida if this is not an authorization for the establishment of another naval air base in the State of Florida?

Mr. SEARS. Only if the Navy Department authorizes it.

Mr. UMSTEAD. Has the Navy Department approved this site as a proper one for the location of a Navy air station?

Mr. SEARS. I may say this was unanimously reported by the Naval Affairs Committee.

Mr. UMSTEAD. Has it been approved by the Navy Department?

Mr. SEARS. It has not been approved directly by the Navy Department. I hope my colleague will not object.

Mr. UMSTEAD. In view of the statement just made by the gentleman, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

COAST GUARD STATION ON LAKE ST. CLAIR, MICH.

The Clerk called the next bill, H. R. 12494, to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to establish a Coast Guard station on Lake St. Clair, Mich., at such point as the Commandant of the Coast Guard may recommend.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, ladies and gentlemen of the House, the establishment of a Coast Guard station on Lake St. Clair, Mich., has not only the recommendation of the Acting Secretary of the Treasury but also such legislation is in accord with the program of the President.

A distance of 25 miles spaces the nearest temporary Coast Guard station at Trenton, Mich. Detroit, with a population of 1,750,000, is second only in size as a Great Lake city to that of Chicago, which latter city has three life-saving stations, while Buffalo and Cleveland each have one.

Adjoining Detroit to the east are the four beautiful residential villages of Grosse Pointe, Park City, Farms, and Shores, which, together with the village of St. Clair Shores, have a combined lake-shore line of 15 miles. The United States customs office indicate a boat registration out of Detroit and this aforesaid district in the neighborhood of 15,000, and the necessity for such a station is readily apparent.

The Detroit River and Lake St. Clair are a recreational center for lovers of water sports, and the records of drownings since 1931 are in excess of 60 persons. The passage of this legislation will be most deeply appreciated by the people of the fourth largest city in the Nation.

GENERAL PULASKI'S MEMORIAL DAY

The Clerk called House Joint Resolution 114 directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent that Senate Joint Resolution 187, which is similar to the House joint resolution, be substituted for the House joint resolution.

There being no objection, the Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 187

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11, 1936, and inviting the people of the United States to observe the day in schools and churches or other suitable places, with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The House joint resolution (H. J. Res. 114) was laid on the table.

GEN. CASIMIR PULASKI AND OTHER POLISH PATRIOTS WHO FOUGHT FOR AMERICA

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, the pages of American history are replete with the names of illustrious patriots of Polish extraction who came to the New World and joined in the struggle for the development of a new and picturesque nation.

Capt. John Smith, who founded the early English colony at Jamestown, Va., recorded that of his group the most courageous and the hardest working were the Poles. The Dutch, who colonized Manhattan in 1659, brought a young Polish schoolmaster to teach their children. Intelligent, resourceful, diligent, the Polish immigrants in the early days of our country played a definite part in promoting the civilization which we enjoy today.

The Polish stock honored their nationality and served their adopted country with distinction during the Revolutionary War, when the independence of the Thirteen Original Colonies was at stake. The same patriotic fighting blood that raced through the veins of the revolutionary heroes flowed with equal vigor in the veins of their relatives in the wars to follow in which the United States found itself engaged. Americanism of the unselfish, sacrificing, uncompromising strain has been exemplified in Polish heroes in every war of this Republic. This is a nation explored and civilized by and constituted of foreigners. Into this "melting pot" of humanity came no sturdier element than the Polish people. Their contributions to Americanism are legion. The ancestors of living American Poles earned through valor and determination their enviable place in our history. Their names are enshrined in the hearts of those who love their country, for they were fighting men who fought not for personal glory but to achieve for their fellow men and for future Americans the establishment of a new and better Republic, where national

animosity would cease to exist and where individual opportunity and freedom would be manifest.

GEN. CASIMIR PULASKI

The impressiveness of the contributions made to America by the early Polish patriots is often brought into just prominence. Particularly, however, this Government has been setting aside one especial day, this year October 11, on which we honor the memory of Gen. Casimir Pulaski, who, by virtue of a magnificent military career in the War for Independence, seems to lead the lists of the hundreds of his fellow Poles who have distinguished themselves for extraordinary leadership.

Congress approves a special resolution this year directing the President to proclaim October 11 as a memorial day commemorating the life and the military achievements of General Pulaski.

Count Casimir Pulaski was born in Poland in 1747. He was in his early twenties when his native country was beset by three great European nations who were determined to seize Poland and divide it among themselves. Young Pulaski, already well schooled in military affairs, joined his father, who was a chief magistrate and a member of the nobility, and his two brothers in the war for Poland's independence. Upon the death of his father and one brother and the capture by the enemy of the second, he became commander of the insurgent army. The odds were unconquerable, however, and with the war lost and Poland partitioned, the youthful commander became an outlaw and sought refuge in France. It was there he met Benjamin Franklin, who spun for him the tale of a new country with all that it promised in glamour, adventure, and opportunity, and who described the struggle for independence being made by the colonists. Pulaski needed slight encouragement for his sympathies, for the oppressed and the struggling were inherent. He arrived in 1777 and joined the American forces as a volunteer.

Pulaski and Lafayette fought their first American battle together at Brandywine—Pulaski as a volunteer without command; Lafayette as a general. With General Washington's forces being steadily repulsed, Pulaski asked for 30 horses and 30 men. With this small detachment he rode into the face of the British and saved the day. Four days later Washington appointed him the first general of American Cavalry.

General Pulaski's legion made American history and contributed mightily to the winning of the Revolution. He is known as the father of the American Cavalry. He fought in the thick of the battle at the head of his men, inspired with the cause of American liberty.

On October 11, 1779, General Pulaski's body was lowered to a watery grave after he had succumbed to a bullet wound suffered at the siege of Savannah. He died on the brig *Wasp* after medical attention failed to rally his courageous body. He fought 2 brilliant years for this Nation, and he died at the age of 31. But no American can forget the service he rendered nor the qualities he represented in true patriotic zeal.

From birth to death, Casimir Pulaski fought for the right of liberty and independence. He rebelled against dictatorial authority. He characterized unrelenting patriotism. It is fitting that Congress recognize the service he rendered, and none of us can afford to forget the principles for which he fought and died.

GEN. THADDEUS KOSCIUSKO

Even the briefest review of famous Polish military figures in American history would be woefully incomplete without the mention of Gen. Thaddeus Kosciusko, who fought for 6 long years with the colonists' forces in wresting independence from England.

Unlike Pulaski, who fought colorfully in the midst of battle, Kosciusko primarily contributed strategy and engineering skill. At Washington's direction, he laid the plans of battle and the fortifications for the war in the North during the early years of the conflict. His defense along the Hudson and the victory at Saratoga marked the turning point of the war. Upon Burgoyne's defeat, the colonists took new courage and with Kosciusko's cunning and brilliance in maneuvers, the road to victory became apparent. Before the war ended he left for the South, where he fought as a soldier as well as an engineer. In 1782 he led his forces in conquering Charleston, S. C. Shortly thereafter he returned to Europe, where he aided his countrymen in fighting their enemies—Russia and Prussia. He was imprisoned by the Czar, but 2 years later released. Following his release, he came again to America, where he was received with great honor. Congress then belatedly awarded him a pension and properly acclaimed his services during the Revolution.

Thaddeus Kosciusko was born in Poland and came to America for the express purpose of converting his military genius and engineering skill to the advantage of the colonists. Inbred in his courageous nature was the love of liberty and the persistent opposition to all that savored of tryanny. America's fight became his personal fight, for here were another people like his own for generations past, struggling to be self-contained and self-governed.

Kosciusko died in Europe under less dramatic circumstances than Pulaski, but like his fellow countryman, he fought a hard fight for a good cause. His name long will be revered.

OTHER POLISH MILITARY LEADERS IN AMERICA

While Pulaski and Kosciusko head the list of Polish patriots who fought in the American cause, Poland gave scores of other notable soldiers who deserve to be remembered for their courage in battle and in many cases for their very lives sacrificed that this Nation might be established.

Capt. Joseph Baldeski served as an original member of Pulaski's Legion, where he acquitted himself creditably. He likewise served as a paymaster during the Revolution.

Maurice August Beniowski likewise joined Pulaski's forces, although only shortly before the general's unfortunate death.

The names of Polish military figures dot the entire history of the Revolutionary War: Col. Michael Kowacz, Lieutenant Colonel Botzen, Maj. John Jolereski, M. Kotkowski, Maciej Rogowski, John Zielinski, John K. Mieszkowski, Lt. August Krystyn, Lt. George Elholm, Michael Grabowski, George Uzdowski, Corp. Robert Pesko, Sgt. Donder Rozanowski, Capt. Andrew Malick, Sgt. Simon Balyca, Capt. Peter Bakut, Lt. Joseph Dolo, and Joseph Gabriel are included among the Army's courageous. In the Navy during the Revolution, the records reveal an abundance of Polish-born sea fighters, such as Felix Miklaszewicz and Samuel Hrabowski.

During the Civil War 5,000 Poles participated. This represented about one-sixth of the Polish population in the United States. Four thousand fought with the Union forces, but on both sides is recorded the exceptional valor of the Polish soldiers. Capt. Konstanty Bledowski was the first Union man to fall in line of battle. Gen. Wlodzimierz Krzyzanowski advanced from the ranks to his high position and fought in the Battles of Bull Run and Chancellorsville and with General Meade at Gettysburg. He is credited with stopping Gen. Stonewall Jackson and is undoubtedly the outstanding Polish hero of the Civil War. Other Poles who distinguished themselves in that bloody conflict were Cavalry Capt. Joseph Karge, Capt. Alexander Bielaski, Capt. Joseph Gloskowski, Lt. Julius S. Krzywoszynski, Capt. W. Kossak, Col. George Sokalski, Capt. Louis Zychlinski, Capt. Maurice Kraszynski, and Adj. Wladyslaw Leski, all of whom served with the Union forces. With the Confederacy fought Gen. Kaspar Tochmann, Col. Vincent Sulakowski, Capt. Peter K. Stankiewicz, Capt. Leon Jastrzembski, Col. Arthur Grabowski, and many others.

Forty thousand Poles fought with the American doughboys in France during the World War. To recount the Polish heroes of that war would fill volumes.

There are today approximately 4,000,000 Poles in America. Their forbears helped to settle America, fought for America, and died with honor on the battlefields of a new and great nation. The blood of many nationalities has been shed upon this land, but none has more nobly and unselfishly been given than that of the great Polish patriots.

EMPLOYMENT IN THE DISTRICT OF COLUMBIA

The Clerk called House Joint Resolution 612, for the purpose of increasing and financing employment in the District of Columbia.

Mr. TABER. Mr. Speaker, I feel obliged to object.

YAKIMA INDIAN RESERVATION

The Clerk called the next bill, H. R. 11800, to reimpose a trust on certain lands allotted on the Yakima Indian Reservation.

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That there is hereby imposed on the lands allotted on the Yakima Indian Reservation on which the trust expired December 17, 1928, a trust for a period of 10 years from the date of enactment of this act, but otherwise on the same terms and conditions and subject to the same provisions and limitations as that which so expired.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the period of trust on lands patented to Indians of the Yakima Reservation, Wash., upon which the said trust was inadvertently permitted to expire December 17, 1928, or at any other time prior to the approval of this act, is hereby reimposed and extended to July 9, 1942: *Provided*, That further extension of the period of trust may be made by the President, in his discretion, as provided by section 5 of the act of February 8, 1887 (24 Stat. L. 388), and the act of June 21, 1906 (34 Stat. L. 326)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRODUCTION TAX ON LEAD AND ZINC

The Clerk called the next bill, H. R. 11221, to amend the last two provisos, section 26, act of Congress approved March 3, 1921 (41 Stat. L. 1225–1248).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last two provisos in section 26 of the act of Congress approved March 3, 1921 (41 Stat. L. 1225–1248), be, and the same are hereby, amended to read as follows: "That the State of Oklahoma is authorized, from and after the passage of this amendment, to levy and collect a gross production tax upon all lead and zinc produced on said lands in an amount not to exceed the present rate of three-fourths of 1 percent on the gross value thereof. In accordance with the uniform policy of the United States Government to hold the lands of the Quapaw Indians while restricted and the income therefrom free from taxation of whatsoever nature, except as said immunity is expressly waived, and, in pursuance of said fixed policy, it is herein expressly provided that the waiver of tax immunity herein provided shall be in lieu of all other taxes of whatsoever nature on said restricted lands or the income therefrom, and the Secretary of the Interior is hereby authorized and directed to cause to be paid out of the individual Indian funds held under his supervision, belonging to the Indian owner of the land, the gross production tax so assessed against the royalty interests of the respective Indian owner in an amount not to exceed the rate hereinabove set forth: *Provided, however*, That such tax shall not become a lien or charge of any kind or character against the land or other property of said Indian owner."

With the following committee amendments:

Page 2, line 3, after word "from", insert the word "State".

Page 2, line 7, after the word "other", insert the word "State".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE TERRITORY OF ALASKA

The Clerk called the next bill, S. 3784, to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following acts, to wit, an act entitled "An act to provide for an increased annual appropriation for agriculture experiment stations and regulating the expenditure thereof", approved March 16, 1906, and known as the Adams Act; an act entitled "An act to authorize the more complete endowment of agricultural experiment stations, and for other purposes", approved February 24, 1925, and known as the Purnell Act; and an act entitled "An act to provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefit of the act entitled 'An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts', approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture", approved May 22, 1928, and known as the Capper-Ketcham Act, be, and the same are hereby, extended to the Territory of Alaska.

SEC. 2. To carry into effect the above provisions for extending to the Territory of Alaska to the extent herein provided the benefits of the said Adams Act and the said Purnell Act, the following sums are hereby authorized to be appropriated: For the fiscal year ending June 30, 1937, $5,000; for the fiscal year ending June 30, 1938, $7,500; for the fiscal year ending June 30, 1939, $10,000; for the fiscal year ending June 30, 1940, $12,500; for the fiscal year ending June 30, 1941, $15,000; for the fiscal year ending June 30, 1942, $17,500; for the fiscal year ending June 30, 1943, $20,000; for the fiscal year ending June 30, 1944, $22,500; for the fiscal year ending June 30, 1945, $27,500; for the fiscal year ending June 30, 1946, $32,500; for the fiscal year ending June 30, 1947, $37,500; and thereafter a sum equal to one-half of that provided for each State and Territory under the said Adams Act and the said Purnell Act: *Provided*, That no appropriations shall be made under this act until annually estimated as to funds and amounts by the Secretary of Agriculture, the estimates to be based upon his determination of the ability of the Territory of Alaska to make effective use of the funds in maintaining agricultural experiment stations.

SEC. 3. To carry into effect the above provisions for extending to the Territory of Alaska, to the extent herein provided, the benefits of the said Capper-Ketcham Act the following sums are hereby authorized to be appropriated: For the fiscal year ending June 30, 1937, $2,500; for the fiscal year ending June 30, 1938, $5,000; for the fiscal year ending June 30, 1939, $7,500; for the fiscal year ending June 30, 1940, and annually thereafter, $10,000: *Provided*, That no appropriations shall be made under this act until annually estimated as to funds and amounts by the Secretary of Agriculture, the estimates to be based upon his determination of the ability of the Territory of Alaska to make effective use of the funds: *And provided further*, That whereas the said Capper-Ketcham Act provides that "at least 80 percent of all appropriations under this act shall be utilized for the payment of salaries of extension agents in counties of the several States to further develop the cooperative extension system in agriculture and home economics with men, women, boys, and girls", the several established judicial divisions of the Territory of Alaska, as the same shall exist from time to time, shall be considered as counties for the purpose of complying with the provisions of this act until a subdivision of the Territory of Alaska into counties is effected.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COAT OF ARMS OF SWISS CONFEDERATION

The Clerk called the bill (S. 4667) to prohibit the commercial use of the coat of arms of the Swiss Confederation pursuant to the obligation of the Government of the United States under article 28 of the Red Cross Convention, signed at Geneva July 27, 1929.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That it shall be unlawful for any person, partnership, incorporated or unincorporated company, or association within the jurisdiction of the United States to use, whether as a trade mark, commercial label, or portion thereof, or as an advertisement or insignia for any business or organization or for any trade or commercial purpose, the coat of arms of the Swiss Confederation, consisting of an upright white cross with equal arms and lines on a red ground, or any simulation thereof: *Provided*, That no person, corporation, or association that actually used or whose assignors actually used a design or insignia identical with or similar to that described herein for any lawful purpose for 10 years next preceding the effective date of this act shall be deemed forbidden to continue the use thereof for the same purpose.

SEC. 2. Any person who willfully violates the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shall be liable to a fine of not exceeding $500 or imprisonment for a term not exceeding one year, or both.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CANAL ACROSS FLORIDA

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. GREEN. Mr. Speaker and my colleagues, it is expected that the House will on tomorrow or Wednesday vote on the conference report on the deficiency bill. In this item

will probably be included a vote to appoint a special board to make further examination of the canal across Florida. The Senate added an amendment to the deficiency bill which authorizes the President to appoint a special board of disinterested engineers to further examine and report on the project. If the report is favorable, then the President is authorized to make expenditures of relief funds, not to exceed $10,000,000, to carry on the work on the Florida canal.

The President began the Florida ship canal because he undoubtedly believed it to be a great project, justified on all grounds. It was recommended to him by a special board comprising both Army engineers and engineers of the Public Works Administration. The project is sound and is worthy in itself of your support.

Great progress is being made by the Board of Army Engineers on this project. About $6,000,000 has been allocated and expended from relief funds on it. You will find in the Speaker's lobby adjacent to the House floor several photographs and drawings clearly showing the great achievement which is being made by the Army engineers in the prosecution of this great project. I invite your attention to these pictures and drawings and urge each of you to study them before the vote is taken.

When completed one ship every 48 minutes throughout the year will pass through the canal. Average transit per year will be 11,000 ships. Dead-weight tonnage per year will be 90,000,000. Average saving per voyage: (a) Coastwise, 2 days; (b) foreign, one-third day. Only ships which would use the Canal are considered and indicated. This traffic is approximately twice the traffic of the Suez Canal and one and one-third times the traffic of the Panama Canal. The great benefits to all America are obvious.

I introduced the survey bills which began the project, and have labored earnestly for it during the 12 years which I have served here. The more I learn of it, the more I am convinced that it is the most important project before the American people today, and will carry lasting benefits to the citizens of every State in the Union. The benefits which will accrue from it to the American people exceed by far the $125,000,000 or $130,000,000 which will be required to complete it.

The canal will be completed. It is my purpose to discuss it at greater length when the amendment reaches the floor of the House; therefore, I shall not take much of your time today.

PROTECTION OF INDUSTRIAL PROPERTY

Mr. DALY. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which the bill H. R. 5806, to effectuate certain provisions of the International Convention for the Protection of Industrial Property, as revised at The Hague on November 6, 1925, Calendar No. 900, was passed this evening and at the same time immediate consideration of the bill S. 1795, a similar Senate bill.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent to vacate the proceedings by which the bill H. R. 5806 was passed and to substitute therefor the bill S. 1795, a similar Senate bill. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That section 4887 of the Revised Statutes (U. S. C., title 35, sec. 32) be amended to read as follows:

"No person otherwise entitled thereto shall be debarred from receiving a patent for his invention or discovery, nor shall any patent be declared invalid by reason of its having been first patented or caused to be patented by the inventor or his legal representatives or assigns in a foreign country, unless the application for said foreign patent was filed more than 12 months, in cases within the provisions of section 4886 of the Revised Statutes, and 6 months in cases of designs, prior to the filing of the application in this country, in which case no patent shall be granted in this country.

"An application for patent for an invention or discovery or for a design filed in this country by any person who has previously regularly filed an application for a patent for the same invention, discovery, or design in a foreign country which, by treaty, convention, or law, affords similar privileges to citizens of the United States shall have the same force and effect as the same application would have if filed in this country on the date on which the application for patent for the same invention, discovery, or design was first filed in such foreign country: *Provided*, That the application in this country is filed within 12 months in cases within the provisions of section 4886 of the Revised Statutes, and within 6 months in cases of designs, from the earliest date on which any such foreign application was filed. But no patent shall be granted on an application for patent for an invention or discovery or a design which had been patented or described in a printed publication in this or any foreign country more than 2 years before the date of the actual filing of the application in this country, or which had been in public use or on sale in this country for more than 2 years prior to such filing."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

INTEREST PAYMENT ON AMERICAN EMBASSY DRAFTS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to return to Calendar 879, S. 1896, to provide for the interest payments on American Embassy drafts.

The SPEAKER pro tempore. Is there objection?

Mr. LAMNECK. Mr. Speaker, I object.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BOEHNE, for 3 days, on account of important business.

To Mr. DEEN, indefinitely, on account of illness.

To Mr. HIGGINS of Massachusetts, indefinitely, on account of illness.

EXTENSION OF REMARKS

JO BYRNS—A FRIEND OF MAN

Mr. LUDLOW. Mr. Speaker, there is an indefinable loneliness about this historic chamber these days. Those of us who have sat here day after day through the rigors of winter and the heat of summer attending to the duties of legislation are stunned and saddened by a poignant realization that one around whom all of our affections were entwined has suddenly gone away, leaving a tremendous vacuum. The House of Representatives plods wearily on, but its dramatis personae has been weakened by the loss of its principal actor. The House in action nowadays is like the play of Hamlet, with Hamlet omitted.

As a member of the press gallery and a Representative in the Congress it was my good fortune to know Jo BYRNS for 28 years. Our acquaintanceship began when he first entered Congress and it developed into the warmest affection. Soon after I became a Member of the House I learned that with characteristic devotion he was reaching out to find ways to help me.

When the committees were reorganized at the beginning of my second term he conferred with Speaker John N. Garner in regard to my committee assignment. When I heard that such a conference was taking place I knew I was "in the hands of my friends", to use a trite political phrase. The outcome was that he found an opening for me on the great Committee on Appropriations and, to make my cup of happiness full and overflowing, he placed me on the subcommittee of which he himself was chairman—the one having jurisdiction over appropriations for the Treasury and Post Office Departments.

When he informed me that I had been selected to go on the Appropriations Committee and on his own subcommittee (of which I have since become chairman by operation of the law of seniority) I responded with a sincere, though, I fear, somewhat profuse expression of my gratitude, closing with the statement:

I want you to know how much I appreciate the opportunity to serve under you on your great committee.

He stopped me, very gently—

You are not going to serve under me.

He said—

You are going to serve with me. We are all equals on this committee.

It seemed to me that was about the finest exhibition of noblesse oblige I had ever known, and it was so genuinely

characteristic of Mr. BYRNS. He was singularly gifted with the common touch. Not only did his heart beat in rhythm with the heartbeats of 125,000,000 people but, as we look backward in intimate perspective on the life of this good man, we cannot fail to be impressed how kind and thoughtful he always was in trying to be of service to Members of this House. Some Speakers have been called czars. He was not a czar but a comrade. It seems to me that he was a sort of father confessor to all of us. We could go to him with our little personal problems and he was always sympathetically interested. He had the welfare of every one of us on his mind and heart, and that gripped us to him with hoops of steel. It was as if at yonder rostrum, where he presided, there was always spread a feast of love and the invitation was—

Whosoever will, may come.

His attachments knew no dividing "center aisle." Republicans as well as Democrats enjoyed the warmth of his true affection. I do not think he had an enemy on earth. Unlike other Speakers, he had the peculiar gift of being able to quell partisan ebullitions without leaving a sting. All of us have seen this trait exemplified time and time again. Mr. RICH, the good, honest, hard-fisted, forthright, fighting gentleman from Pennsylvania would jump to his feet, let us say during consideration of the Post Office appropriation bill.

"For what purpose does the gentleman from Pennsylvania arise?" the Speaker would inquire.

I arise to ask the distinguished gentleman from Alabama, the majority leader, whether Jim Farley can tell us where we are going to get the money to pay all these bills.

By the time he reached the phrase "where we are going to get the money" the voice of the gentleman from Pennsylvania would mount to high crescendo. Mr. BANKHEAD, the Democratic leader, not being able to read Jim Farley's mind, especially at long range, would observe discreet silence and let the Speaker handle the situation.

The Speaker would bring down his gavel with a bang that would wake up all the babies in the galleries and would dispose of Mr. RICH in summary order by saying with determination:

The gentleman is not recognized for that purpose. The gentleman will take his seat.

The unrecognized but triumphant Mr. RICH would take his seat, having got in his shot without recognition. Likely as not the two would be seen later in the lobby with the Speaker's arm around his militant friend from Pennsylvania, for, despite their political differences, Mr. RICH was his friend, holding him in the highest respect. And so, too, was BERT SNELL the Speaker's friend, and JOHN TABER and ALLEN TREADWAY and JOHN ROBSION and JOE MARTIN and CARL MAPES, and all the other big men on the Republican side of the chamber. They knew Speaker BYRNS as a real man, with a great big heart, and were glad and proud to be included in his encircling friendship.

I believe the last person to be received by Speaker BYRNS was a constituent of mine—Rev. Carleton W. Atwater, pastor of the great congregation of the First Baptist Church of Indianapolis. I shall never forget that visit. On the afternoon of the day the Speaker died the distinguished minister, on a flying trip to Washington, called at my office and some unexplainable urge prompted me to suggest that we go over to the Speaker's office to pay our respects to Mr. BYRNS.

A cheery "Come over" was the response I received over the telephone, and soon we found ourselves being entertained by Speaker and Mrs. Byrns at the Speaker's private office, just off of the Capitol rotunda. The Speaker and Mr. Atwater talked for a long time, and very pleasantly, about religious matters and with special reference to a mutual acquaintance, Dr. W. F. Powell, a Baptist minister of Nashville, to whom the Speaker referred in terms of genuine affection. If we could have known at that moment that within 72 hours Dr. Powell would be preaching Mr. BYRNS' funeral sermon, how shocked we would have been.

Suddenly during the conversation the Speaker took my hand and said to the minister from my home city:

I want you to know that I love your Congressman.

When finally he escorted us to the door he was still holding my hand. We went from the Speaker's office straightway to the Senate Chamber and as we passed the huge grandfather clock that stands like a sentinel at the entrance of the Senate wing I noticed that the hands pointed to 4:30. An hour later the Speaker was fatally stricken at his apartment in the Mayflower Hotel.

I cannot bring myself to a realization that Jo BYRNS is dead. Rather does it seem to me that the beautiful verse of our Hoosier poet, James Whitcomb Riley, applies with special appropriateness to our friend who has gone before us:

I cannot say and I will not say that he is dead—he is just away;
With a cheery smile and a wave of the hand, he has vanished into an unknown land.

His call from Earth to the higher and better life was tragically sudden, but for one of such nobility of character whose days were crowded with good deeds, as his had been, it was a beautiful way to die. He did not need any time to wrap the draperies of his spirit about him before he entered the presence of the Great King. May the Lord temper our grief and give us vision to see the stars shine through our cypress trees. Good-bye, old friend. Our simple faith tells us that we will know you and love you again after we have crossed the borders of the blessed summerland. Until then God bless you and keep you.

OMNIBUS CLAIMS BILLS

Mr. COCHRAN. Mr. Speaker, it was announced today that tomorrow, Tuesday evening, the House will consider the Private Calendar. The first bills to be called are the omnibus claims bills.

Had it not been for the death of our beloved Speaker these bills would have been called Thursday evening, June 4.

In anticipation of the call on that day I placed in the RECORD a brief statement in reference to some of the bills we will be asked to pass tomorrow, Tuesday evening.

The purpose of my remarks is to call to the attention of the Members to my extension of June 3.

On page 8874 of the RECORD of that date Members will find a brief analysis of 25 bills. When I point out that probably several million dollars are involved in those bills surely Members will agree that they are worthy of more than ordinary consideration.

I express the hope that the Members will read my remarks of June 3. It will be a few moments well spent and be beneficial to the taxpayers of your district, who must pay their share of every private claims bill we pass.

OUR AGRICULTURAL PROBLEM

Mr. LUCKEY. Mr. Speaker and colleagues of the House, beclouding issues and misleading people are easy tasks. This is especially true when the problems are of a complex economic and social character. The complexity of our agricultural problems has made it easy for those who have personal or political ends in view to carry on a campaign raising false issues and disseminating insidious misinformation. These carping critics have taken and are taking full opportunity to "farm the American farmers."

A farmer, in the ordinary sense of the word, is one who cultivates the land to produce real and needed products for man's consumption.

But who are these "farmers of the farmer"? What are their methods, and what are their objectives? They need no tools of agriculture, but only the spoken and written word, a seed supply of false information, and a keen desire for personal or political capital. They carefully cultivate each sprouting seed of distrust, fear, and hatred which they have

planted within the minds of those whom they profess to champion. Their objective is plain; those false prophets hope that in so doing they can again "reman the citadels."

Nebraska is almost entirely an agricultural State, a typical prairie State. All my life I have been engaged in farming. I know and all Nebraska farmers know that the future of agricultural and general American prosperity depends upon the establishment of agriculture on a basis of equality with industry. The 30,000,000 of our farm population constitute the largest single group in the United States. Not only are they the producers of foodstuffs, but they are also the largest single group consuming the products of labor and industry. Without restored and maintained agricultural purchasing power there can be no national prosperity. The realization of this truth has brought about, since March 1933, the first honest and extensive program for the betterment of agriculture that has ever been attempted by this Government. Much has been accomplished and much remains to be done. The advances have not been without a struggle. Opposition has been incessant and will continue.

Since 1900 agriculture has swept through an almost complete cycle in its development. During this same period the United States has witnessed a complete change in its national economy. We have seen the rise and fall of world markets and our transition from a debtor to a creditor nation. In 1900 there were 5,737,372 farms with an acreage of 838,592,000 acres. In 1930 there were 6,371,640 farms with an acreage of 986,771,000 acres. In 1900 Nebraska had 29,912,000 acres in farm land and in 1930 she had 44,709,000 acres, or an increase of nearly 50 percent.

Throughout and shortly following the World War our farmers found an adequate market for their goods. This was due to a dislocation of production in war-torn Europe and to the huge loans made by our Government to foreign powers, thus enabling them to buy on the American market. This temporarily stimulated foreign market, together with increased domestic consumption during the boom days, enabled the farmers to increase production and acreage planting. Some 5,000,000 acres of virgin prairie first felt the plow during this era. Farm production soared. Take the case of wheat, for example. From 1901 to 1905 our average wheat production was 630,354,000 bushels. From 1926 to 1930 it was 866,624,000 bushels, and in 1931 it was 932,221,000 bushels. Gross farm income, one of the best barometers of farm prosperity, shows a 1909 income of $6,000,000,000 and an average from 1923 to 1930 of eleven and a half billion dollars.

Thus far, we have looked at what are called those good old days prior to the depression. It was a period when the frail ship of our national economy rode rapidly toward the falls without any attempt to guide the craft into safer and less spectacular water. With careless hands on the wheel, our boat plunged over the falls—crumbling like the paper profits of Wall Street and scattering the occupants over the shoals of depression. Those 12 long years from 1921 to 1933 were the days of the "forgotten man", and the "forgotten man" was the American farmer. Agriculture led the way into the abyss, pulling after it the entire economic structure. Let us observe the process and its results and bear in mind that during those last 4 long years every blow fell without any attempt upon the part of the administration to check the course of ruin or to avert the mad stampede.

Several primary factors, each influencing the other, vitally affect agriculture. They are the barometers of agricultural economics, and even the least schooled can see the full significance of the facts.

We all know the story of falling farm prices when wheat tumbled from $1.58 to 31 cents, corn from $1.02 to 19 cents, rye from 98 to 21 cents, oats from 62 to 13 cents, cotton from 23 to 5 cents, hogs from $12 to $2.68, and cattle from $9.75 to $3.28. Those falling farm prices brought ruin to our farmers and forced them to sell their products at far below cost of production, yet not one effective move was made to prevent this condition. I mention this now lest we forget.

Falling farm prices produced falling gross farm incomes. These figures speak for themselves:

	United States	Nebraska
1929	$11,941,000,000	$451,841,000
1930	9,454,000,000	381,809,000
1931	6,968,000,000	248,176,000
1932	5,324,000,000	166,905,000

This decrease of 50 percent in the income of our largest consuming group brought an inevitable decrease in demand for industrial products, because the margin available after taxes and interest were paid was cut down still more. It meant farm mortgage foreclosures, increased bank failures, and increased unemployment.

Let us now see what was happening to our foreign markets during these years. Here again the cold figures tell the story of the dropping barometer of prosperity. They tell the story of vanishing foreign markets while an administration stood idle, making no effort to stop the fall or restore the losses.

	Exports of domestic agricultural products	Imports of competitive agricultural products for domestic consumption
1928	$1,863,000,000	$961,000,000
1929	1,693,000,000	1,017,000,000
1930	1,201,000,000	699,000,000
1931	821,000,000	446,000,000
1932	662,000,000	296,000,000

Prepared by Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation and official records of the Bureau of Foreign and Domestic Commerce.

Now let us turn to two very important factors which largely resulted from the causes shown and which in themselves intensified the general collapse. They are farm-mortgage foreclosures and bank failures.

	Farm mortgage foreclosures per each 1,000 farms	Bank failures
1929	15.7	71
1930	18.7	88
1931	28.4	357
1932	38.8	322
1933 (January and February)	(1)	[2] 435

[1] No accurate figures; estimates for 1932 are approximately correct for these months.
[2] Prior to bank holiday.

We have observed falling farm prices, falling farm income, falling foreign markets, increased farm foreclosures, and increased bank failures during those 12 years. Let us now observe the trend in agricultural and industrial production for those same years:

	Agricultural production	Industrial production
1928	104	112
1929	101	119
1930	101	95
1931	107	80
1932	100	63
1933 (January and February)	97	62

To those who bewail any attempt upon the part of the farmer to regulate supply and demand, these figures should be illuminating. They show that agriculture, despite falling demands and below-cost-of-production prices, made no attempt to adjust supply with demand by curtailing production. The farmer could not increase consumption because he was already selling for far below what it cost to raise his

products. On the other hand, industry reduced its production 50 percent from 1928 to 1933, plowing under industrial products and plowing labor out into the ranks of the unemployed. I have heard many persons complain that the curtailment of crops was a sin against God, a deprivation of the necessities of life from those who are unemployed, and the supreme example of false economic doctrine. I have never heard those charges made against industry, yet the reduction in industry was four times as great as that in agriculture under the A. A. A. Mr. Ford would not make a car to sell at $500 if it cost him $700 to make it; the same is true of every other industrial leader, no matter how badly the goods he produces might be needed.

We have surveyed the period of despair, the period of inactivity, and the period which brought about the greatest peacetime catastrophe ever faced by our country.

On March 3, 1933, the hesitation and inaction was dropped. The problems were squarely faced, and a drive against the forces of depression was started. There were three primary challenges relating to agricultural recovery: (1) To increase farm purchasing power through increased farm prices; (2) to strengthen and restore the domestic and foreign market for American farm products; (3) to prevent farm foreclosures and preserve farm homes for farm families.

On every front great advances have been made. Direct action replaced hesitation and indecision. It is true that not every step taken has produced a forward march. Mistakes have been made; some have been corrected and others remain to be corrected. Perfection—that goal of all advance—comes slowly and could not be expected to rise like Phoenix from the ashes of a complete economic break-down. Let us see how far we have come in 3 short years.

To get a complete and fair picture of the results of the last 3 short years we need only compare the readings of our prosperity barometers with those of 1932. Let us see what happened to farm prices.

	Average price paid to the producer in 1932	Average price paid to the producer in 1935
Wheat	$0.388 per bushel	$0.864 per bushel.
Corn	$0.281 per bushel	$0.774 per bushel.
Rye	$0.286 per bushel	$0.518 per bushel.
Oats	$0.182 per bushel	$0.393 per bushel.
Cotton	$0.058 per pound	$0.116 per pound.
Cattle	$4.07 per hundredweight	$6.24 per hundredweight.
Hogs	$3.72 per hundredweight	$8.50 per hundredweight.

Those prices speak for themselves, and in spite of the worst drought in history, followed by a short crop, gross farm income has been increased every year under the present administration. Only a small part of the increase has been due to rental and benefit payments. In the drought areas particularly those payments represented the difference between a total loss and a bare living. Increased farm prices produced increased gross farm income.

Gross farm income

	United States total	Rental and benefit payments	Nebraska, total	Rental and benefit payments in Nebraska
1932	$5,324,000,000		$166,905,000	
1933	6,256,000,000	$271,000,000	184,636,000	$5,944,000
1934	7,266,000,000	594,000,000	194,545,000	38,232,000
1935	8,110,000,000	480,000,000	[1]	[1]

[1] No official figures available; unofficial estimate for Nebraska total is $250,000,000.

The gross farm income gains shown in those figures for the last 3 years represent an increase of approximately $3,000,000,000, or 52 percent, over that of 1932.

With the utmost frankness and honesty, let us see what has happened to our foreign trade in agricultural products during the past 3 years. In order to place the full facts before you I wish to insert two brief charts from which we can draw the essential information:

CHART I

	Exports of domestic agricultural products	Imports of competitive agricultural products for domestic consumption
1932	$662,000,000	$296,000,000
1933	694,000,000	377,000,000
1934	734,000,000	450,000,000
1935	748,000,000	623,000,000

CHART II.—*Agricultural imports*

	Total	Noncompetitive	Competitive [1]	Sugar	Competitive minus sugar
1929	$2,218,000,000	$1,201,000,000	$1,017,000,000	$209,000,000	$808,000,000
1930	1,468,000,000	769,000,000	699,000,000	130,000,000	569,000,000
1931	1,007,000,000	561,000,000	446,000,000	113,000,000	333,000,000
1932	668,000,000	372,000,000	296,000,000	97,000,000	199,000,000
1933	743,000,000	366,000,000	377,000,000	108,000,000	269,000,000
1934	858,000,000	408,000,000	450,000,000	118,000,000	332,000,000
1935	1,106,000,000	483,000,000	623,000,000	134,000,000	489,000,000

[1] Competitive agricultural imports include imports similar to agricultural products commercially produced in the United States or directly substituted to a significant extent for domestic agricultural products.

Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation of the United States and official records of the Bureau of Foreign and Domestic Commerce.

One could talk all day on the subject of foreign trade. The statistics have been given in the charts, and it is only necessary here to point out three or four striking facts which can readily be seen. From chart I it is evident that every year since this administration took office our agricultural exports have increased. Chart II illustrates three fundamental facts: (1) Decreased exports are found in the same years as decreased imports; (2) increased exports occur in the same years that our imports increase; (3) in years of greater farm prosperity our imports of agricultural products are greater than in years of adversity.

The present administration has inaugurated the policy of making reciprocal-trade agreements. Only one of these agreements has been effective long enough to justify either criticism or praise. If those agreements produce benefits, they can and should be continued; if they produce economic disadvantages, they can and should be repealed. They represent an attempt to stimulate our foreign trade. Persons who are so prone to criticize at this early date are very much like those who laughed at Fulton's steamboat, Wright's airplane, and who predicted that the horseless buggy would never run.

The expansion of our foreign trade has long been a subject of study and heated dispute. There are many possibilities in the export-subsidy plan, and every one of them should be accepted. The theory that subsidies are the final solution is open to grave doubt. No country which establishes or has established a quota on American goods will allow one more bushel of our produce to enter her boundaries than is allowed by her quota restriction. We could subsidize to the point of giving our goods away and not be able to export more than our quota. Right now trade agreements appear to be the only method of removing those quota and preference restrictions. Knowing our own objections to having foreigners "dump" on our markets, we cannot expect them to look with favor toward our dumping on their markets.

Let us now see what has happened to the twin barometers of farm mortgage foreclosures and bank failures in the last 3 short years.

	Farm mortgage foreclosures per 1,000 farms	Bank failures
1932	38.8	[1]77
1933	28.0	3
1934	21.0	1
1935	19.0	4

[1] Including January and February, 1933.

These figures are amazing. They represent thousands of farm homes saved for American farm families. They represent safety for the small savings of millions of laborers, as well as safety for the investments of our more economically prosperous classes.

Advances have been made on every front during 3 short years. We have come a long way, and we will go further. Constructive criticism leads to progress; destructive criticism leads only to indecision and retreat. The absurdity and untruths of the false prophets should be made clear to everyone. You cannot build on such a foundation.

Regimentation of the farmers has been repeatedly cited as a criticism of the farm program. As one of those supposedly regimented, let me give my personal reaction, as a farmer, to this charge. A contract was offered me for my consideration. There was no compulsion, as I was given the opportunity to sign or reject the contract. Like all other contracts, it specified that I should perform certain acts to meet its terms. The Government contracted to make payment upon proof of my having complied with the terms imposed on me by the contract. Every farmer was given the same opportunity. Those who signed did so in good faith, and the Government carried out its part of the contract in good faith. If that voluntary cooperation is regimentation, then industry and labor have been regimented since the dawn of the contract system.

Changed conditions have produced a need for a forward-looking policy. Carping critics who advocate a return to conditions which no longer exist are simply "farming the American farmer" to promote and advance their personal, selfish interests. The effects of the war, scientific and "technolitical" advancements, intense nationalism resulting in increased trade barriers—these and many other factors have brought about changes which we must face. We cannot hope to regain our foreign markets by discriminating against our potential customers. We cannot restore purchasing power by enslaving agriculture. A complete and full accord, based upon understanding and trust, between our Government, the farmers, the laborers, and the industrialists is necessary. We cannot retreat! We must go forward if agriculture is to be given equality and if depression is to be banished from our land.

JOSEPH WELLINGTON BYRNS

Mr. SNYDER of Pennsylvania. Mr. Speaker, JOSEPH WELLINGTON BYRNS, a Christian gentleman and a statesman extraordinary. We may truly say of him that he was a man of the people and for the people. A man in whom "the elements were so mixed" that he was not only kind, courteous, sincere, and efficient, but broad and deep and sound in all his deliberations.

It was my privilege to know JOE BYRNS as a colleague and as Speaker of the House of Representatives. To know JOE BYRNS was not only to like him but to admire him for his fine qualities. One of these fine qualities that radiated from his personality is expressed in Banks' stanza:

I live for those who love me,
And for those who know me true;
For the heavens that shine above me,
And the good that I can do.

Mr. BYRNS gave his first address after he had announced himself officially as a candidate for Speaker of the House in Washington Square, Perryopolis, Pa., my home town, at 11 a. m. September 20, 1934. Although he was in my town less than 2 hours, yet he made a lasting and favorable impression upon the hundreds who gathered there to hear him.

JOE BYRNS was a big man with a big soul. We read in history how Washington at Valley Forge was found praying for the success of the Continental troops. It is also recorded that Abraham Lincoln walked the floor for hours, appealing to his Lord and Master for guidance in the Civil War struggle. But we have it from the lips of his beloved wife, Mrs. Julia Woodard Byrns, that for 38 years every night before retiring he asked his Lord and Master for strength and guidance. No wonder JOE BYRNS is mourned by the whole Nation.

OLD-AGE PENSION

Mr. LEMKE. Mr. Speaker, old-age pension should be called "old-age compensation", because any person who has worked at a useful occupation from the age of 20 to the age of 60 has produced enough wealth to take care of himself or herself for the rest of his or her life. If such a person finds himself or herself in financial distress and without the means of a comfortable livelihood, then it is because someone appropriated this wealth, or rather misappropriated it.

We have now arrived at a stage in our civilization where we realize that as a Nation we can safely restore to the aged part of the wealth which they created—part of the wealth taken from them by overzealous individuals and corporations. This is not a pension, it is not charity—it is a compensation for useful labor performed or for wealth actually created or produced.

While our Federal Government and the various States now realize that it is for the best interests, peace, and security that the aged be comfortably provided for, yet whenever this question comes up before the National Congress or the various State legislatures, it has been niggardly dealt with, dealt with as if it were a charity to unworthy people rather than compensation for services rendered.

In fact, the Federal Government, as well as the States, require a pauper's oath from the aged in order to give them just a dribbling of that which is theirs, which they are entitled to, and which they themselves have created or produced, but which under our financial system has been taken from them, generally without their consent and without fault on their part.

In the distant past, as well as more recently, the combined energies of the world were required to produce the necessities of life. Nations became great because of an abundance of raw materials and sufficient labor to change these raw materials into finished products, but even then there was usually a scarcity of some of the necessities. Saving and thrift became the watchword of the day.

Now, however, owing to machines, to mechanical inventions, and chemical discoveries, all this has been changed. We suddenly find that we have an abundance for all. Our problem no longer is how to produce more nor fear that the morrow may not bring plenty, but rather how to distribute the things that we have and that are essential to our well being.

According to the Department of Agriculture in Washington, we have too much of everything. We have too much to eat, and too much cotton and wool for clothing. Too much leather for shoes, and too much sugar and coffee. We have so much of everything that that Department entered upon its mad orgy of destroying and restricting the production of these essentials of life in the midst of hunger, want, and rags. The bureaucrats in the Department of Agriculture believe in the doctrine of scarcity. They believe that there is an overproduction, while intelligent people know that there never was an overproduction, but that our trouble is underconsumption and maldistribution.

In fact, there is an overproduction of just one thing, and that is an overproduction of ignorance. We are afflicted at present with national insanity. So that I may not be misunderstood when I use the word insanity, I mean just plain, ordinary craziness—a national mental disease—a mental defectiveness. That kind of a national mental condition that will permit the destruction and curtailment of food and clothing when we still have millions who could use that food and that clothing—when thousands are gradually dying from malnutrition.

In place of destroying this food and clothing and other essentials of life, why not distribute it to those who helped to create it and need it? Why does Congress not pass a decent and intelligent old-age-pension bill, which is the Townsend plan reduced to writing? Such bill would provide the machinery for the distribution of our so-called surplus and overproduction. It would compensate the aged for part of the wealth they have created. Such a bill would make it

unnecessary for the aged to continue in industrial competition with the youth of this Nation. It would to a large extent solve our unemployment problem. It would give to those who have toiled for 40 years a needed and deserved rest for the remainder of their life. It would add to the health and well-being of the Nation. It would give peace and contentment where now all is doubt, uncertainty, insecurity, and mental suffering.

We all know that this Nation is still in agony. We all know that we still have some 20,000,000 on a disguised dole system. We all know that in spite of all the statements to the contrary by politicians for political reasons that mortgage foreclosures on city and farm homes are continuing and that thousands are being evicted from their homes. We all know that there are still 12,000,000 unemployed, whose condition is becoming more wretched and pitiful every day. This situation could be remedied if Congress were not hamstrung by the "gag and shackle rule" which the Members have not yet seen fit to blot out and abolish.

I regret to say that official Washington does not know what is going on in this Nation. It seems deaf and blind to the appeals of the men and women who have made this Nation what it is. The trouble is not with Members of Congress but with the bureaucrats in charge of this Government. These do not understand and cannot be made to understand the situation as it exists. The trouble is that Washington is too close to Wall Street—too intimately associated in the past with the special privileged, selected few who have amassed the greater part of the wealth of this Nation in their hands.

I know that if Congress were left free to act, that a majority could and would get together and put an end to hunger, want, and rags in the midst of plenty. Unfortunately, however, under the "gag and shackle rule" the majority are not permitted to and cannot function as they should. Unfortunately, because of the corroded patronage system, the majority are kept from doing that which they in their hearts know they ought to do.

MISSISSIPPI AND THE NEW DEAL

Mr. COLMER. Mr. Speaker, the Seventy-fourth Congress is rapidly drawing to a close. With it the first term of the Roosevelt administration likewise ends. Since I took the oath of office with the advent of this Democratic administration, I hope that it may not be considered inappropriate to briefly call attention to some of the outstanding achievements of the Roosevelt administration, and with particular reference to its effect upon the great State of Mississippi and the Sixth Congressional District, which I, through the indulgence of my people, have had the honor to represent. My desire to point out the accomplishments of this administration, together with its beneficent benefits to my own people, is accentuated by the fact that my service in the House has been contemporaneous with that of that great leader of the country and of Democracy, President Franklin D. Roosevelt, and the further fact that this great leader goes to the people of this country this fall, asking for a vote of confidence.

CONTRAST OF CONDITIONS IN 1932 AND 1936

Mr. Speaker, I realize that the Democratic administration of the affairs of this Government during the past 3½ years has in nowise been perfect. I am fully aware, moreover, of the fact that some mistakes have been made, that some things have been done that should not have been done, and that other measures for the common weal could possibly have been enacted into law that were not enacted. But I have long since learned that mortal men do not model perfectly. I have observed in the years that have gone by that the lot of man is to expect much more than he receives. It has been my observation that when man accomplishes one-half or more of what he undertakes to accomplish his efforts indeed have been worth while. Progress, like distance, beauty, knowledge, or any other abstract substance, is a comparative thing. Therefore, if one would appraise the 3½ years of the Democratic administration, he must do it by comparison. The natural thing to do in this instance is to compare this administration with the preceding one.

In 1932 it appeared that the whole economic structure of this country had collapsed. There were in excess of 14,000,000 people out of gainful employment. Business houses of long-established reputation were daily entering the bankrupt court. Banks were failing in alarming numbers because of lack of confidence. Credit was unobtainable. Farm produce was not bringing the cost of production. Cotton had declined 61 percent to 5.9 cents per pound. Wheat had declined 59 percent to 48 cents per bushel. Homes and farms were falling under foreclosure and the auctioneer's hammer. Confidence was destroyed. Hunger was rampant. Our people were desperate.

This was the picture of the United States in 1932 when the people went to the polls and by an overwhelming vote selected Franklin D. Roosevelt to lead them out of the slough of depression.

Today, after almost superhuman efforts through 3½ years of labor on the part of the President and of a sympathetic Congress, a new picture presents itself to the American people. Today unemployment has decreased sharply, and employment is continuing to increase. The demand for agricultural products has increased, and the farmer is receiving around 11 cents for his cotton and 84 cents for his wheat. Industry is reaching a new peak. Credit is becoming easier. Money is cheaper. The banks are stabilized. Confidence has been restored. The average American citizen can face the future with renewed hope and determination.

Despite the critics of President Roosevelt, the Congress, and the New Deal, the country is making progress. My own native State and my own congressional district have prospered under the New Deal administration. With your indulgence I should like to cite some statistics, which I have caused to be compiled, reflecting the substantial and concrete benefits derived by the people of my district and State, from the Federal Government under this administration and during my brief tenure in office, with the hope that they may prove enlightening and beneficial.

Table showing Federal funds allocated and expended in Mississippi and the Sixth Congressional District under New Deal administration up to Jan. 1, 1936

County	Federal Housing Administration	Home Owners' Loan Corporation	Rental and benefit payments (A. A. A.)	Adjusted-service certificates	Emergency crop and feed loans	Resettlement Administration	Civil Works Administration	Federal Emergency Relief Administration	Works Progress Administration	Farm Credit Administration	Total
Covington	$9,009.40	$45,786	$334,068.58	$144,449.14	$115,275	$50,609.53	$68,289	$269,921	$70,312	$233,225	$1,349,944.65
Forrest	55,290.82	883,896	63,735.90	289,465.38	33,146	37,392.12 73,224.02	242,722	606,629	288,137	57,625	2,631,263.24
George	4,772.00	30,752	55,295.63	72,311.08	34,545	24,992.03	28,341	155,091	56,612	50,875	513,586.74
Greene	778.94	13,758	37,674.15	102,310.13	33,352	41,887.22	43,459	218,986	52,633	59,975	604,813.44
Hancock	24,711.16	198,983	77.00	109,720.98	7,690	18,384.00	68,920	311,163	114,559	9,575	863,783.14
Harrison	69,658.68	1,001,708	240.30	424,302.52	11,610	18,370.75	440,018	262,595	507,741	14,550	2,750,794.25
Jackson	23,414.88	108,943	1,254.06	153,532.48	10,276	14,447.05	121,906	1,308,094	135,732	16,300	1,893,899.47
Jefferson Davis	3,767.96	17,248	361,235.28	137,268.98	183,510	54,739.70	61,812	222,215	83,897	174,225	1,299,918.92
Jones	42,486.59	580,497	355,490.24	398,821.11	79,446	60,726.85	329,328	887,706	265,025	420,375	3,419,901.79
Lamar	7,134.73	33,612	100,732.88	123,454.98	49,367	32,542.29	47,284	245,211	110,471	124,600	874,409.88
Lawrence	10,072.00	15,993	252,767.84	119,871.26	73,861	37,236.40	33,061	165,125	51,071	126,875	885,933.50
Marion	15,708.58	83,589	322,131.39	191,499.88	50,060	95,722.09	95,811	310,297	115,671	316,000	1,596,489.94
Pearl River	28,173.94	101,510	16,113.99	186,520.86	26,961	68,900.67	83,466	348,146	190,036	78,900	1,128,728.45
Perry	4,308.42	19,218	50,863.24	78,789.57	28,280	41,896.62 59,612.23	48,291	307,742	120,633	42,125	701,759.08
Stone	6,574.06	10,466	6,993.16	56,826.85	17,525	47,658.23	39,870	157,902	35,703	16,250	395,768.30
Wayne	4,698.01	45,679	156,686.80	147,025.54	125,337	65,853.66	54,501	256,490	84,860	98,675	1,039,803.01
Total, district	310,560.17	3,191,638	2,115,357.44	2,736,170.74	880,241	853,195.46	1,807,079	5,933,313	2,283,093	1,840,150	21,950,797.81
Total, State	2,155,325.24	16,457,361	34,379,868.30	19,308,411.76	2,758,727	3,542,175.27	9,809,233	28,977,592	10,211,531	14,956,050	142,556,274.57

And in addition to the expenditures and benefits listed in the foregoing table, an appropriation for $65,000 has been made available and the contract has been let for a new Federal building at Pascagoula, Miss. We have every assurance that an approximately similar amount will be made available within the next few days for a Federal building at Picayune, Miss. I might also add that the Soil Conservation Service established a joint soil-conservation project in Covington and Jones Counties, Miss., at a cost of $64,287.12 to the Federal Government.

This table does not give many other benefits received which might also be mentioned. For instance, the Federal Government under the Roosevelt administration has expended in the State of Mississippi through the Civilian Conservation Corps, $22,286,000; through the National Youth Administration, $427,500; through the Social Security Board, since enacted in February of this year, $224,926; through the Veterans' Administration in disability compensation and insurance, $26,422,409. An enormous sum was also apportioned to Mississippi out of the Federal highway funds.

SEA-FOOD INSPECTION

Moreover, in the past 3 years the sea-food industry of the country, which is a substantial industry on the Mississippi Gulf coast, has been increased. Under a law passed in the Seventy-third Congress and as amended in the Seventy-fourth Congress, the sea-food industry has been placed on a parity with the meat industry. And henceforth the Federal Government will supervise the packing of sea foods, furnishing inspection service for that purpose. This means not only the saving of many thousands of dollars per annum by the Mississippi sea-food industry for inspection service, but it means also that the consumption of sea food by the public will be increased and these delicacies will be popularized among the consuming public.

STARCH PLANT

Under this administration a starch plant for the production of commercial starch from sweetpotatoes has been established in Jones County, Miss. This is the only factory of its kind in the United States and is the only venture of its kind that has ever been sponsored by the Federal Government. Millions of bushels of sweetpotatoes can be produced in South Mississippi annually. If the plant at Laurel, Miss., produces the starch commercially at a price that is profitable to both the producer of the potatoes and the industry, it means that the farmers of South Mississippi will have another cash crop in addition to cotton. It holds untold possibilities for the development of our cut-over lands and the improvement in living conditions in our rural communities. It means, of course, that if the plant can be operated profitably by the Government, private industry will take up its development and these plants will be located wherever potatoes can be grown profitably. The Federal Government up to this date has expended approximately $200,000 on this project.

COAST GUARD ACTIVITIES

In addition to maintaining Coast Guard craft along the Mississippi coast line at Pascagoula, Biloxi, and Gulfport for the protection of life, shipping, and property, the Federal Government has established a Coast Guard air base at Biloxi, Miss., the hangar for which cost $119,200. Suitable barracks at a cost of $120,000 are now under construction. To maintain this Coast Guard service off the Mississippi coast cost $498,416.97 in 1933; $349,584.06 in 1934; $305,649.19 in 1935; and for the first 9 months of the fiscal year 1936, $217,675.30.

HATTIESBURG COURT DISTRICT

Realizing the inconvenience caused many of the citizens of the northern part of the Sixth Congressional District in attending Federal court, when business required their attendance, this administration has established a special division of the southern Federal court district of Mississippi, to be known as the Hattiesburg district. It comprises the following counties: Covington, Forrest, Greene, Jefferson Davis, Jones, Lamar, Lawrence, Marion, Perry, and Walthall.

SOCIAL SECURITY

Time will not permit a discussion of all of the major benefits derived from this administration or the laws enacted, but there is one outstanding piece of legislation to which I desire to call particular attention. Many of us have been, and are still, keenly interested in the subject of old-age pensions and general social security. During this Congress, a law known as the Social Security Act was passed, providing for assistance to the aged and the crippled. The law is in no sense what we wanted, but it was the best we could get under all of the circumstances. Under its provisions it will be necessary for the State of Mississippi to match dollar for dollar the Federal Government's appropriation before the people of Mississippi can come under its provisions. I have always thought that this was wrong, and that the question of pensions for the aged should be considered as a national problem. My fight was made on the floor of the House and before the committee to this end. It is my thought that eventually this contention will prevail and an adequate pension system for the aged of the country will be worked out.

EMERGENCY APPROPRIATIONS

No one realizes or appreciates more than I the fact that in order for the country to have made the progress that it has made, in order for my native State and my congressional district to have received the benefits that they have received, an enormous amount of money has had to be appropriated during the 3½ years of this administration. The critics of this administration point out with alarm that these tremendous expenditures call for tremendous appropriations. But it must be borne in mind that this administration, as was pointed out in the premises of this statement, found the country in the depths of an economic morass. It must be borne in mind that this administration has been fighting a war against depression. And it likewise must be remembered that wars cost money. During the late World War the United States did not count the cost of the war. The one purpose was to win the war and save the country and its institutions. The cost of the war was secondary. Billions were spent to win that war. That was a war of destruction waged by the immortal Woodrow Wilson against the enemies of democracy. This is and has been a war of construction waged by the great humanitarian, Franklin Roosevelt. It must likewise be remembered that Federal revenue is easily found under prosperous conditions; and if we are successful in winning this war as we were in the last one, the increased revenues from the increased production and business will soon retire the deficit incurred.

It might not be amiss in this connection to point out that Mississippi pays but an infinitesimal part of the Federal taxes. For instance, the Government statistics show that in the matter of the Agricultural Adjustment Administration taxes and benefit payments, Mississippi paid $619,172.96; Mississippi received in rental and benefit payments under the same program $34,379,868.30. To put it differently, for every dollar the processors of Mississippi paid into the Government Treasury the farmers of Mississippi received in return approximately $35. The manufacturing States paid the taxes—the agricultural States received the benefits. Again, most of the Federal revenue that is derived comes from imports, excise duties, and income taxes. Of the former, Mississippi pays practically nothing, and of the latter, she pays seven-tenths of 1 percent.

This steady flow of revenue from the Federal Government to the State of Mississippi and my congressional district represents the largest amount of Federal funds that has ever come to Mississippi in any like period of time. In fact, in the past 3½ years, I am sure that the figures will bear me out that there has been more money sent into the Sixth Congressional District from the Federal Treasury than has come to that district in the whole time that Mississippi has been a State.

CONCLUSION

This, Mr. Speaker, presents a brief but substantial picture of what the Democratic administration has meant to the country, to the State of Mississippi, and particularly to the

people of the district which has given me the privilege of representing them during the past 3½ years. It is not a perfect picture, because Franklin Roosevelt is not a perfect man, because the administration of his measures, enacted at his suggestion by a cooperative Congress, has not been perfect. Unfortunately the constructive and humanitarian measures enacted by the Congress under his leadership have had to be administered by human beings subject to all of the frailties of greed, partisanship, and petty politics. Too often these agencies have become so politicalized that many of these measures enacted for the relief of the people have in many instances largely failed because of the unpatriotic desire of those entrusted with their administration to play politics with human misery. It is not a perfect picture, but it is a picture in contrast.

It presents the difference between chaos and hopelessness in 1932 as compared with reasonable prosperity, hope, and justifiable confidence in the future now. President Roosevelt and the Democratic administration are entitled to the confidence of the people of this country. Surely the masses of the American people never had a truer friend in the White House than the present occupant of that historic mansion. Certainly the State of Mississippi never experienced a more beneficial administration than that which has been in power since 1933. In the years to come, history will record for the benefit of posterity the achievements of this truly great friend of the people and this administration. Monuments of granite and stone will be erected to Franklin D. Roosevelt in every State in the Union. But all of this will not compare with the monuments which a grateful American people have erected to him in their own appreciative hearts. I am happy indeed that back in the dark days of March 1933, when the Republic was facing its greatest crisis since the Civil War, my path led to Washington as a Representative in the administration of recovery. As arduous as has been the task, it has indeed been a distinct pleasure and a gratifying privilege to have been a part of this history-making administration and to play a humble part in its brilliant record of achievements.

CASH PAYMENT OF BONUS AN ACCOMPLISHED FACT

Mr. WOLVERTON. Mr. Speaker and Members of the House, the long and hard fight for payment of adjusted-service compensation to the World War veterans comes to an end tonight.

They deserve all the credit in the world for the courageous, up-hill fight they have carried on these many years.

They have had arrayed against them powerful influences that have utilized every conceivable means to defeat the claim of our veterans and deny to them the justice to which they are entitled. For years the opponents of immediate cash payment have conducted campaigns well organized and financed. By speech, mail, radio, and publicity of every kind and character they sent unfair and untrue propaganda throughout the Nation. They sought by every means possible to make what was right seem wrong. They pictured a just demand as a "Treasury raid." They painted a picture of financial despair and distress to create fear among the timid. They sought to discount and discredit the patriotism of our ex-service men. They adopted slogans that were mean and offensive. No stone was left unturned in their effort to find every possible means of creating an unfavorable attitude toward veterans. These forces were relentless and vigorous in their opposition.

All of this was often carried on by individuals who had given no service during the war and in many instances financed by those who had profited most as a result of the war.

It was a combination of wealth, power, and influence that the veterans were called upon to face and battle with in order that the right, truth, and justice of their cause might prevail. They met unequal conditions and surmounted them. With the sword of truth they challenged and conquered. Tonight they are privileged to reap the rewards of their triumphant victory.

On December 30 last it was my privilege to meet in the broadcasting station in Camden, N. J., a large and representative group of veterans and members of auxiliaries connected with veteran organizations. They represented the American Legion, Veterans of Foreign Wars, Disabled Veterans, Spanish-American War Veterans, and the auxiliaries of each of these organizations. We met together on that occasion to advance the cause of immediate payment of adjusted-service certificates and procure payment legislation at this session of Congress. Tonight they meet in celebration of the accomplishment of that purpose. And I assure you it is a distinct pleasure for me, as one who by spoken word and vote in Congress has always acknowledged the justice of their cause, to join with veterans tonight in their victory celebration. I know of nothing in my whole congressional career that has given me such genuine pleasure as the opportunity I have had to cast my vote in favor of the necessary legislation every time it came before the House and then to see it finally triumph, even over a Presidential veto.

And in this connection I wish to pay a deserved tribute to the veteran organizations and their auxiliaries for the fine, courageous, and intelligent manner in which they and their national organizations have fought unfalteringly, never despairing in the hour of defeat, but ever pushing onward until victory was obtained. There is a debt of gratitude due to these veteran organizations by every ex-service man who will tonight benefit by the payment he will receive. It represents unrelentless toil upon their part over a period of many years, and I am of the opinion that every ex-service man who is not a member of these organizations should show his appreciation of what they have done in his behalf by joining such at the earliest possible day.

What these organizations have already done is but an indication of what can be done in the days to come in behalf of disabled veterans and the widows and orphans of deceased veterans. As veterans value the future welfare of their dependents, they should join and work with these organizations in their effort to care for all such.

I wish I could picture the good that will result from the payment of the bonus. Distress will be relieved; wishes and desires for things long denied will be satisfied; homes will be saved from foreclosure, new homes built, or improvements made to provide a more pleasant place in which to live; relief from debts that have burdened and distressed; opportunities for education will be opened for the ambitious youth within the veteran's home; medical treatments long denied will be supplied; new clothes will appear in place of those now shabby and worn. In fact, the good that will result it is impossible to describe. In a myriad of ways the moneys now received will bring happiness and satisfaction to the recipients and their families.

It will bring benefits not merely to approximately 4,000,000 ex-service men, but to their families as well, and will thereby touch directly 20,000,000, or one-sixth of our entire population. And the benefits will not stop even there. The money will go into every nook and corner of our great country. It will be utilized to pay debts long past due, stop foreclosures, and provide health and the necessities of life for millions. In the expenditure of these funds the merchants, the banks, and small-business men in every community will feel its beneficial effects.

It will mean the expenditure in the First Congressional District of New Jersey, which I have the honor to represent, of almost $7,000,000. Of this amount, the veterans of Camden County will receive $4,826,728.56, and there will be paid to the veterans of Gloucester County $1,354,442.26, and to those of Salem County $704,634.42, making a grand total of $6,885,805.24 that will enter into the channels of trade of the three counties comprising the First Congressional District of New Jersey.

Thus, the immediate payment of the adjusted-service compensation certificates, instead of being for the benefit of a favored few, will result in beneficial effects that cannot be estimated, and that will touch directly or indirectly practically our entire citizenship.

I deeply regret to learn through the newspapers that the Emergency Relief Administration in many sections is reported to have issued orders to take from relief rolls all veterans who receive payment of their bonus certificates. To me it seems cruel and heartless to strip these veterans and their families of these benefits. The meager amount allowed to those on relief for the bare necessities of life does not provide anything for the comfort and enjoyment of life. The bonus money received by the veterans would help supply some of those things that have long been denied, and yet the Relief Administration issues orders that will take all such chance away. Furthermore, it is reported that a warning has also been issued to the veterans by the Relief Administration that before they can hereafter claim any help from relief sources they must be prepared to show how they have expended their bonus cash. In other words, the Relief Administration wants to supervise how the veterans spend their money. No such supervision has been placed over others and there should be no discrimination against veterans. It is our duty to see that the orders of the Relief Administration in these respects are rescinded so that veterans who have long been denied what was due them can supply their families with the worth-while things to be purchased by the use of their bonus cash without fear of losing their relief status.

In conclusion permit me to again express my happiness in the successful termination of the long and hard fight to bring about cash payment of adjusted-service certificates, and also an assurance of a continuing desire to render every service within my power to all disabled veterans and the dependents of deceased veterans to the end that they also may have the justice that is due them.

PUBLIC DEBT

Mr. BACON. Mr. Speaker, I hold in my hand an analysis of the public debt of the United States. It is a very illuminating statement of the circumstances and conditions surrounding our Government's financial position. It is more than that, Mr. Speaker, for it shows exactly what the public debt of our Nation means to every man, woman, and child of our people.

I offer this analysis for various reasons, but I am most concerned with the facts herein disclosed for the reason I do not believe that many of our people realize what a gigantic debt has been piled up against us by the waste and cockeyed policies of the Roosevelt administration. These facts the people ought to know before they go to the polls to vote in November.

In presenting this document, Mr. Speaker, I cannot refrain from calling attention to certain statements that have been made by the President in connection with the public debt. Most of us recall how he said in a speech at Atlanta, Ga., that our Nation could stand a public debt of 50 or 60 or even 75 billions. It is recalled as well how he said he made that statement after conferring with some "great bankers." But, Mr. Speaker, he never told us who those bankers were—and he never will because such bankers do not live.

I am reminded further of the shameless attempt made by Franklin Delano Roosevelt to compare himself to Andrew Jackson. You will recall that fifty-dollar-a-plate dinner at the Mayflower Hotel here—that famous Jackson Day dinner. It was there that Franklin Delano Roosevelt attempted to tell the country what a great man he was by paralleling his course and his problems as President with those of President Jackson.

But, Mr. Speaker, Franklin Roosevelt omitted in that speech to recall to his audience of claquers how Andrew Jackson considered our public debt. Andrew Jackson always maintained that a nation, like an individual, should keep out of debt so far as it was possible. Consequently, at the end of Andrew Jackson's administration in 1837, for the first and only time in our history, our Nation had practically no public debt.

It was Andrew Jackson's idea and it is the idea of every sound-thinking person that waste and extravagance by the Government is just as much of a sin as waste and extravagance by an individual. Each must be ready to meet emergencies, and each must be prepared for the time when income falls and expenses go on.

What has Mr. Roosevelt done for us in this regard? I will tell you. He has left this Nation in a position where, if a new emergency arises, and emergencies may arise, our Nation may have extreme difficulty in financing itself.

The outlook for future generations, Mr. Speaker, is not pleasant because of the perfidy of this Roosevelt administration. They face taxes never before known in this country—and the end is not yet because this administration is continuing to spend; continuing to build up political machines in every State and every county of the Union.

It is time to call a halt. The only way that we can call a halt is to get rid of the man who is responsible—Franklin Roosevelt.

I should like to ask this question of every citizen of the United States:

In counting up the money you owe, do you include your share of the public debt? Or is the public debt to you, as it is to many people, merely a sum of money so large as to be incomprehensible, and certainly in no way connected with your individual finances? If you fall into this latter category, you probably will be shocked to learn that, in addition to the obligations you have personally contracted, a debt has been piling up against you of which you have no knowledge, over which you have been afforded no control, and which takes precedence over all other debts. I refer to the $245 which is each citizen's share of the Federal Government's debt.

You have probably been told or have read that the public debt is the highest it has ever been in the history of our country—thirty-one and one-half billion dollars—but has it ever occurred to you that this is your debt? Not, of course, the whole amount, but you, along with every other citizen, must bear your proportionate share. Have you realized that eventually this debt must be paid, and that the only means of paying it is by your money?

Looking at that vague and shadowy term, "the public debt", in this light, you realize that it is not just a term read in the newspapers but that it has a very real and personal meaning to you as an individual. That enormous sum of thirty-one and one-half billion dollars must be collected in some way, and the only way collection is possible is by increasing the share of Government expense which you are bearing.

A PUBLIC-DEBT ANALYSIS

In 1857 the public debt was $28,700,000. In that year each person's share was only $1.01. With the advent of the Civil War the Government naturally was in need of additional funds, and the borrowing necessitated by the war caused the debt to increase many times, until in 1866 it reached the sum of $2,750,000,000. At that time each person's share was $77.69. Then followed a period of retrenchment and a gradual decrease in the debt, with the result that, during the early 1900's, it had been more than halved, and each person's share ranged between $12 and $17. This honest effort of the Government to reduce its indebtedness was interrupted by the World War.

The enormous scale on which the World War was conducted led the Government deeper and deeper into debt until on August 19, 1919, the total debt was $26,594,000,000.

At this time the Government was in the same position as an individual who has had an unexpected illness or some similar emergency, and whose first action on recovering is an attempt to pay his bills and regain a firm financial footing. The same thing is true in the case of governments, for, after all, governments' finances are no different from those of the individual, except in amounts. To the government war can be compared to the unexpected illness or operation, and every honest government follows the same policy as the individual—it attempts to pay its bills and be ready for future emergencies. This policy has been consistently followed by our Government in the past, and it is due to this fact alone that the country has been in a position to weather the crises that have arisen.

No more earnest effort was made in this direction than during the period following the World War. The expenses of conducting the war had been the heaviest in our history, and at its conclusion the public debt was greater than it had ever been up to that time. Those in control of the Government wisely began a program, the primary object of which was to return the country to financial soundness. In 1921 the debt was approximately $24,000,000,000. In 1922 it was reduced a billion dollars. Between 1922 and 1930 almost $8,000,000,000 additional were paid off.

But was this policy continued by President Roosevelt? The facts speak for themselves. In approximately 3 years President Roosevelt has not only undone the work of 11 years of consistent reduction but he has added another ten and one-half billion dollars to the debt. When President Roosevelt took office on March 4, 1933, the debt was $20,937,350,964. By June of 1933, when he had been in office only 4 months, the debt had increased almost $2,000,000,000. In the following fiscal year he added four and one-half billion and in 1935 a billion seven hundred million. From March 4, 1933, to May 15, 1936, there has been a total increase of $10,600,000,000. The debt is now $31,541,000,000, and each person's share is $245.

Nor is this the end. Although the debt is now $5,000,000,000 greater than it has ever been in the history of our country, the spending continues and we are promised a further increase of $3,000,000,000 by June 30, 1936, which will mean a total debt of $34,500,000,000. On that date the Government will owe more than the value of all the farm property in the United States. Can any nation, even one with the resources of the United States, carry such a burden?

Which is the wiser policy—to prepare for future emergencies or to indulge in reckless spending with no thought beyond the present? The Roosevelt administration has followed the latter course and has plunged the country so deeply into debt that should an emergency arise at the present time the country would be in no position to cope with it, and the result might be so serious as to permanently cripple our financial structure. It should be apparent to every thinking man that we cannot continue in this fashion. To do so must lead to ruin and present policies are carrying us far along that road.

To the individual citizen the Roosevelt administration means that between March 4, 1933, and June 30, 1936, his share of the national debt has increased from $167 to $269, and his family's share from $673 to $1,068. In addition to this, he has been helping to pay interest during these years. The interest alone on a debt of this size is over $700,000,000 a year—only $200,000,000 less than the total debt in 1916. As long as the Government continues to spend almost double the revenue it collects, someone must pay the bills. This can be done either by additional taxes now, or by borrowing, which must be repaid through the collection of additional revenue at a later date. In either event, each citizen will ultimately be called upon to pay.

When our citizens fully realize the relation of the national debt to them as individuals—that it is their pocket out of which it must be paid; that they and their families will be deprived of something in order to meet this obligation—then, and then only, will they demand that governmental extravagance stop.

How can Government extravagance be stopped? By demanding that expenditures be reduced and enforcing this demand by placing in office men who will handle Government money, which is in reality the people's money, with the same regard and care they would their own.

REPLY OF HON. JOHN J. M'GRATH TO A RADIO SPEECH BY HON. FLORENCE P. KAHN ON RECIPROCAL-TRADE AGREEMENTS

Mr. McGRATH. Mr. Speaker, the Hon. FLORENCE P. KAHN, Congresswoman from California, made a radio speech on April 16, 1936 (duly reprinted in the CONGRESSIONAL RECORD for Apr. 20), in which the dust-laden bogey of foreign competition was again paraded before the weary electorate.

Mrs. KAHN is stunned at the increase in importations of agricultural products into the United States, but carefully bases her phobia on statistics most convenient for her purpose—those for January 1936. By implication, the Representative from San Francisco ascribes the dreaded inundation of foreign products to the reciprocal trade agreement policy which the United States has actively pursued since 1934.

Let us examine this most-favored-nation policy of reciprocal foreign trade and see whether it is as heretical as the widow of the late Congressman from California would have us believe. Would the most dyed-in-the-wool Republican maintain that such Americans as Alexander Hamilton, William McKinley, James G. Blaine, and William H. Taft were theoretical internationalists, willing to surrender American markets to the perfidious foreigner? Yet we find that not only the foregoing, but many other Republican leaders, have advocated similar measures to increase reciprocal foreign trade. Among the contemporary Republicans one readily thinks of such individuals as Senator Capper, Henry L. Stimson, Nicholas Murray Butler, Colonel Knox, and Charles Evans Hughes as proponents of reciprocity in our foreign commerce. Even such a Neanderthal Republican as Ogden Mills made the following statement in his speech at Topeka:

> We will have to abandon the present policy of isolation and intense nationalism and to some extent modify recent tariff practices. This may sound strange, coming from an orthodox Republican, but I have never understood that a sound system of protection, based upon the cost of production at home and abroad, if intelligently applied, means the erection of impassable tariff barriers, the destruction of our commerce with the rest of the world, and the sacrifice of the efficient farmer to save the inefficient manufacturer. * * *

But to return to the panicky speech of the lady from California (and if she is depending on such fallacious arguments for reelection her panic is well founded). Mrs. KAHN, after carefully choosing the data best suited for her purpose, lists the following commodities as showing an increased importation for January 1936 as compared with January 1935: Fresh pork, cattle, cheese, horses, turnips, potatoes, milk powder, fresh beef, bacon and hams, wool, and poultry.

Even though one must allow Mrs. KAHN to make an electioneering speech in the campaign year, could she not have been expected to go into the matter far enough to learn that the United States has not in any agreement granted any tariff reductions on fresh pork, milk powder, fresh beef, bacon and hams, or wool. Furthermore, the American producer is amply protected in the reductions granted on cattle, cheese, and potatoes, because the concessions are specifically restricted as to amount or variety.

That the increased importation of agricultural products in 1935 and early in 1936 was largely due to domestic deficiencies resulting from drought conditions, rather than from tariff reductions, will be apparent from the Department of Commerce preliminary statistics of imports for the month of April 1936, in comparison with April 1935. The figures show that importations of the following agricultural articles decreased: Dairy products, butter, cheese, fish, tallow, grains and preparations, corn, wheat, fodder and feeds, vegetables and preparations, fruits and preparations.

It is true that the importations for the same month show increases, for the most part moderate, in the following: Animals; animal and meat products (edible and inedible); hides, skins, and leathers; vegetable oils and fats; cocoa, coffee, tea.

Many of these last-named increased importations, particularly the noncompetitive, colonial products, are traceable to increased buying power on the part of the American consumer rather than to tariff reductions.

While it would be dangerous to draw any generalization from the data for any given month, or even for a particular year, the tendency is already clear. We may safely conclude that the United States Government, in pursuing an enlightened reciprocal-trade policy, is not permitting the nefarious foreign bogeyman to throttle the American farmer and laborer. The present program is merely a realistic recognition of a truism, namely, that we cannot continue

to sell abroad unless we are willing to take goods or services in exchange. Both parties gain when they exchange goods or services in which each has special advantages.

As a Representative from a State which has gained numerous benefits from the trade agreement, Mrs. KAHN is proving to be particularly ungrateful. In exchange for the concessions granted the United States, which Mrs. KAHN has sought to magnify out of all proportion, the State of California stands to profit by many concessions granted to the United States in the 14 trade agreements thus far concluded.

Some of the products of California which have received more beneficial treatment abroad are the following: Oranges, grapefruit, canned vegetables, fresh vegetables, figs, raisins, nuts, canned fruits, jams and jellies, honey, rice, grapes, pears, apples, condensed milk, malt extracts, pearled barley, avocados, melons, olives, sardines, salmon, petroleum products, lumber, borax, motion-picture films.

The above list of products represents a very substantial part of the wealth of California. If Mrs. KAHN is basing her claim to reelection on the premise that California has nothing to gain and everything to lose by rationalization of our foreign trade, it is small wonder that she is stunned by the trade-agreements program.

Another statement of Mrs. KAHN's that deserves investigation is the following:

> Closely connected with taxes is, of course, the tariff, at one time one of our great sources of income. What with reciprocal tariffs, most-favored-nation clauses, lower duties, what do we find? Not only income cut off but a tremendous importation of agricultural products.

Income from customs receipts has not been reduced. In fact, customs receipts for the first quarter of 1936 were $18,000,000 larger than for the same period of 1935. This is the result of the increased foreign trade—both imports and exports—and shows that the so-called Trade Agreements Act of 1934 is being carried out with moderation and with due regard for realities. The nonpartisan officials who are administering the trade-agreements policy are proving that a reasonable correction of some of the inequities of the Smoot-Hawley Tariff Act will go a long way toward restoring our normal channels of international trade, with resultant benefits to all sections and classes in the United States.

In short, we are at last seeing a practical application of that ideal which has been so often discussed but so rarely applied—scientific tariff making. The nonpolitical personnel in charge of the program, together with the specialized knowledge each brings from the sphere in which he is most competent, gives ample assurance that a rational policy of tariff adjustment is far preferable to the log-rolling methods so often applied in the past.

The most-favored-nation policy, which Mrs. KAHN views with such concern, is neither new nor experimental. It has been the cornerstone of American foreign trade for a great many years. Even if it were considered advisable to abandon most-favored-nation treatment, it could not be done without invalidating countless treaties that were concluded long before the present administration came into office. The results of the trade agreements in force demonstrate that the concessions granted by the United States can, in practice, be limited to those countries which show a disposition to be reasonable in their treatment of American trade. This is accomplished by granting concessions only to those countries who are the natural or principal suppliers of the import in question. Such concessions are not extended to countries who discriminate against American commerce or whose policies tend to defeat the purposes of the Trade Agreements Act.

In conclusion let me quote from the writings of a Republican leader whom Mrs. KAHN can hardly fail to admire. I refer to the late William McKinley, who made the following statement in a speech at Buffalo:

> A system which provides a mutual exchange of commodities is manifestly essential to the continued and healthful growth of our export trade. We must not respose in the fancied security that we can forever sell everything and buy little or nothing.

COMMONWEALTH OF INDUSTRY

Mr. CELLER. Mr. Speaker, I should like to call the attention of the Members of the House to a new industrial philosophy which is embodied in a recently published book entitled "The Commonwealth of Industry, the Separation of Industry and the State", written by my friend, Benjamin A. Javits, noted attorney of New York City, who has handled numerous antitrust cases. I believe that Mr. Javits has formulated an interesting, if not practical, plan for business and for our national economy which may initiate a movement that will mobilize the voters to demand from business what most of them now demand from us—jobs at good wages and economic security.

Such a drive and such a movement on the part of the voters of this country might unite the business elements in an economic structure and tempt them to decide once and for all that they cannot shift their burden and their responsibility to this Congress and to the State political bodies, to deal with the problem of making business serve the public interest. The problem is properly that of industry.

Mr. Javits shows in his book that through the use to which the Federal Declaratory Judgment Act passed by Congress in June 1934, can be put and under certain Supreme Court decisions and Federal statutes, it is possible to develop self-regulation without additional legislation. He points out, and it may be difficult to disprove, how a majority in an industry can control the minority even though the minority may not have entered into any agreement or compact with the majority, as to matters involving fair-trade practices.

Members of this Congress might well profit by reading this book and absorb the doctrine. They might be able in this way to relieve themselves and the other political agencies of our Government of shouldering the problems which business should have assumed publicly a long time ago.

President Roosevelt has spoken of the desirability of establishing an economic constitutional order, and this book seems to point one way in which this can be accomplished outside the realm of politics.

The taxpayers are beginning to protest against larger and larger tax burdens. The idea of the commonwealth of industry, if carried out, would put upon industry the responsibility for full employment and for meeting the needs of the Government to balance its Budget. The plan may well relieve each Congressman of the burden of providing jobs by one means or another for his electorate.

Mr. Javits' philosophy has been briefly summed up in the following 10 political planks, which are a condensation of a much larger political document in his book, which purports, in a political way, to express his industrial philosophy:

1. We believe that it is time to take note of the alterations required in our industrial organization to meet the changes which have already taken place in our industrial life. We favor constructive action to bring our economy into line with our technology; that is to provide work and income for all because the machine can serve all.

2. We believe that the American system of government is designed along lines which both permit and demand self-government for industry.

3. We believe that industry can be managed and operated best by industrial managers, technicians, workers, and farmers organized on self-governing lines and cooperating in the public interest.

4. We favor the immediate organization by industry of a national economic council with self-governing powers and economic privileges. The nucleus for establishing a national economic council shall consist of the trade associations, labor bodies, technical groups, and other organized parts of our economy.

5. The National Economic Council must guarantee to provide work for the entire employable population of the United States at fair wages.

6. We maintain that the political state, as represented by our elected and appointed officials, should no longer interfere with the administration of industry, organized in the public interest, and represented by leaders of every branch of our economy.

7. We believe that under our laws and our court decisions the courts are open to everyone to question industry's right to govern itself at all times.

8. We believe that every man, woman, and child is entitled to a definite consumer value and should have a known credit rating based upon his present and ultimate value to economic society.

9. We demand full publicity for every act of both Government and industry.

10. In order to safeguard our valued liberties and to foster our industrial ingenuity, we believe that industry must develop self-governing democratic forms, which need take no leaves from the books of fascism, nazism, or communism.

I commend the book and its philosophy to the Members of this Congress and the American people. It may mark the beginning of an era when our thinking of the relationship of Government and industry can be chartered on the basis of the separation of industry from the state with the retention of the state's power and control over industry by court review of the actions and policies of business.

We have had Townsend plans and share-the-wealth movements and social-justice groups, but this may be the beginning of a movement that might help the Members of this Congress to discharge their obligation to the electorate without imposing new obligations upon the Government. Instead, the burdens and problems which the Government has been carrying for the last 40 years will be turned over to industry, which will thus have an opportunity to develop a philosophy of its own, an organization of its own that will be truly representative, and a leadership of its own.

ENGLAND'S DUTY IN PALESTINE

Mr. CELLER. Mr. Speaker, recently grave news reached us from Palestine, where a veritable reign of terror was caused by Arabs in their attacks upon Jews. The record was replete with cowardly and unprovoked assaults upon unprotected Jewish settlers. Twenty-nine Jews have been assassinated and 150 more have been maimed and wounded. Jewish property has been pillaged and wantonly destroyed.

The British authorities, until recently, were unable or unwilling to adopt the proper stringent measures to protect the several Jewish colonies from the savage Arab mobs.

Naturally such news is regarded with deep concern not only by Americans of Jewish origin but by all those who have been watching with sympathy the progress of the Jews in reestablishing their ancient home land.

Great Britain eagerly sought and accepted the mandate over Palestine with its unequivocal provisions relating to the Jewish home-land policy. The project was endorsed by the principal allied powers, and the principles of the Balfour declaration received the unanimous endorsement of the Congress of the United States in a joint resolution passed by both Houses, which resolution was signed by President Harding and received the unqualified approval of American public opinion.

As a result of the mandate, a substantial amount of American capital has been invested in Palestine, and a goodly number of American citizens are residing there in the pursuit of peaceful enterprises. Thousands of Jewish refugees, fleeing persecution, have sought safety in Palestine, all spurred on by the conviction that Great Britain would conduct a beneficient administration in Palestine, assuring protection to life and property.

In the summer of 1929 we received shocking news from Palestine. There occurred a fearful massacre of Jews in Hebron, Haifa, Safed, and other places. Proper protection was not afforded by the British Government. Its duty was to prevent that disaster. At least, it should have done all in its power to prevent recurrence of the outrages against helpless and defenseless Jews. Recent events in Palestine have proved that Great Britain failed to heed the warning. England has been derelict in its duty.

David Ben Gurion, president of the Jewish Federation of Labor in Palestine as well as chairman of the executive of the Jewish Agency, is now in London and is demanding the setting up of proper safeguards. Among other things, he stated that—

> Had the mandatory power taken definite steps to fulfill its obligations under the mandate, and if the successive administrations, especially that of the first high commission, had not yet yielded to terrorist action, even the wildest Arabs would not have dared to employ terrorism against Britain. Unfortunately, the authorities frequently yielded, thus conveying an erroneous impression of the possibility of forcing their hand.

Recently at a gathering I called Great Britain to task for its failure to properly protect the lives and property of the Jews in Palestine against Arab assaults and brigandage. I was severely called to task by former State Senator Nathan Straus, who claimed that England had done its duty. He viewed with complete complacence the murder of the 29 Jews and the wounding of scores of others. He made light of the foul deeds of the Arabs. He had the hardihood to say that we must expect that in all colonizations some of the pioneers may be killed. He sought to draw a parallel between the difficulties of present-day Jews and the many brave bands of Americans who were wiped out by Indians during our colonial era. Of course, such comparison is infantile, if not ludicrous. Certainly, some sacrifice of life and property must be expected, but there should be no unnecessary sacrifice. In the case of our own colonies, there was no mandated imperial nation to guarantee to keep Indians within control.

Great Britain guaranteed protection of life and limb in Palestine. After repeated warnings, England failed to afford suitable protection. Surely someone must complain, even if weak-kneed individuals like Straus quake in their boots—too scared to give outcry.

No one has greater respect for England than I. I recognize the boon England has created for Jews in the espousal of the Balfour declaration and the mandate. Great as England is, when she strays from the path of duty we must yank her back to it.

It is interesting to note, in this connection, the protest filed with Sir Ronald Lindsay, the British Ambassador at Washington, the other day by a Christian delegation headed by Right Rev. James F. Freeman, Episcopal bishop of Washington. Among other things, the protest contained the following: "Mere compassion and commiseration with the sufferings of these victims of prejudice and persecution are not enough. Bold, practical methods to save these untold millions from total annihilation are now called for."

I presume Straus would have the effrontery to attack Bishop Freeman and his Christian brethren joining in the protest.

Happily, already criticism of England's dereliction has borne some fruit. Jews are now being allowed to arm in self-defense. More protection is necessary. The military defense force at Palestine numbers 7,229. That force should be doubled. There must be made available a greater number of airplanes under the Royal Air Force. A portion of the British Mediterranean fleet should be in the offing at all times, ready for any emergency. Finally, rights of the Jews to arm in self-defense should not be infringed upon. Great Britain must punish the foul wrongdoers, suppress the agitators and do all in its power to prevent a recurrence of the evil.

The Right Honorable William Ormsby-Gore, the new Colonial Secretary, announced a few days ago in the House of Commons that Great Britain has determined, properly, to intervene to stamp out the Arab disorders, and that emergency powers are now being taken by proclamation. Thus criticism has hastened action. Does Straus think pussyfooting would have brought such results?

THE BLACK LEGION

Mr. HOOK. Mr. Speaker, for several weeks past our newspapers have been carrying headlines with reference to the

so-called Black Legion. Investigations are being carried on in my State of Michigan, where the legion seems to have been unusually active, and the disclosures thus far are indeed shocking to every citizen of the United States who believes in free government and democracy.

We are entitled to know every fact possible as to the organization, activities, and personnel of the Black Legion, and I believe it to be entirely proper to ask that every agency of Government, Federal and State, be called upon to cooperate in rooting out and destroying this obnoxious growth.

There is a place in American cultural and social life for fraternal societies, but there is no place in America for any society such as the Black Legion, which places allegiance to its order and its officers above allegiance to the State. From the facts which we already know, the members of the Black Legion were forced to subscribe to a code which was completely un-American in every respect. The terroristic features of the Black Legion, its implements of torture, and its dealing in death are only a few of its damnable characteristics. Quite as distasteful are its racial and religious prejudices.

Damnable above all is the admission by certain of its members that the organization sought through subversive means to overthrow the existing democracy in the United States. The Black Legion, it appears, has been in Michigan in large part a political organization, taking active part in political campaigns and penetrating through its membership into the law-enforcing agencies.

There is no place in America for a secret political society of any kind which enforces its decrees by fiat upon its membership. Democracy cannot endure without free discussion among the people or without free choice on the part of the electorate. The Black Legion's code was a denial of free discussion and free choice. Its operations have been shrouded in secrecy; its membership coerced by fear of bodily harm or even death.

No true American citizen, I am sure, can feel that the Black Legion has served any useful purpose in our Nation. The real leaders of America, whatever their political faith, will not surely countenance the activity of night riders and dealers in death. Several days ago, on the floor of this House, one of my colleagues from Michigan saw fit by inference to link the present administration with the Black Legion. I realize the importance and absurdity of such talk and I know the membership of this House has the same feeling as I toward that statement. But since the question has been raised here in the House it may be well to put into the RECORD those facts which have been discovered to date. I make no charges and draw no inferences. The disclosures are common knowledge and to each is left his own opinion.

It seems beyond credulity that the Republican Party in Michigan should have any connection with the Black Legion, and I know the rank and file of the Republican Party in my State have no connection. However, certain of the leaders of the G. O. P. in Michigan are not so free from suspicion. According to an account which appeared in the Washington Daily News of May 30, ex-Governor William Brucker, now a candidate for the Republican nomination for the Senate, saw fit to open his primary campaign against Senator COUZENS at the Wolverine Republican Club. It is common knowledge now that the Wolverine Republican Club and the Black Legion were practically one and the same organization. Meetings of the Black Legion were held at the headquarters of the Wolverine Republican Club and it was here that the abduction of Poole, recent victim of mob terrorism, was planned. Furthermore, on the stage with ex-Governor Brucker was Judge L. E. Sharp, who was recently revealed as the sponsor for A. F. Lupp, Black Legion "brigadier general", when the latter obtained a gun permit. Dayton Dean, confessed murderer of Poole, bought the murder weapon from Lupp. Brucker's appearance at the Black Legion was undoubtedly used as a means of enticing members.

How far the ramifications of the Black Legion extend into the Republican Party in Michigan, I do not know, but the public are entitled to know how far the legion's influence has extended. I do not charge any open or willful connivance, but I do know the Vandenberg-Brucker G. O. P. machine, and I have my suspicions.

I am curious too, to learn why no action was taken to uncover the Black Legion when three of its organizers were apprehended last August 1936 by State police. The State troopers reported that guns, robes, and legion literature were found in the organizers' automobile. I should like to know, too, how it happened that L. J. Black, president of the Wolverine Republican Club, and H. Z. Marx, attorney of the club, happened to appear before the prosecutor of Lenawee County, Mich., to ask the release of the three organizers. they did not get the release but they did get a dismissal of the charges on the ground of illegal search.

I should like to know why the Michigan State police did not at this time expose the connection between the Wolverine Republican Club and the legion and at once put an end to the whole sordid story.

It is claimed by certain labor leaders in Detroit that this legion was interfering with the activities of union organizers. It is also claimed that our Republican Governor of Michigan, Frank Fitzgerald, was a member of the legion and if so, undoubtedly knew of its code and program.

It might be interesting, too, to learn who has financed this despicable organization which masqueraded as a vehicle of Americanism, yet stooped to the most cowardly kind of un-Americanism. We have learned in recent weeks much about where the money has come to support and develop these false-front societies; I refer, for instance, to the Farmers Independence Council, organized in Michigan, I believe, to protect the rights of the farmers, yet to which no farmer belongs. I refer, also, to the Southern Association to Uphold the Constitution, organized in Texas, and spreading the most virulent type of racial prejudice. We have learned that these associations were financed by Du Pont and General Motors' money, financed by the same group that support the Liberty League, and that organized the grass-roots convention for the chain-gang Governor of Georgia last spring.

The financing activities of these lords of our economic life has been so widespread we are justified, I believe, in asking what connection, if any, they may have with the Black Legion.

We do not want dictatorship in the United States and we will not have dictatorship so long as our people are permitted to discuss and act freely on matters of public policy. Our democracy is threatened, however, when scheming politicians will stoop to coalition with such organizations as the Black Legion. The threat of the Black Legion is more than a threat to the lives and fortunes of single individuals. It is an expression of an unwholesome influence in America, which is a danger to our very democracy. Years ago Gen. Smedley Butler said that such an organization as the Black Legion was in the making. He was more nearly correct perhaps than many of us supposed. Our task is clear—to destroy forever the Black Legion and the unscrupulous politicians who have carried on its intrigues.

THE RIGHT OF THE COURTS TO PASS UPON THE CONSTITUTIONALITY OF ACTS OF CONGRESS

Mr. CROSS of Texas. Mr. Speaker, under clause 2 of section 2 of article III of the Constitution there is delegated to Congress in unequivocal language the power to deny to the inferior Federal courts the right to pass on the constitutionality of acts of Congress, and also the right of the Supreme Court to pass upon the constitutionality of an act of Congress on any case coming before the Supreme Court on appeal, so that only a sovereign State can attack the constitutionality of an act of Congress by an original suit in the Supreme Court. On January 28 I addressed this body advocating H. R. 9478, a bill introduced by me to effectuate this purpose. Since then that measure and those of us who endorse it have been attacked by two of our most brilliant and eloquent colleagues, one of whom, Mr. HOLLISTER, hails from the capital of the famous Buckeye State; the other, my distinguished friend, Mr. Cox, from the peanut-clad hills

of ancient Georgia. Their zeal and fury was such that Job must have had them in mind when he declared:

> Their necks shall be clothed with thunder. * * * The glory of their nostrils terrible. * * * They shall paw the air and rejoice in their strength. * * * They shall swallow up their enemies with fierceness and rage. * * * The quiver shall rattle against them, the glittering spear and shield.

And so the prophetic brain of Job, looking down the centuries, visioned and depicted in this graphic language what was to happen when these two gallant-plumed knights were to indict as heretics, convict, draw and quarter in your very presence a number of your meekest and most timid colleagues. You heard with what frightfulness their quivers rattled as they thundered through the neck. You saw the terrible glory of their nostrils as they pawed the air and rejoiced in their strength. And then you also saw with what fierceness and rage they swallowed us up. As they made their devastating charges upon us, you saw upon their left arm that mystic shield woven in the silence of the cobwebbed cloisters of our immaculate Supreme Court. Woven under the spell of such incantations as "commerce among the States", and being charged with "Liberty League dynamics", smashes into unconstitutional fragments every law of Congress tending to establish economic and social justice. And then as they were cruelly demolishing us, you saw with what marvelous skill they wielded that famous glittering spear, welded in the occult fires of yonder dread hallowed oracle by the nine black-robed fates as they chanted those magical words "due process of law", and at the touch of which the rights of States vanish as the mist before the sun.

Mr. Speaker, having somewhat recovered from the shock of such "sound and fury" I wish to again in a modest way present some additional reasons why this bill should be enacted into law.

Mr. Speaker, the Federal Government is one of delegated powers, consisting of three coordinating departments, the legislative, executive, and judicial. Of these the Constitution recognizes the legislative as being the most important, delegating to it the power and duty to enact laws exercising their judgment to do so, within the scope of the Constitution, under which the country is to function. The Constitution recognizes the executive as the next in importance, and delegates to it certain rights and prerogatives; while it delegates to the judiciary the duty to construe and pass upon the rights of litigants as they exist under the laws as passed. But there is nothing to be found in the Constitution that any more authorizes the judicial branch of the Government to nullify the acts of Congress than there is for the legislative branch of the Government to nullify the decisions of the courts in rendering judgment between litigants.

A number of the delegates who served in the Constitutional Convention had been educated in England and all of them were versed in English jurisprudence, being as they were, prior to the Revolution, loyal subjects of their mother country. They were familiar with English history and knew how its people had suffered as the result of the Tory courts nullifying the acts of Parliament prior to the Bill of Rights of 1688. They knew since that time no court had dared to nullify an act of Parliament. They never dreamed that the court they were creating would ever dare presume to go back a hundred years and arrogate unto themselves the right to nullify the acts of Congress and thus play the role of the Tory courts that existed in England prior to 1688, and cite as their authority for so doing the very clause, "due process of law", which was transplanted out of the English bill of rights into our bill of rights, and which was placed in the English bill of rights to put an end to the high-handed judicial tyranny of Tory courts in nullifying acts of Parliament. It was to prevent them from depriving citizens of their life, liberty, or property except in accordance with rules and regulations prescribed by Parliament.

It is patent had it been intended by the framers of the Constitution that the Court was to have the authority to nullify acts of Congress, the power would not only have been specifically delegated to it but they would never have specifically delegated to Congress the power to deny to the Court the jurisdiction to so do, as is done in unequivocal language in section 2 of article III.

There is nothing that so completely dispels the general impression that the Supreme Court in its decisions are not actuated by their own economic and political views as an examination of the cases in which they have assumed the authority to declare acts of Congress unconstitutional. At the time the now famous case of Marbury against Madison was decided in 1803, it is interesting to note that the judges who composed that Court were disciples of the Federalist Party, which was the exponent of the wealthy class of that day and time and who feared that the representatives of the people might enact laws detrimental to their interests. At the time this decision was handed down the Federalist Party had been defeated and the Democrats, under Jefferson, had come into control of the country. In this case President Adams had appointed Mr. Marbury a justice of the peace of the District of Columbia just before leaving the White House, and Marbury applied for a writ of habeas corpus to the Supreme Court to compel Mr. Madison, Mr. Jefferson's Secretary of State, to deliver to him his commission. Before the case was heard, the law authorizing the Supreme Court to issue a writ in such a case had been repealed, so that at the time the Supreme Court heard the case it had become a moot question, and the Court, under every rule of practice, should have dismissed the application; but the Court seized upon this opportunity in an ex-parte proceeding to get a precedent to hold an act of Congress unconstitutional for the purpose, no doubt, of using it as a precedent to hold any act of Congress unconstitutional which might be passed and that, in their opinion, would be detrimental to the moneyed interest.

In the next case in which an act of Congress was held unconstitutional by the Supreme Court, in order to do so it again acted contrary to the fixed rule of long settled practice. This was in the notorious Dred Scott case, decided in 1857. When this case reached the Court, it held that the lower court had no jurisdiction. Having so determined, under every rule of practice the case should have been dismissed. But by a divided court it seized upon the opportunity to hold the Missouri Compromise Act of 1820 unconstitutional, and this in the face of the Constitution as it then existed and in violation of the rights of the free States, and held, in effect, that all the States were compelled to permit the institution of slavery. In order to accomplish this purpose they resorted to the fifth amendment of the Constitution, known as the due-process-of-law clause. This clause was placed in the English Bill of Rights in 1688 for the purpose of stopping the life-appointed Tory courts from depriving citizens of their life, liberty, and property, contrary to the procedure provided for them to follow under the laws enacted by Parliament. Up until this case the court had never intimated that this clause authorized them to declare an act of Congress unconstitutional.

Although the Supreme Court under Marshall as Chief Justice in 1803 first assumed the authority to hold an act of Congress unconstitutional, the decisions of the Court during his reign acceded to Congress far broader powers in legislation than is acceded in its more modern decisions. As time passed, the Court, grasping for more and more power, has restricted more and more the rights of Congress to legislate unless that legislation happens to be in accord with their economic and political views. In the case of *McCulloch* v. *the State of Maryland* (4 Wheat.), decided in 1819, in which an act of Congress, chartering and setting up what was known as the Bank of the United States, was attacked as being unconstitutional because there was no delegation of power in the Constitution for Congress to set up such a bank with the Government taking one-fourth of the stock, and this so-called Bank of the United States to be operated as a private institution for profit. Chief Justice Marshall, in delivering the opinion, had this to say:

> This could not be done by confining the choice of means to such narrow limits as not to leave it in the power of Congress to adopt any which might be appropriate, and which were conducive to the end. This provision is made in a constitution intended to endure for ages to come, and, consequently, to be adapted to the

various crises of human affairs. To have prescribed the means by which Government should, in all future time, execute its powers would have been to change, entirely, the character of the instrument, and give it the properties of a legal code. It would have been an unwise attempt to provide, by immutable rules, for exigencies which, if foreseen at all, must have been seen dimly, and which can be best provided for as they occur. To have declared that the best means shall not be used, but those alone without which the power given would be nugatory, would have been to deprive the legislature of the capacity to avail itself of experience, to exercise its reason, and to accommodate its legislation to circumstances. If we apply this principle of construction to any of the powers of the Government, we shall find it so pernicious in its operation that we shall be compelled to discard it. * * *

The result of the most careful and attentive consideration bestowed upon this clause is that, if it does not enlarge, it cannot be construed to restrain the powers of Congress, or to impair the right of the legislature to exercise its best judgment in the selection of measures to carry into execution the constitutional powers of Government. If no other motive for its insertion can be suggested, a sufficient one is found in the desire to remove all doubts respecting the right to legislate on that vast mass of incidental powers which must be involved in the Constitution, if that instrument be not a splendid bauble. * * *

We think the sound construction of the Constitution must allow to the National Legislature that discretion, with respect to the means by which the powers it confers are to be carried into execution, which will enable that body to perform the high duties assigned to it, in the manner most beneficial to the people.

Where the law is not prohibited (that is, not specifically denied to the Court by the Constitution) and is really calculated to effect any of the objects entrusted to the Government, to undertake here to inquire into the degree of its necessity, would be to pass the line which circumscribes the judicial department, and to tread on legislative ground. This Court disclaims all pretensions to such a power.

In the Legislature of the Union alone, are all represented. The Legislature of the Union alone, therefore, can be trusted by the people with the power of controlling measures which concern all, in the confidence that it will not be abused.

It has been said by some that the Court in this case conceded broad powers to Congress because the legislation was in accord with their economic and political views, and earnestly desired by the major financiers of that day.

In keeping with the broad powers conceded to Congress in this case of McCulloch against The State of Maryland, decided in 1819, is the case of the *Veazy Bank* v. *Fenno* (75 U. S.) decided in 1869, where an act of Congress levying a tax of 10 percent upon the circulating notes of State banks and which, of course, was levied for the patent purpose of driving them out of circulation, Chief Justice Chase, in handing down the opinion of the Court sustaining the constitutionality of the act, used this language:

The power to tax may be exercised oppressively upon persons, but the responsibility of the legislature is not to the courts, but to the people by whom its members are elected.

In the so-called *Child Labor Case* (259 U. S.), decided in 1921, in which an act of Congress was attacked as being unconstitutional because it levied a tax of 10 percent on the net profits of employers who use children in mines and factories, and which act, of course, affected interstate commerce in affecting the price of products produced. Chief Justice Taft held this act unconstitutional, although it was stated in the act that it was "an act to provide revenue, and for other purposes." The act of Congress upheld in the Veazy Bank against Fenno case was attacked on the same ground on which this act was attacked. In the case of the Veazy Bank against Fenno the financiers were anxious that the law be held constitutional, that the circulation of notes of State banks be suppressed, while in the other the employers of children in mines and factories were anxious that the law be held unconstitutional. In this case Justice Clark dissented.

AGRICULTURAL IMPROVEMENT IN KANSAS

Mr. HOUSTON. Mr. Speaker, cash receipts from the sale of principal farm products in Kansas rose from $167,060,000 in 1932 to $265,371,000 in 1935, including $41,242,000 in rental and benefit payments. This is an increase of 59 percent. Cash receipts from Kansas represent approximately 97 percent of the total farm cash income from production.

Price changes on certain selected commodities, which brought about a considerable share of the increased cash receipts indicated above, are shown in table 1.

TABLE 1.—*Average prices received by Kansas farmers for commodities listed on dates specified*

Commodity	Unit	Aug. 15, 1932	Mar. 15, 1933	Dec. 15, 1935
		Cents	*Cents*	*Cents*
Corn	Bushel	26	17	68
Wheat	do	33	31	97
Oats	do	15	14	31
Barley	do	15	15	52
Rye	do	28	21	57
Flaxseed	do	70	73	134
Potatoes	do	35	50	80
Sweetpotatoes	do	85	55	95
Hay	Ton	420	385	660
Apples	Bushel	85	125	95
Hogs	Hundredweight	390	310	870
Beef cattle	do	460	370	680
Veal calves	do	450	445	750
Milk cows	Head	3,300	2,700	4,400
Chickens	Pound	9	6.3	14
Butter	do	19	16	33
Eggs	Dozen	10.7	7.4	24
Wool	Pound	7	7	21

For the United States as a whole the yearly average price of all groups of farm products increased from 65 percent to 108 percent of the pre-war level during the period 1932–35, an increase of 66 percent. The low point occurred in March 1933, when prices were only 55 percent of the pre-war level, whereas in December 1935 they averaged 110 percent of that level. These figures do not include rental and benefit payments. The gain in exchange value of farm products per unit was somewhat less than the gain in farm prices, since prices farmers pay for commodities used in living and production also advanced about 17 percent during the period. The exchange value per unit of farm products increased from 61 percent of the pre-war level in 1932 to 86 percent in 1935, a gain of about 41 percent.

FARM REAL-ESTATE APPRECIATION

A new appreciation of farm real estate in Kansas has been one result of increased farm income. Voluntary sales and trades of farms increased from 11.6 per thousand for the year ending March 15, 1933, to 16.6 per thousand for the year ending March 15, 1935. During the same period the number of forced farm sales per thousand declined from 61.1 to 48. For the first time since 1920 the decline in value of farm real estate halted in the year ending March 1, 1933, when it stood at a low of 70, the State average value from 1912 to 1914 being 100. From this low of 70 in 1933 the estimated value per acre of farm real estate rose to 73 for the year ending March 1, 1935.

IMPROVED LABOR CONDITIONS ON KANSAS FARMS

On January 1, 1933, the demand for farm labor in Kansas was 57 percent below normal, and the supply was 41 percent above normal. At this time farm wage rates per person, with board, were $16.75 per month. Three years later on January 1, 1936, the farm-labor supply was normal. Demand was only 41 percent below normal; that is, it had improved 37 percent in the 3-year period. Farm wage rates per person stood at $20.25 per month with board, having advanced 21 percent above their 1933 level.

SOIL-CONSERVATION PRACTICES UNDER A. A. A.

Adjustment measures enabled Kansas farmers in 1935 to take more than 2,000,000 acres of land out of the production of corn and wheat, which deplete the soil or expose it to erosion, and to put much of that acreage into the production of erosion-preventing and soil-improving crops such as alfalfa, bluegrass, soybeans, clover, and lespedeza. Contracts under the Agricultural Adjustment Act specifically mentioned "erosion-preventing and soil-improving" crops as among those which might be planted on the contracted acreage.

A marked trend toward increased hay and sorghum acreage for forage is apparent in Kansas. According to the Bureau of the Census the acreage devoted to all hay and sorghums for forage increased 28 percent from 2,769,033 acres in 1929 to 3,546,204 acres in 1934.

DAIRY CATTLE DISEASE ERADICATION

Milk has been an important source of farm income in Kansas. For the past few years about $25,000,000 annually has been returned to milk producers.

Approximately $50,000,000 of Agricultural Adjustment Administration funds have been made available for use in the country as a whole in eradicating cattle diseases, primarily bovine tuberculosis, Bang's disease, and mastitis. This work is being done in cooperation with the Bureau of Animal Industry. As of December 31, 1935, some 815,000 cattle in Kansas had been given the tuberculin test and approximately 79,300 the agglutination test for Bang's disease. Of the $245,000 allocated for the eradication of bovine tuberculosis in this State, $238,955.53 had been expended in operation expenses and indemnities as of December 31, 1935. Kansas was allocated $450,000 for the eradication of Bang's disease, and of this amount indemnities and operating expenses as of December 31 last totaled $366,081.

EXTENT OF FARMER PARTICIPATION IN PROGRAMS

From the inauguration of the adjustment programs in 1933 through January 6, 1936, a total of 414,053 crop adjustment contracts signed by Kansas farmers had been accepted by the Agricultural Adjustment Administration. Of this number of contracts, 273,025 were wheat, 139,878 corn-hog, 755 sugar beet, 243 cotton, and 152 tobacco.

Four referenda among producers were held in Kansas during the continuation of the agricultural adjustment program. During the first two weeks of October 1934 corn-hog producers were asked whether they favored an adjustment program for 1935. In this referendum, returns showed that 17,429 contract signers favored a 1935 program, while 19,985 opposed. In the Bankhead referendum, conducted on December 14, 1934, to decide upon the applicability of the Bankhead Act to the 1935–36 cotton crop, 83 votes were cast in the State, of which 53 favored application of the act. A Nation-wide wheat referendum was held on May 25, 1935, in which producers were asked: "Are you in favor of a wheat production adjustment program to follow the present one, which expires with the 1935 crop year?" In Kansas, 82,059 votes were cast by producers, of which 71,768, or 87.5 percent, favored a program and 10,291 votes opposed. The last referendum in Kansas was that conducted on October 26, 1935, in which corn-hog producers were asked whether they favored a corn-hog program for 1936. Official returns indicated that 41,811 producers favored such a program, while 6,997 opposed.

RENTAL AND BENEFIT PAYMENTS

As of December 31, 1935, rental and benefit payments disbursed among cooperating producers in this State from the beginning of the program totaled $86,755,192.42. Of this amount, cotton farmers received $6,529.28, wheat growers $64,646,607.32, tobacco producers $18,417.44, corn-hog raisers $21,858,170.77, and sugar-beet producers $225,467.61.

Funds to provide these rental and benefit payments were raised through processing taxes. As of December 31, 1935, processing and related tax collections at points in Kansas aggregated $27,093,126.34. Processing taxes were collected through the medium of first processors, or converters of the raw products—millers, packers, cotton and tobacco manufacturers—wherever these processing establishments were located. They were paid by consumers throughout the Nation, wherever the processed products were sold.

THE DROUGHT EMERGENCY

Kansas was one of the Midwestern States severely affected by the drought of 1934. In this emergency A. A. A. rental and benefit payments, calculated on the farmers' production during a previous base period rather than upon the current year's production, served as a form of crop insurance. For their 1934 corn crop, reduced to 10,576,000 bushels by the drought, Kansas farmers received only $77,000 at the market; but their rental and benefit payments brought their cash income from the 1934 corn crop to $6,226,000. This was only 20 percent less than they received for their 1932 crop, amounting to 136,197,000 bushels, which was more than 12 times as large.

In 1934 drought threatened Kansas farmers with the loss of thousands of cattle and sheep by thirst and starvation. On June 19, 1934, the Emergency Appropriation Act was approved. It allotted $525,000,000 to the Agricultural Adjustment Administration for financing a drought program to relieve distress in certain areas of the United States. The object of the program was (1) to maintain the foundation for a balanced or diversified farming system in the drought areas, (2) to preserve animals or herds of high-producing quality, (3) to relieve some of the financial load carried by both borrower and lender, and (4) to perform these tasks quickly, efficiently, and economically. The purchase and disposition of cattle was conducted jointly by the Agricultural Adjustment Administration, the Bureau of Animal Industry, the Federal Surplus Relief Corporation, and the Federal Emergency Relief Administration through the Kansas Emergency Relief Corporation, all cooperating with the Kansas State Agricultural Extension Service. Cooperating with the Bureau of Animal Industry inspectors the Drought Relief Service bought drought-threatened cattle. On August 8, Kansas was designated as an emergency-drought area. Estimates placed the number of distressed Kansas cattle at some 750,000 head. To relieve this situation approximately 530,000 head of cattle, sheep, and goats were purchased under the emergency livestock purchase program at a cost to the Federal Government of about $7,650,000.

In the seed-purchase program the A. A. A. acquired about 18,000,000 bushels of grain for seed in the Nation's drought-stricken areas. The cost to the Government of purchasing and selling this seed amounted to about $19,000,000. The seed later offered for sale was accumulated to meet an emergency and was intended to supplement rather than to supplant locally obtainable supplies. In Kansas alone more than $150,000 were spent in this work. From the sale of 105,000 bushels of seed and screenings to about 27 counties in Kansas under this program approximately $78,850 was received. In addition to the seed-conservation work, about 500 carloads of feed were shipped to Kansas during the emergency.

FARMERS' MONEY GOES TO TOWN

The extent to which increased farm income during the past 3 years enabled farmers to increase their purchases of city-made goods is reflected in several ways.

New automobile registrations in Kansas during the period 1932–35 have been as follows:

1932	17,900
1933	28,500
1934	40,100
1935	59,250

The increase from 1932 to 1935 was 231 percent.

According to Automobile Facts and Figures, a publication of the Automobile Manufacturers' Association, the 1934 retail automobile sales gain in Kansas was greatest in small towns and on farms. From 1933 to 1934 new passenger-car registrations on farms and in towns under 10,000 increased 50 percent, whereas in towns over 10,000 the increase was 18 percent.

New automobile purchases among other things meant an increased gasoline consumption. Consumption rose from 350,554,000 gallons in 1932 to 378,781,000 in 1934, and to 409,941,000 in 1935. From 1932 to 1935, therefore, the increase amounted to approximately 17 percent.

Sales of new, ordinary paid-up life insurance in Kansas increased 13.5 percent from $53,645,000 in 1933 to $60,858,000 in 1935.

Another index of increased business activity, resulting in part from renewed farm purchasing power, is debits to individual accounts. Monthly statements issued by the Federal Reserve System indicate that debits to individual accounts increased greatly from 1933 to 1935. For 1933 debits in the Kansas City district amounted to $7,875,224,000. Preliminary figures indicate that for 1935 they increased to $10,910,670,000, or 38.5 percent over the 1933 figure.

THE PREVAILING WAGE AND RELIEF WORKERS

Mr. GRISWOLD. Mr. Speaker, in every relief bill for the past 6 years I have fought for the prevailing wage. I have been criticized and politically chastised for so doing. I be-

lieve in the prevailing wage and I have voted against relief bills which did not contain it. In times gone by there were only a few of us who dared to speak in its behalf. But that fight for a principle has shown results. In the last relief bill passed this month we were able to place an amendment in the bill providing for the prevailing rate of pay. I worked and voted for that amendment as an entering wedge toward the prevailing wage. There is a great distinction between the "rate" and the "wage." To increase the rate of pay per hour and then cut the hours of the men on relief until his weekly wage remains as it was before does not help the man on relief or business generally. We need both the rate and the wage.

I have opposed always, to the full extent of my ability, the relief practice of paying the prevailing profit to those who supply materials for relief work and at the same time paying the starvation wage to the relief worker. If the relief worker is to have the starvation wage, then we should pay also the starvation profit to the materialman. It is not fair nor just nor in accordance with American ideals to discriminate between the earnings on money invested and the earnings on labor invested.

I am opposed to our present relief system of paying these people on relief merely enough to keep body and soul together. I am opposed to the system whereby we pay them for 1 week's work just enough so that they may exist and be alive to work another week for a bare existence wage. Under this system the worker on relief becomes little more than a governmental serf. The freedom of which we boast in this country does not mean being dependent upon a Federal agency or a relief supervisor for a meager pittance to keep body and soul together. Under our relief system a man becomes a slave to the fight for bread, and the power that gives him bread holds over him and his loved ones the whip of hunger, from which it is hopeless to escape.

I listen day after day to talk here in Congress about rugged individualism. Where is there any chance for people on relief to exercise rugged individualism? The only kind of individualism they can exercise is a starving individualism, and when they attempt to exercise that they and their families die of the most excruciatingly terrible disease known to man—the pangs of hunger.

People must eat and wear clothes and have fires to keep them warm. We of America have always believed that they are entitled to even more than that. We have believed in churches and lodges and comfortably furnished homes, in education and minor luxuries for everyone. Relief should be only a temporary proposition with only one object in view—the object of maintaining the unemployed and destitute until they can obtain employment in private industry. For that reason private industry should be considered in any relief program, and the ultimate objective of placing the relief worker on a sound economic basis in private industry should be kept always in mind.

The prosperity of the Nation cannot be restored until we restore the purchasing power of the consuming public. We cannot restore that purchasing power while we keep such a vast army as that of relief on a security wage. The men and women on relief do the same kind and class of work as men and women in private industry, but in private industry we pay them a full wage and on relief a security wage. This security wage is misnamed. It is not a security wage because it does not secure anything. It does not secure the purchasing power necessary to bring back prosperity. It does not secure a market for the farmer or the manufacturer, for these millions must have money to purchase their produce or product. It does not secure payment of doctors or hospital bills. It does not secure the payment of life-insurance premiums. It does not secure the education of children or a decent standard of living for American labor. It does not provide a purchasing power sufficient to enable the vast mass of people to live above a bare existence plane. We have progressed since 1932. Purchasing power has increased. How much more could it increase if we provided a prevailing weekly wage for the people on relief and thereby secure all the things I have just enumerated?

There are men who are like the Bourbon kings of whom it was said, "They forgot nothing and they learned nothing." These men who like to call themselves "leading industrialists" have always contended for low wages. They always will. They are the men who for their immediate personal monetary gain would, like the Bourbon kings, plunge a whole economic system into disaster, forgetting that the disaster will eventually take them and their kind into the debacle.

The maximum wage which can be paid to labor on relief in my district of Indiana is $11 per week. Where is there any purchasing power left for a family of five after the butcher, grocer, and baker are paid with such a wage as this? Mr. William D. Anderson, president of the Bibb Manufacturing Co., addressed a Sunday rally of working people on October 1, 1931. Mr. Anderson figured a budget for a working man's family of four. He suggested that the family live on 24 pounds of flour, 8 pounds of potatoes, 4 pounds of lard, and 1 peck of meal, and that they purchase it all by careful buying for $1.39. In 1930, while Mr. Anderson's company was laying off workers and reducing their wages, it paid its regular dividend and distributed $5,000,000 as a bonus to its stockholders. The present relief system is based upon the same theory as Mr. Anderson has—all for money invested. Nothing for labor invested. We should cease to accept the policies of such men as Mr. Anderson in our conduct toward relief workers.

Neither have we any need in America today for the theories of Dr. Thomas Nixon Carver whom Chairman Fletcher, of the National Republican Committee, appointed as the head of the 50 "brain trust" professors employed by the Republican Party for the coming campaign. Dr. Carver, while making a statement lauding the practices of Mussolini and Hitler, advanced the theory of doing away with the unemployed of the Nation through birth control. The birth control was to be brought about, according to Dr. Carver, by limitation of marriage to those who can afford to buy and maintain an automobile.

Neither the Government, the Nation, nor the unemployed on relief need such theories as those of Industrialist Anderson or Republican Brain Truster Carver. What we need is the restoration of purchasing power and not its curtailment. What we need is the return of prosperity which can best be accomplished by payment of the prevailing wage to relief workers and all other workers who are also the great consumers of the Nation.

Under the present relief system we tax private business to maintain the unemployed but we do not pay the unemployed sufficient to allow them by their purchasing power to make private business prosperous.

If business stagnates the taxing assets that provide for relief are destroyed and both business and relief die.

THE GENESIS OF T. V. A.—THE CONSTITUTIONAL AND ECONOMIC BASES OF T. V. A.

Mr. McSWAIN. Mr. Speaker, the Federal corporation known as Tennessee Valley Authority is not an emergency measure. When I entered the Congress on March 4, 1921, the question "What shall be done with Muscle Shoals?" was a live and highly controversial problem. This issue was battled back and forth continuously until its final settlement on May 18, 1933. As this is the end of my term as a Member of the House of Representatives, I feel justified in calling attention to some history connected with the origin of T. V. A. Much of that history is recited in remarks of my own, found in the CONGRESSIONAL RECORD of January 9, 1931. I call special attention to the fact that when Senate Joint Resolution 46 of the Seventieth Congress came to the House of Representatives and was referred to the Committee on Military Affairs, while the same was under consideration, I offered an amendment by way of substitute for the entire

text of the Senate joint resolution, and the language of my amendment is found on page 2037 of the CONGRESSIONAL RECORD of January 12, 1931, and subsequent pages.

After consideration of the whole matter by the subcommittee, the subcommittee modified in some verbal particulars the language of my amendment and reported the same to the House of Representatives as a substitute for the Senate joint resolution. The House adopted the substitute, and the bill went to conference. The conferees, by House Report No. 1844 of the Seventieth Congress, first session, reported agreement, and that report shows that the conferees agreed upon and adopted substantially the language, the set-up, and corporate organization of the House substitute for the Senate Joint Resolution 46. The Senate agreed to the same conference report, and when the bill went to President Coolidge, he gave it a "pocket veto."

In the next Congress both Houses agreed to a bill almost identical in all respects to the bill which had been agreed upon in the Seventieth Congress, and when this went before President Hoover, he vetoed it in a very vigorous and energetic message. No substantial progress was made in the Seventy-second Congress.

Upon the coming in of the Seventy-third Congress, with President Roosevelt in the White House and a safe Democratic majority in each of the two Houses, it was a foregone conclusion that the Muscle Shoals problem would be settled somehow. Accordingly, on March 9, 1933, Senator NORRIS introduced Senate Joint Resolution 4, and by reference to same, it will appear that he adopted the same corporate organization with substantially the same powers as those included in the bills which had twice passed the House and Senate previously, one of which had received a pocket veto by President Coolidge and the next an affirmative veto by President Hoover. On the same day, March 9, 1933, I introduced in the House of Representatives H. R. 1672, wherein, for the first time, the name "Muscle Shoals" was changed to "Tennessee Valley Development Authority," and subsequently, for brevity, the word "Development" was dropped and the name "Tennessee Valley Authority" accepted.

So far as my memory and research show, this is the first time that the word "Authority" has been used in any Federal legislation to describe a governmental agency with corporate powers and functioning as an arm or agency of the Government. Furthermore, in my bill, H. R. 1672, there was the first proposal to confer upon the Tennessee Valley Authority the power to issue bonds in order to raise money to carry on its activities. I proposed authority to issue bonds aggregating $100,000,000. Later this was cut to $50,000,000. In 1935 another $50,000,000 authority was added, so the power now stands for T. V. A. to issue bonds aggregating $100,000,000, as was originally proposed by me.

On March 9, 1933, my good friend, the Honorable LISTER HILL, from Alabama, introduced H. R. 1609, from which it will appear that he followed substantially the corporate structure and arrangement of power proposed to be conferred by the bills previously vetoed by Presidents Coolidge and Hoover. Subsequently, on April 11, 1933, three identical bills were introduced in the House of Representatives, drawn after frequent conferences between Representative HILL and myself, one bearing the name of Representative Almon of Alabama, one the name of Representative HILL, and one the name of myself. These bills bore the numbers 4859, 4860, and 4861, respectively. These bills were referred to the Committee on Military Affairs, and, after prolonged hearings and consideration, various amendments were made and a new bill incorporating the amendments adopted in committee was introduced, upon my suggestion and request, by Representative HILL of Alabama, the ranking majority member, and this bill was ordered to be reported to the House of Representatives with a recommendation that it be passed, and I was instructed to make the report for the committee. I respectfully refer those interested in conserving our water-power resources to that report, and I quote the following brief extract from that report as indicating the fundamental economic philosophy back of the whole proposal:

> When this Tennessee Valley development shall have progressed sufficiently for us to learn great lessons as to how best to serve the public, then development will follow in other great interstate and international watercourses. Undoubtedly there are several great areas in all sections of the country that will ultimately be developed by the application of the same principles and policies.
>
> It is the simple, fundamental American, Jeffersonian, Roosevelt ian proposition of preserving and using for all the people those great sources of wealth conferred by the prolific hand of God upon the masses of the people who settled in this new continent, cleared its fields, opened its mines, navigated its rivers, built its cities, highways, and railroads, established its independence by their sacrifices and sufferings, have maintained its independence in war, and defended its honor at home and abroad at the peril of their lives. In fact, millions have suffered in war, and many more millions have sacrificed and struggled in peace throughout our 150 years to bring this Nation where it is. Something is due these voiceless millions and more is due to the unborn millions. By this measure for the development of the Tennessee Valley, we, the representatives of the dead, of the living, and of the unborn, are fulfilling our pledges to them all, and seeking to make real the fundamental principle of popular government—that of the greatest good to the greatest number.

This bill was passed by the House of Representatives, and when it went to the Senate the Senate struck out all the House language and inserted by way of amendment the language of a Senate bill introduced by Senator NORRIS. Upon this issue there was a laborious conference, but the bill remained substantially as it passed the House, and both Houses approved the report of the conferees; and thus was enacted into law, as Public, No. 17, of the Seventy-third Congress, when the same was approved by President Roosevelt on May 18, 1933, the Tennessee Valley Authority Act of 1933.

On March 18, 1935, I introduced as H. R. 6793, a bill which was submitted to me by the directors of T. V. A. as containing desirable amendments to the act of 1933. This bill failed to meet the approval of a majority of the Committee on Military Affairs, and the same, together with a Senate bill which had passed the Senate and had been referred to the Committee on Military Affairs of the House of Representatives, was tabled in the Committee on Military Affairs. Being unable by sufficient number of votes to take the said bills from the table for further consideration on June 18, after conferences with many members of the Committee on Military Affairs, and in the hope of obtaining desirable legislation, I introduced H. R. 8527, and the same was long and seriously and carefully considered by the committee in executive session. The same having been amended by the committee in many respects in order to bring a bill before the House without having a long list of committee amendments, I was instructed to introduce a new bill incorporating the committee amendments, which I did on June 24, 1935, as H. R. 8632. When this bill was heard in the House of Representatives, numerous amendments were made thereto, and it was then sent to the Senate. In the Senate, the language of the bill was stricken out and the language of a bill which had previously passed the Senate, as before mentioned, was inserted as an amendment by way of substitute. Upon this issue there was a conference, and the conferees finally agreed upon the provisions of a bill which was reported to the House of Representatives and the Senate, respectively. Both Houses agreed to the report of the conferees, and the bill was signed by President Roosevelt on August 31, 1935, as Public, No. 412, Seventy-fourth Congress. After such approval of the conference reports by the House of Representatives, I was informed by Dr. Arthur E. Morgan, by conversation over the telephone, that he greatly approved of the provisions of the bill thus finally worked out after long and tedious labors in the committee, in both Houses, and in conference.

Dr. Morgan, in that conversation, expressed his renewed confidence in parliamentary institutions, and stated that he regarded the bill which the conferees had agreed upon as an improvement upon the bill which he and the other directors had originally drafted and submitted with the request that

the same be enacted into law. Dr. Morgan was eminently justified in his comment upon the ultimate wisdom of parliamentary government. It is true that legislation under our constitutional system seems slow and, therefore, seems inefficient to many not acquainted with its processes and its benefits. To every truly Jeffersonian Democrat, to every person thoroughly grounded in his heart and mind in the principles of Anglo-Saxon liberty, and in the conviction that there are two sides to all questions, and that out of debate and controversy, honest men will finally arrive at a wise solution, the statement by Dr. Morgan is not surprising. Since T. V. A. is not an emergency measure, it was highly desirable and, I believe, ultimately highly beneficial, that a full and complete discussion of all phases of the problem should be had, and that all persons having an adverse interest should be fully heard. If the bill had been rushed through by any tactics which its opponents could have fairly described as "steam roller" methods, then resentment would have been general and deep, and the fate of T. V. A. would have been imperiled, but since the matter was thoroughly ventilated, every individual "had his day in court" to voice his views either of approval or disapproval. Since the matter was openly, fairly, and patiently deliberated upon for many weeks all factions seem now fairly well satisfied and seem to accept the result as final. In other words, T. V. A. seems more solidly fixed in the convictions and confidence of an overwhelming majority of the Congress and of the people than ever before.

CONSTITUTIONAL JUSTIFICATION FOR T. V. A.

In the report which I filed by the instruction of the committee on H. R. 8632, being Report No. 1372, of the first session of the Seventy-fourth Congress, I used the language hereinafter quoted as expressive of the fundamental philosophy upon which T. V. A. is predicated. I had previously in the report called attention to the constitutional basis for T. V. A. as resting upon the broad Federal powers of national defense and of regulating interstate commerce, and had assured the Congress of our desire to restrict our proposals to what we felt could and would be finally sustained by the Supreme Court as a reasonable and proper exercise by the Congress of the power to provide for the common defense and to regulate interstate commerce by the improvement of navigable streams and the control of flood waters within navigable streams. Upon these broad constitutional bases must rest T. V. A. Upon these as foundations we have built expressly and deliberately incidental matters, such as the generation and sale of surplus electric energy, made desirable for the sake of economy and efficiency, which grow out of and rest solidly and solely upon these powers of national defense and interstate commerce.

If the basis be constitutional, the superstructure will be sustained.

We think that no court can decide a constitutional question by calculating the percentage of direct constitutional power and of indirect, implied power contained in a Federal enterprise. Therefore, we feel that the Supreme Court when it comes to consider the T. V. A. as a whole, just as it did when it considered the Wilson Dam in the Ashwander case, will hold that Congress had as much right in the exercise of its power and discretion to construct the Joe Wheeler Dam, and the Pickwick Landing Dam, and the Norris Dam, and the Chickamauga Dam, and the Guntersville Dam, and any other dam, as it had originally to erect the Wilson Dam. The fact that the Wilson Dam was started during the World War for the purpose of increasing the supply of munitions and explosives for our armies during that war is not the test of its constitutionality. Congress has the same power to provide for the national defense in advance of war and during the prevalence of peace, that it has during a war itself. In fact, if Congress waited to exercise its power to provide for the common defense until war broke out, it would often be too late and the power would thus be exercised in vain. We may be as near war in 1936 as we were in 1916. The Constitution expressly gives to the Congress the power "to raise and support armies" and "to provide and maintain a navy." These powers are not limited to the existence of war. In fact, the powers were conferred largely to prevent war by warning other nations, through the existence of adequate defense establishments, that attacks upon this Nation would be futile.

GENERATION OF ELECTRIC ENERGY NATURALLY INCIDENT TO HIGH DAMS

By the same token of reasoning, Congress continuously has the power to regulate interstate commerce by making navigable streams more accessible to commerce. A necessary incident to regulating stream flow in navigable streams is flood control. A reasonable, essential, and Constitutional means of managing and operating dams built to promote navigation and to regulate stream flow and to control flood waters, is the installation of water wheels and of electric generators connected with said water wheels for the generation of electric energy. Having generated this most valuable commodity, it is undoubtedly the power of the Congress to provide for the sale of such surplus power as may not be needed.

The generation of power being a natural, physical incident to high dams, such generation of power must follow as a legal, reasonable, and proper incident to the basic, Constitutional power. The State governments could not install any electric generating machinery in a dam built and operated by the Federal Government. Therefore, either the Federal Government must use this valuable power or otherwise it would be completely wasted. This power being worth many millions of dollars a year from all the dams above enumerated, common sense, which is the basis of all law, even of Constitutional law, dictates that Congress shall provide for the use and sale of such electric energy.

POWER TO SECURE NATIONAL DEFENSE EXISTENT DURING PEACE AND WAR

It must be admitted that Congress has as much power to provide for the common defense during peace as it has during war. It is a continuing power. In like manner, the Congress always has the power to regulate interstate commerce. Therefore, Congress has as much power now to build the Joe Wheeler Dam, and the Norris Dam, and other dams, as it had in 1918 to build the Wilson Dam. The Supreme Court cannot fairly say that Congress has the power to build one dam in order to promote national defense, but has no power to build two or three dams, or four dams, to promote the national defense.

It is entirely thinkable that the time may come when every kilowatt of energy generated in the entire T. V. A. system will be needed during a war to provide the munitions and instrumentalities whereby to carry on war. Many of the mineral products necessary for national defense lie close to the dams of the Tennessee Valley. Since Congress has the power to build such number of dams as it may see fit in the interest of national defense and to promote interstate commerce up and down the Tennessee River, and since common sense would not countenance the economic waste of not utilizing the power generated at the several dams, I submit that this piece of permanent legislation setting up T. V. A. will stand the test of its constitutionality when the 18 cases recently inaugurated in the courts below shall finally reach the Supreme Court. While the Court expressly restricts its decision in the Ashwander case to the facts of that particular case, the logic of the Ashwander case would be the same if the Joe Wheeler Dam were now under consideration by the Court. If Congress declared, as it has done in the act of May 18, 1933, that the purpose of building these dams is to improve the navigability of the Tennessee River and to provide for the national defense, then the Supreme Court cannot deny this solemn declaration of fact by Congress. The Supreme Court cannot deny to the Congress the power to do what the Constitution expressly gives it the power to do. The Supreme Court cannot declare that the means chosen by the Congress for the purpose of promoting interstate commerce and for providing for the national defense are inappropriate to the end sought. The appropriateness of the agency and means is a matter for congressional discretion.

CONGRESS AS TRUSTEE OF WATER POWER IN NAVIGABLE STREAMS

I herewith insert that brief extract from the report dated June 26, 1935, on H. R. 8632, above referred to:

For more than 20 years both of the major political parties have repeatedly pledged themselves to the people of the Nation to accomplish conservation of our natural resources for the benefit of all the people, and undoubtedly our potential water power is our greatest natural resource. Like the air through which every man may fly his aircraft, and like the seas upon which every man may sail his seacraft, so the great rivers and lakes are the gift of God to all men in the aggregate, and no man may build a fence around them and claim them exclusively for his own use and for his own enrichment. The Government of all the people must be the trustee of all the people for the protection, the development, and the use in behalf of all the people of these great interstate navigable streams.

All the people who settled this then newly discovered country and their descendants, and all the people who have labored to develop this country and their descendants, and all the people who have fought and suffered to set free and to preserve this Nation and their descendants, have a joint proprietary interest in these great natural resources. Therefore, the Congress as the constitutional agent of the people, has throughout the history of our Nation recognized its obligation to improve these channels of interstate commerce wherever possible, and in these latter years since the uses of electricity have become so numerous and so vital to the well-being of our people, both in cities and in manufacturing centers and in rural sections, Congress has advanced and must continue with the passing years to advance in the discharge of this duty. As trustee for all these people, Congress must see that they receive the greatest benefits possible under the Constitution from the development of this great natural resource.

The power of Congress to regulate interstate commerce in navigable streams is absolute, exclusive, and plenary. So is the power to provide for the common defense. Under these two sovereign powers, if Congress can construct one dam, Wilson Dam, with power-house and navigation locks, what court can say that two such dams, or three or more, are beyond its power? The power being admitted the extent of its exercise is discretionary.

LOW DAMS OR HIGH DAMS IN DISCRETION OF CONGRESS

Believing that the soundness of the reasoning hereinbefore advanced, to wit, that if Congress had the power to construct the dam and power-house at the Wilson Dam during the war, then under the same war power it can in its discretion construct the Joe Wheeler Dam before the outbreak of war, and if it can construct the Joe Wheeler Dam, then it can construct the Pickwick Landing Dam and the Norris Dam and other dams mentioned cannot be fairly and logically disputed. In like manner, Congress in the exercise of its discretion can decide whether or not in aid of navigation it should build low dams without the development of power or high dams of which the development of power is a natural and inevitable consequence according to the law of physics. Since Congress can properly construct either low dams or high dams, and since the production of power incident to a high dam follows according to the law of nature, then the mere insertion of a water wheel to utilize the power which would otherwise be utterly wasted and connecting that water wheel with an electric generator are proper, fair, and reasonable incidents to the building of a high dam. Furthermore, the building of the high dam and the installation of a water wheel and its final connection with an electric generator have been pronounced by Congress in its acts of May 18, 1933, and of August 31, 1935, to be proper preparatory steps incident to the power of national defense, just as the establishment of peacetime of an arsenal or a munitions factory or building barracks for peacetime soldiers may properly be referred to the war-making power.

THE LIMITS OF CONSTITUTIONAL POWER IN SALE AND USE OF ELECTRICITY

But it may be fairly asked, where may this exercise of the war-making power and of regulating interstate commerce, through promoting navigation and flood control, end and cease to be a proper incident to the exercise of admitted constitutional powers? Undoubtedly the line must be drawn somewhere. Certainly it would be an invalid stretch of constitutional power to claim that Congress could go out and establish factories in order to utilize this electric power, and establish distributing plants for the sale to individual householders of this electric energy, or to operate blast furnaces, or a thousand other enterprises that would be regarded as strictly local and intrastate in character and connected with the ordinary business enterprises of the people, and not reasonably connected with the conduct of war or preparation for conducting war. I hold that a fair and reasonable and practical line of demarcation can be drawn at the end of a transmission line where electric energy is sold in wholesale quantities. The length of the transmission line must be variable and its maximum length is determined by the distance to which electric energy may be economically transmitted. The transmission line may be only a few hundred yards long, or may be 250 miles long, all depending on the circumstances. Undoubtedly, and under any circumstances, there is a transmission line from the generator in the power-house out to the switchboard, where the energy is metered to the wholesale purchaser. If, in order to find a purchaser at a fair market price, and to render the Government agency independent of the monopoly control by some private power company, T. V. A. should build transmission lines, then the T. V. A. may and should be allowed to send electric energy over such transmission lines to some point of wholesale delivery.

In this light, and remembering the practical, mechanical, and commercial situation by which the T. V. A. is confronted, such transmission lines for the wholesale delivery of electric energy are as much a part of the dam as are the water wheel and the generator and the switchboard. It would be futile and foolish to authorize the installation of a water wheel and of a generator as natural and physical incidents to the building of a high dam, and then, due to the economic and commercial situation, compel the T. V. A. to sell the electric energy to one buyer only and at a price to be dictated by that single buyer. At the end of the transmission line, whatever the length of that transmission line may be, I admit that the power of the Federal Government not only does cease but must cease and should cease. But the transmission lines, whatever their length, and the switchboards, and the generators, and the water wheels, and the high dams, all constitute integral and essential and inseparable parts of the proper constitutional projects to promote the national defense and to regulate interstate commerce by promoting navigation and exercising the power of flood control. Of course, flood control and navigation are natural, proper, and essential incidents to exercise of the constitutional power to regulate interstate commerce.

Congress has merely exercised its discretion as the means of providing for the common defense and of regulating interstate commerce.

A BUDGET ANNUALLY BALANCED

Mr. BACON. Mr. Speaker, the gentlemen on the other side of the aisle seem to have been having great difficulty in finding citizens from whom they can pluck an additional six-hundred-million-and-odd dollars annually in taxes. They have combed the list of potential taxpayers backward and forward only to find that group after group is already being taxed to the limit of their capacity to pay. It seems that it is a great deal easier to appropriate and spend money than it is to collect it. There is nothing new in this discovery, but it is nevertheless amusing and interesting that gentlemen who have such a profound belief in the magic of a planned economy which they can direct from Washington should have taken so long to learn such an elementary lesson.

For the sake of the record I should like to show what a paltry impression these anticipated new tax receipts will make upon the terrifying deficits which have been run up by an administration which promised to put "our own national house in order" (I am quoting from the President's inaugural address of Mar. 4, 1933), and make "the income balance outgo."

The Democratic platform of 1933 said—

We favor maintenance of the national credit by a Federal budget, annually balanced. * * *

The only annual balancing of the Budget that I have been able to discover has been in the annual promises which the

President has made, each holding forth the hope that a balanced Budget was just around the corner.

Instead of income balancing outgo, here is what the official figures (taken from the President's own Budget message of Jan. 3, 1936, and the Secretary of the Treasury's testimony before the Senate Finance Committee on Apr. 30, 1936), show:

	Expenditures	Income	Deficit
Year ending June 30—			
1934	$7,105,000,000	$3,116,000,000	$3,989,000,000
1935	7,375,000,000	3,800,000,000	3,575,000,000
1936 [1]	9,882,000,000	3,916,000,000	5,966,000,000
Total	24,362,000,000	10,832,000,000	13,530,000,000

[1] Estimated.

The new taxes contemplated by the legislation now before Congress will cover, it seems, only about one-tenth of the deficit for the current fiscal year. Put another way, in order to balance the Budget we should have to pass a tax bill levying 10 times what we propose to levy now.

I wonder if we can ever succeed in "putting our own national house in order" so long as the Congress has to rely on the type of estimates which the high priests of economic planning have been giving us. The present administration promised adherence to its party platform, which advocated "a Federal Budget annually balanced on the basis of accurate executive estimates." How has this promise been performed? I can name offhand five separate estimates that have been made as to the deficit for the year ending June 30, 1936. Here they are:

On Jan. 3, 1934, President Roosevelt estimated	No deficit
On Jan. 3, 1935, President Roosevelt estimated	$4,529,000,000
On Jan. 3, 1936, President Roosevelt estimated	3,234,000,000
On Apr. 25, 1936, President Roosevelt estimated	3,000,000,000
On Apr. 30, 1936, Secretary Morgenthau estimated	5,966,000,000

I submit that a promise of no deficit for 1936, compared with a performance of nearly a $6,000,000,000 deficit is, on its face, conclusive evidence of a recklessness in finance that can only lead, if the public allows it to continue, to the very danger which Franklin D. Roosevelt pointed out in his message to Congress on March 10, 1935, when he said:

> Too often in recent history, liberal governments have been wrecked on rocks of loose fiscal policies. We must avoid this danger.

PROMOTE PEACE AND DISCOURAGE WAR BY PREVENTING WAR PROFITS

Mr. McSWAIN. Mr. Speaker, under leave to extend my own remarks, I am expressing my pleasure at learning that on yesterday Senator TOM CONNALLY, of Texas, on behalf of the Finance Committee, announced that a report from that committee would soon be filed upon H. R. 5529, which passed the House more than a year ago.

Mr. Speaker, I have a very personal interest in this bill. When I was elected to Congress in 1920, one of the principal objects emphasized by me in my campaign was to assist in preventing a repetition of the disgraceful and outrageous profiteering that was practiced during the World War, whereby many thousands of persons became millionaires at the expense of the Government and their fellow citizens. When I entered Congress I immediately began taking every practicable and reasonable step to accomplish this result.

It is true that I did not favor the Capper-Johnson bill, because it contemplated a complete socialization of all of our industry and property and a complete militarization of all our people. I was afraid that if we ever "scrambled the eggs" in this way during war we would be unable to "unscramble" them during the subsequent peace. But I believe it is practicable and feasible to prevent profiteering without destroying our competitive and capitalistic system. For many years I worked to build up sentiment along practical and sane lines. I believe that I was indirectly responsible, by the means aforesaid, for there being planks in the Republican and Democratic platforms favoring legislation to prevent profiteering in time of war. In the same way I feel some responsibility for having inspired and assisted in the legislation setting up the War Policies Commission. I was active in the hearings by that Commission as a member thereof until I was suddenly taken sick on March 17, 1931. In the winter of 1931 and 1932 I was active in assisting to prepare the report of the Commission. I earnestly sponsored H. R. 5529 in the House of Representatives and have been anxiously awaiting action in the Senate. My very great respect for a coordinate body has deterred me from entering into any active campaign for the enactment of this bill by the gentlemen of the Senate, whose responsibility it now is.

Mr. Speaker, I will not be a Member of the next Congress. I am not a candidate for reelection. If I could see this legislation to prevent profiteering enacted into law during the present Congress, it would make me an exceedingly happy man. Of course, that is no reason why the gentlemen of the Senate should hasten legislation along this line, just to please me, but it is proper for me to express my very great interest in the legislation now pending before them.

Mr. Speaker, we are appropriating approximately $1,000,000,000 for the fiscal year ending June 30, 1937, for both the Army and the Navy. That sum is not too large; but for us to neglect an agency of preparedness of equal value to the Government in the conduct of war, such as legislation to prevent profiteering and to mobilize industry, when such legislation would not cost us a penny, seems to me strangely inconsistent.

Furthermore, our military and naval preparedness is for the purpose of promoting peace. We have no offensive designs against any other people or nation. We merely desire to be reasonably prepared to prevent aggression upon us by other nations. If other nations know we are prepared to defend ourselves, then they will not encroach upon our rights or violate our policies or invade us. In this way, sane and adequate preparedness on our part promotes and prolongs peace.

But if other nations know that we have legislation such as is contemplated by H. R. 5529, whereby all our industrial, financial, and economic resources will be instantly mobilized in time of war, and whereby profiteering will be prevented, so that our manpower will fight with more zeal and spirit, then such other nations will see that we are doubly prepared and will thus be more surely deterred from provoking war with us.

Therefore, a fit companion to the appropriation of $1,000,000,000 for defensive measures would be the enactment of H. R. 5529, which would be equivalent as a defense measure and as a deterrent of war to another billion dollars. If, therefore, we can get a billion dollars' worth of defense without the cost of one cent, we should take prompt, vigorous steps to accomplish that result, by the enactment of H. R. 5529.

Such legislation as is contained in H. R. 5529 has been the first and primary objective of the American Legion since its organization. Countless organizations—religious, fraternal, social, and otherwise—have endorsed the proposal. It is the well-nigh unanimous sentiment of the American people. If the Seventy-fourth Congress will enact H. R. 5529 into law, it will set up a monument to itself to which all future generations will point and to which the peace-loving and friendly peoples of all the civilized world will point as the beginning of a new era in human affairs, like unto the Declaration of Independence, like unto the Constitution of the United States, and like unto the great humanitarian measures that have been fostered and fathered by the Seventy-third and Seventy-fourth Congresses.

Indicating the importance of this proposal to stop profiteering in time of war, I call attention to front-page dispatches appearing in all daily newspapers of December 13, 1934.

THE POSTMASTERSHIP PROBLEM

Mr. HILDEBRANDT. Mr. Speaker, one of the most perplexing problems that a Congressman is called upon to solve is the selection of postmasters to be recommended

to the President and the Postmaster General for appointment. Every Congressman will, I think, back me up in saying this.

It is often difficult to choose between three eligibles, all of whom have good ratings and are highly recommended by loyal friends. The choice must be made, however, and two of the eligibles—as well as several, perhaps, who failed to land in the eligible class and were rated below the three more fortunate aspirants—are certain to be more or less disappointed. Their friends will be disappointed also, and sometimes many of them are hard to reason with. Then the difficulty of appeasing the ineligibles is often greatest of all, for, as a rule, every candiate feels sure that he or she must have passed the examination.

As a matter of fact, I believe that the Civil Service Commission is very just and impartial in making ratings. Its staff and examiners have generally been in office under both parties and have adopted the policy of showing no favors and of giving percentages that are as accurate as is humanly possible. If a seeker after a postmastership is not listed as eligible by the Commission, it is a pretty safe bet that he or she should not be so listed—that the Commission has merely done its official duty in an entirely impersonal way.

I do not like to disappoint people. There are numerous instances when I think highly of several candidates and should be happy if I could appoint all of them—but that, we know, cannot be done. It would be well if aspirants and their supporters would realize this, take the matter philosophically, and understand that a Representative in recommending one or another person is seldom actuated by anything but the best of good will for the others. If they will mentally put themselves in the Congressman's position they will be less critical.

LABOR, IMMIGRATION, NATURALIZATION, AND VETERANS' BENEFITS

Mr. LESINSKI. Mr. Speaker, I am proud to have had a part in the adoption of the many measures proposed by our President for the betterment of the workers of the United States.

President Roosevelt and the Seventy-third and Seventy-fourth Congresses have been in entire sympathy with the laboring men and women of this country. Through the enactment of the Home Owners' Loan Act we saved thousands of their homes. The Federal guarantee of bank deposits has made their life savings secure. The Railroad Retirement Act will help to care for thousands of railroad workers who have reached the evening hour of life. The Wagner Labor Relations Act recognized the principle of collective bargaining so long fought for by the labor organizations of our Nation. The National Reemployment Service has assisted many thousands in finding gainful employment. The Civilian Conservation Corps has taken from the streets hundreds of thousands of sons of laborers and placed them in clean and healthful camps. The Social Security Act guarantees to our aged that their declining years will not be spent in poverty and suffering and sets up a system of unemployment insurance for the future. The Public Works Administration has provided employment for thousands. The apropriations for relief have given effect to the declaration of President Roosevelt that no one in the United States would starve.

In spite of the sincere and honest efforts that have been made, Mr. Speaker, the problem of unemployment has not yet been entirely solved.

THIRTY-HOUR WEEK BILL

By far the most insidious evil of our modern civilization is the appalling unemployment caused by the use of labor-saving machinery. Today cows are milked by machines. Cotton is picked by machine. One tractor pulls 24 plows and thousands of acres are plowed in one operation. Teletype machines supplant thousands of telegraph operators. The dial system does away with the need for hundreds of thousands of telephone operators. The ditch-digging machine, with a crew of 3 or 5 men, can do more work in 1 day than 100 men did before this piece of machinery was invented. These are only a few of the labor-saving devices that cause millions to be without work.

A leading manufacturer of motor cars in 1922 employed 55 men per car manufactured. In 1934 the same manufacturer turned out each car with the assistance of only 8 men. Another manufacturer of automobiles required an average of 4,664 man-hours to turn out an automobile in 1912. In 1923 this manufacturer required only 813 man-hours to produce an automobile. A new furnace for heating metal has increased production per man two and two-thirds times. Forging by machine doubled production per man. A machine for the manufacture of pressed-steel frames operated by one man displaced the labor of 175 men.

We are proud of the inventive genius of our people. We glory that of all the nations on earth, ours has the capacity for producing more goods than almost all the other nations by their combined efforts can produce. During the era of industrial progress the greatness of American industry has been proclaimed throughout the world. But, Mr. Speaker, a social and economic system founded to meet the needs of a society that knew nothing of machines cannot meet the needs of a society that appears to be in danger of destruction by the machines it has invented. Changed conditions call for the adoption of new policies to meet the new conditions. Our enthusiasm for the benefits derived from improved machinery caused us to become unmindful of the hardships of those who toil with human hands. Society must progress; civilization must march forward with a never faltering step. But in that march of progress we cannot let only those take who have the power and let only those keep who can. We must make such modifications in our social and economic structure as will guarantee to the laborers of the United States a just share in the wealth they produce.

America cannot long continue economically half slave and half free. With the number of unemployed estimated at between 7,000,000 and 11,000,000, we find industrial production within striking distance of the peak reached in 1929. We have found that our industrial system, while making thousands of millionaires, made millions of paupers. Pay rolls in December 1934 were only about 60 percent of the total in 1926, but dividends and interest were 150 percent of their total in 1926. Even though the national income had declined by nearly 40 percent from 1926 to 1934, the income enjoyed by those who received dividends and interest was 50 percent higher than in 1926. In 1849 the wage earners' share in each dollar created by manufacture was 51 percent. Today the wage earners' share is only 36 percent. In other words, the share going to profits and overhead and other costs has increased from 49 percent to 64 percent over the 87-year period. On the other hand, due to improved machinery, between 1919 and 1933 the average worker's producing capacity almost doubled; production per worker per hour in our manufacturing industries increase 71 percent, while, as I have said, their share in each dollar created by manufacture dropped approximately 15 percent.

These brief illustrations clearly demonstrate that the machine has displaced the laborer and the laborer's share in the national income that has been lost to him is now going to the man who owns the machine. The result is an over-concentration of wealth in the hands of a very small percentage of our population.

The machine has displaced the man. Does the machine assume the burden of citizenship? Does it maintain the American home, the cornerstone of our civilization? Does the machine take over the burden of taxation? Does it consume the products of man as does the laborer? The inanimate machine, without soul, without intellect, has under our system become a monster that knows no God, grinding in its ever-turning wheels the hearts, ambitions, and ideals of millions of laborers. Are we to continue to permit this monster to be our master and destroy our civilization; or shall we by the adoption of enlightened and humanitarian legislation reduce the monster to a position of servitude in order that it may become an instrumentality serving the best interest of all the people? The American Congress

will not shirk its duty. It will adopt a plan that strikes at the very heart of unemployment. This plan is embodied in the 30-hour workweek bill.

The 30-hour-week bill will guarantee to the worker a fair share of the wealth he produces. It will result in a more equitable distribution of the national income. Before the products of industry can be purchased the people must have money with which to buy. The wage earners of this country, including the farmers as wage earners, represent approximately 80 percent of our total ability to consume. The wage earners will buy the products of industry just as soon as they have the necessary purchasing power. The 30-hour-week bill by putting millions of idle workers in gainful employment will work untold benefit to the entire Nation by producing a tremendous increase in our national purchasing power.

The 30-hour-week bill provides briefly that all goods shipped in interstate commerce must be manufactured by plants employing laborers for no more than 6 hours in any one day and no more than 30 hours in any one week. The estimates based on the best available figures are that the adoption of the 30-hour workweek will create jobs immediately for some 3,200,000 workers. The reemployment of these workers will produce an enormous increase in demand for industrial products, and this demand with its cumulative effect over a period of time will lift production to levels never before possible. These new demands upon our producing and service industries will create more jobs and finally reemploy the millions of workers without jobs.

To secure the best possible results and assure the workers that their income will not be reduced with the corresponding reduction in hours, this bill makes it unlawful for any employer to reduce the prevailing wage rate. There are many who will undoubtedly attack this measure as unconstitutional. I urge the passage of this bill immediately. If it is found to be unconstitutional, I urge the immediate adoption of an amendment to our Constitution to give the Federal Government the power to deal with a problem of national concern.

Unless this measure is adopted machines will stay idle. Factories will remain closed. They do not produce simply for the sake of production. Industry produces to sell to customers who can buy, and customers cannot buy when only a few of them are in receipt of wages, and wages which are in many cases insufficient to keep body and soul together. We must recognize the fact that the workers of this country must have a sufficient purchasing power—that is, a fair share of the national income—to enable them to purchase the products of industry.

That the principle of the 30-hour week is practical has already been demonstrated. During the period from July to October 1933, due to the decrease in hours of work brought about by the N. R. A., employment climbed to 75 percent of the 1929 level, and this employment was maintained throughout 1934. During the period of the N. R. A. the average workweek in industry was almost 40 hours. Do we need greater proof that the principle of shortening hours of work and at the same time maintaining a living wage schedule is the proper method to pursue in solving our problem of unemployment?

We are taught that man was made to enjoy the fruits of this earth. Under our present system it would appear that the earth and even man himself was created to be the servant of entrenched wealth and the modern machine. We cannot expect one group of our population to remain prosperous while another group exists in economic slavery. Progressive Americans must dedicate themselves to the task of ending exploitation of the laborers and reaching an economic balance in our national life. The primary step to be taken in attaining these sacred objectives is the adoption of the 30-hour workweek bill. If this Congress will pass this bill it will be placed on the statute books as one of the greatest laws of all times. It will bring to millions of idle workers, prosperity, happiness, and renewed courage.

VETERANS' BENEFITS

The military genius of the soldiers of all our wars stands forth in undimmed luster. In their youth, strength, and love of loyalty they gave all that mortality can give. They need no eulogy; they have written their own history in red on the enemy's breast. When I think of their patience under adversity, their courage under fire, and their modesty in victory, I can well understand why an appreciative people have demanded that our Government enact legislation for the benefit of the sick, wounded, and disabled veterans, and for the benefit of the dependents of those who have heard the sounding of their last reveille.

For a great many years the Congress, without regard to any fixed policy, has enacted pension law after pension law. This has resulted in a conglomeration of inequalities. Veterans protest the inequalities and uncertainties; our taxpayers the cost and inefficiency. The law applying to any particular case is lost in a maze of statutes and regulations and its proper application is always difficult and oftentimes impossible. The result is prolonged adjudication, and a final determination of the merits of a particular case is sometimes delayed for a period of years.

In order to remedy these conditions, I propose the adoption of a uniform national policy with respect to the benefits being paid to our veterans, their widows and dependents. I urge the codification and simplification of all pension laws and regulations. We must enact pension laws that will be uniform as to operation upon the veterans of all our wars. Our Government should have a sound policy applicable to the future as well as the present. Our pension system should be flexible, in order that full justice may be done in every case and in order that benefits may not be denied because under some technical regulation the equity of a particular case cannot be recognized. The simplification of our pension laws would result in a simplification of operative procedure in administration and would mean an annual saving of millions of dollars. We could then provide more liberal benefits for our veterans at no additional cost to our Government. At the present time the whole bill for expenditures by the Veterans' Administration is charged to the veterans, while in truth a large percentage of the funds appropriated are used up in the administration of the pension laws.

A grateful people must not with the passing of the years forget that the most sacred principles of our free Government have been acquired, protected, and perpetuated by the blood of our veterans. We owe them a debt that cannot be paid in money, but insofar as we can show our gratitude by the payment of benefits that will ease the suffering resulting from war, we cannot in honesty and fairness do less than assure them that the benefits provided will be uniform as to all, easily and quickly acquired by those entitled, and secure after granted.

IMMIGRATION AND NATURALIZATION

The growth of the United States has been characterized by a spirit of restless activity. We have constantly sought new frontiers to conquer, and beginning with a virile civilization on the Atlantic seaboard we have gradually extended our frontiers until today we have a united people in a nation that stretches from the Atlantic to the Pacific and from the Great Lakes to the Gulf of Mexico. The United States was made rich and populous only by the hardy, pioneer spirit of millions of God-fearing people in distant countries who did not hesitate to leave their homelands for a new and strange country where all are guaranteed liberty and equality.

In the colonial period there was no problem of immigration and naturalization. We welcomed all who had the courage to colonize a new continent, and by their very coming to our land we knew that they had the qualities of citizenship that we desired. During the past 50 years we have found it necessary to enact many laws governing immigration and naturalization. Most of these laws have been wise and just. Through their operation we have added strength to our national character. These new citizens have eagerly and without hesitation assumed the burden of citizenship, and our history is colored with their achievements.

The United States by welcoming thousands of immigrants is annually adding new blood to its national body. Americans greet them in a spirit of friendliness and comradeship, for we all know that at some time in the years gone by our forefathers encountered the same difficulties that they now meet.

However, Mr. Speaker, through personal observation in my own district and by official study as a member of the Committee on Immigration and Naturalization, I know that the present immigration and naturalization laws in many instances work unbelievable hardship.

The average hard-working alien not only has troubles of an economic sort but he is also caught in a web of conflicting, cumbersome, and rather harsh immigration and naturalization laws. As in the case of the pension system, naturalization law after naturalization law has been passed. It would seem that Congress has passed one law to remedy a particular condition and then on finding that it did not entirely meet the situation, quickly passed another law to fill in. This haphazard policy has left so much to judicial and administrative interpretation that honest and conscientious aliens desirous of becoming citizens of the United States are at a loss to know what their rights are or where to find an understandable statement of those rights. Under the operation of our present system, family ties have been broken, relatives separated, and homes wrecked because some arbitrary ruling or technical interpretation failed to recognize the merits of an application for citizenship that presented to an unbiased mind all the qualifications desired of a good citizen.

I urge, Mr. Speaker, that a thorough and sympathetic study be made of our present immigration and naturalization system to the end that a simple, complete, and understandable codification of these laws may be attained that will assure to our honest alien elements common justice and humane treatment.

THE ECONOMICS OF SCARCITY

Mr. HILDEBRANDT. Mr. Speaker, so much criticism has been aimed at the Agricultural Adjustment Administration because of its policy of an economics of scarcity that an explanation is due many farmers and others who do not understand the reason behind this governmental procedure.

Chester A. Davis, A. A. A. Administrator, in his address at Des Moines, June 3, well explained the position of the organization of which he is in charge. Among other things, he said:

> I think I speak what is in the minds of the farmers of this country when I say that they are strong for the economics of plenty—but they want it practiced clear across the board in the business life of the Nation as well as by the farmers. Why should the farmer be asked to stand alone among the producers of the Nation, operating to the limit of his plant's capacity and throwing his output on the market for what it will bring and then turn around to buy what he needs from industries that really understand the economics of scarcity and know how to apply it because they have practiced it so long?

Mr. Davis appropriately added—

> He could not understand the way of the man's mind who ruthlessly practices in his own business the very principle of production control which shocks him so when the farmers get into it on a much more moderate scale.

The A. A. A. Administrator might also have pointed out that the economics of scarcity program is not necessarily a permanent one, and was adopted as an emergency measure when the country was suffering from the economic stomach ache that was felt around the world. Emergency measures are used to meet unusual conditions. The Roosevelt administration very sensibly maintained that it was unwise and unjust to allow farmers to produce more than they could sell, or, at least, so much that the market would be glutted and they would be unable to get living prices. Therefore, it decided to require restricted production in certain crops, and also to pay the farmers out of Government funds for the losses they would undergo by producing less than the normal amount. The great outcry that arose against this innovation was built around the complaint that the country needed more food and supplies, not less. Granted that this was true on the whole, but what was the use of letting agriculturists raise what they could not sell, thereby making their plight even worse than it already was? The saner way was to curtail production, causing prices to gradually rise, and affording the farmer an opportunity for a better market.

I doubt if many farmers have been greatly deceived by the hub-bub against the economics of scarcity. The average man who tills the soil is intelligent enough to see that the policy is both progressive and practical.

SOME OUTSTANDING ACHIEVEMENTS OF THE SEVENTY-FOURTH CONGRESS

Mr. JOHNSON of Oklahoma. Mr. Speaker, as the last session of the Seventy-fourth Congress reaches what appears to be near the close it is only natural for Members to reflect upon achievements as well as the shortcomings of the present session. Moreover, it occurs to me that the good people of the Sixth Congressional District of Oklahoma, who have placed their confidence in me as their Representative, are entitled to know the part their Representative in Congress has had in this important program. Regardless of whether they agree with me, the people are entitled to know my record. And I am glad to say, Mr. Speaker, that I am not ashamed to stand on my record. A record made speaks louder and much more definitely than campaign promises.

HAVE SUPPORTED PRESIDENT ROOSEVELT

During this session of Congress, as well as every other session under the Roosevelt administration, I have given my wholehearted support to the President's recovery program. Like millions of other Americans I have faith in our President; faith in his ability and courage to bring the Government back to the people. One of the greatest compliments that has ever been paid me during my public life was when our late beloved Speaker, while serving as our House floor leader, interrupted a speech that I was making on the House floor to pay me an entirely too generous tribute, a tribute, however, that I value most highly.

FROM THE LATE SPEAKER BYRNS

The following is from the CONGRESSIONAL RECORD:

> Mr. BYRNS. Mr. Chairman, will the gentleman yield?
>
> Mr. JOHNSON of Oklahoma. I yield with pleasure to our distinguished leader.
>
> Mr. BYRNS. I may say, if the gentleman will permit me to do so at this time, that I am sure no Member on this side of the Chamber has supported the President more loyally and more earnestly in all those measures looking to the success of his plan for recovery and restoration of our country to prosperity than the gentleman from Oklahoma. There is no question of his loyalty to the President and to all those things for which the President stands, and I know that the President relies upon the gentleman from Oklahoma as he does upon other leading Democrats of this House in his effort to restore prosperity to the country. [Applause.]

Later, in introducing me to a radio audience, Speaker Byrns was good enough to say, in part:

> Mr. JOHNSON has attained a position of leadership in the House. He is an able, tireless worker both on the floor and in his committee work, and he has won the confidence and esteem of all of his colleagues by his conscientious discharge of the duties devolving upon him and his devotion to the interest of not only his constituents but the people of the entire country.

HAVE SOMETIMES DIFFERED WITH LEADERS

On the other hand, Mr. Speaker, although I have been glad to give my enthusiastic support to the New Deal program in the main, I have not hesitated to vote against some measures that were supposed to have the blessing of the administration when those measures did not meet with my approval. Speaking on the floor of this House a few days ago in support of the Frazier-Lemke farm refinance bill, I said:

> I have been glad to follow the leadership of this House when I believed it to be right, but have not hesitated to differ with my Democratic brethren when in my judgment they were wrong.

LIBERTY LEAGUE FIGHTS ROOSEVELT

Just now we are hearing much criticism of the President and his New Deal program. In fact, the Liberty Leaguers have overdone their fight against the President. The Liberty League, with its Du Ponts, Mellons, Mills, and Morgans, are joined, of course, by opposition party leaders and partisan spellbinders. The President, being human, is subject

to mistakes, and this Congress, with 435 Members in the House, is also subject to mistakes. But we also know that conditions of the farmer, the laborer, and the average businessman have improved under the New Deal program and that it is absurd for the opposition to say that the recovery thus far made is from natural causes.

NEW DEAL SAVES FARMS, HOMES, AND BANK DEPOSITS

It cannot be denied that the President's banking-reform legislation put teeth in the law, guaranteed bank deposits by the Federal Government, and put a stop to the wholesale closing of banks in every city, town, and hamlet in the United States, and the consequent loss to individuals who had seen their life savings swept away. I was glad to have a part in the passage of this important legislation.

Nor can it be denied that the saving of more than 1,000,000 homes in the towns and cities that were about to be foreclosed could have possibly been brought about from natural causes. It took a vision of the President and the courage of Members of Congress to support this legislation in the face of much bitter opposition, coming mostly from the Republican side of this House.

It is interesting to hear the spellbinders over the radio and on the floor of this House who have the temerity to charge such a beneficial program as extravagance of the New Deal. But the fact is these loans are protected, as a whole, by good and valid security, as are similar loans made by the Farm Credit Administration to more than 1,000,000 farmers, who would have otherwise been sold out by the sheriff.

SHOULD GIVE TENANT FARMERS SQUARE DEAL

In my judgment, the New Deal farm program has not gone far enough, especially in aiding our distressed farmers to refinance their indebtedness, and I feel that the next Congress should and must enact more liberal farm credit legislation, giving longer terms and lower interest rates.

Another farm bill that I have repeatedly urged this session of Congress to pass is the Jones-Bankhead farm tenant bill. This would enable the 130,000 tenant farmers of Oklahoma, many of whom are eking out a mere existence, to live under their own roofs and own their own farms.

ABOUT NEW FARM BILL

The new farm bill that has taken the place of the old A. A. A., that was declared unconstitutional by the United States Supreme Court, is in my judgment here to stay. It is based upon soil conservation and the domestic-allotment plan and offers to our people real, practical farm relief. If it is properly administered by the Secretary of Agriculture and his associates, it is bound to bring about better prices for farm commodities and will save millions of tons of precious soil that have been heretofore washed and blown away.

WOULD NOT DARE REPEAL SOCIAL SECURITY ACT

What will undoubtedly go down in history as one of the outstanding measures ever enacted by any Congress is the Social Security Act, passed by the Seventy-fourth Congress. The opposition has criticized this, but it is significant that when our Republican friends held their national convention at Cleveland last week and labored and brought forth their platform, written by the old guard, that points with pride and views with alarm, that they did not go on record as favoring the repeal of the Social Security Act. It is even more significant, incidentally, that they did not devote much space in their platform to pointing with pride to the last 4 years of Republican prosperity under the old deal.

SOCIAL SECURITY IGNORED UNDER OLD DEAL

Be it remembered that early in President Roosevelt's administration he sent a message to Congress demanding the passage of a Social Security Act. Practically every civilized nation on the face of the earth had recognized the justness of such legislation and had enacted it in some form or other. Our Republican friends, when in charge of the Government, not only ignored such proposed legislation but ridiculed the idea. When an old-age-pension bill was introduced during my first term in Congress it was sent to a committee where it was smothered, and leaders then in charge of this House did not show the courtesy or manifest the interest to make any kind of a report on the measure.

LAW MUST BE STRENGTHENED AND LIBERALIZED

When the President's Social Security Act was pending in this House, I worked with the Democratic majority in giving it my support and spoke for the bill during the debate on the measure. I pointed out then that I had openly supported reasonable and adequate old-age pensions in and out of Congress for many years when it was unpopular to do so. I pointed also with considerable pride to the fact that in one of my first speeches made on the floor of this House, during my first term, I advocated Federal old-age security. I also made it plain that I was not satisfied with this legislation as written. I felt then, as now, that the Social Security Act is not the last word, but rather the first word, in this far-reaching program. But when the present Federal law is strengthened and liberalized, it will be done by President Roosevelt and his friends and not by those who have denounced the President as a dictator and called on their followers to support anybody but Roosevelt.

OPPOSES FEDERAL SALES TAX

Let me add that I have consistently opposed a Federal sales tax. I am opposed to it because I know it is a scheme of the very small group that has accumulated most of the Nation's wealth to place the burdens of government on the average citizen who is already overtaxed. A sales tax is fundamentally a poverty tax, and places the burden of government on those least able to pay. I am opposed to a Federal sales tax irrespective of what it may be called or for what it is to be used. I am especially opposed to a hidden sales tax and even more opposed to a pyramided sales tax. On the other hand, I would place the burden of paying for old-age pensions on those most able to pay, by raising income tax, corporation tax, excess-profits tax, gift tax, inheritance tax, undistributed surplus tax, and by taxing the damnable stock exchanges.

This administration, I am glad to say, has regulated the stock exchanges. It has practically stopped inside manipulations and shady and crooked sales transactions. Now it should place a real tax on the stock exchanges, a thing I have advocated for years and shall continue to advocate.

OPPOSES WAR

Having had the bitter experience of serving as a buck private during the World War, I have first-hand information of real war with all of its horrors and heartaches. We now know that the World War did not make the world "safe for democracy." But it did make the world safe for millionaire munitions makers and war profiteers. For years I have vigorously advocated legislation to prohibit future war profiteering. I am glad to say the House during the last session passed the first bill of this kind to eliminate future war profiteering. I sincerely hope that this Congress will not adjourn until both Houses agree on such a measure.

NEUTRALITY ACT TO PROMOTE WORLD PEACE

This Congress took a long, forward, and progressive step toward maintaining world peace when it passed the President's Neutrality Act, during the past session and strengthened and extended the law again this year. If the Neutrality Act prevents or aids in preventing America from being dragged into another war, it is undoubtedly the most important law enacted during the session now drawing to a close. This legislation should materially assist the United States to remain out of entangling alliances in the Old World and thus promote world peace.

MUST ABOLISH OVERLAPPING DEPARTMENTS

More than 2 years ago I suggested to this House that it was time for Members to begin to think about economizing in Government. Again, in the last session of Congress, I stood on the floor of this House and made the same suggestion. In that speech I said in part:

MUST ABOLISH OVERLAPPING BUREAUS

My suggestion that we abolish countless commissions and overlapping boards and bureaus is more urgently needed

today than ever. Some of us have gone along with the administration in establishing boards and commissions with the assurance that they were only temporary measures to meet emergencies and that they would soon be abolished. The next Congress cannot side-step that issue. These overlapping, obsolete, and useless bureaus are making government topheavy. The next Congress should abolish many of them.

Mr. Speaker, we have not abolished some of the overlapping bureaus and commissions that I had hoped this Congress would abolish, but I am glad to say that this Congress has appointed a commission of trained men to go into this all-important subject and investigate it thoroughly and report back to the next Congress, and I am hopeful that the next Congress will make some radical changes in the matter of combining and consolidating overlapping bureaus, boards, and commissions.

RECORD SPEAKS LOUDER THAN PROMISES

The record shows that I have made several fights to effect economies in the different departments of government. The records reveal that on February 26, 1936, I made a fight on the floor of this House against the $100,000,000 shelterbelt program and that the House sustained me in that fight. Two days later I took the floor to challenge a $25,000,000 item proposing to buy worthless land for the Forest Service that was about to be wished off onto a magnanimous Congress. Again this House sustained me and thus the taxpayers of America were saved a "cool" $25,000,000. That is a record for economy that speaks for itself. Again I say that a record made speaks louder than campaign promises.

The New Deal has, of course, made mistakes. The President frankly admits that. Most of the mistakes, however, have been made by the emergency New Deal set-ups created to relieve suffering humanity. Those mistakes can and undoubtedly will be corrected. But, admitting mistakes, the New Deal is infinitely better than the Government under Republican rule, when, as someone has said: "Prosperity was 'Hoovering' around the corner."

PEOPLE HAVE FAITH IN PRESIDENT

The people have an abiding faith in Franklin D. Roosevelt. They know his great heart beats in sympathy with the farmer, the laborer, and the average businessman. They know that the Roosevelt administration has gone its limit, especially to give the distressed farmer a square deal. I am glad to have an humble part in helping to formulate such a program.

But Mr. Speaker, we cannot rest on our laurels on what this Congress has accomplished, important as that may be. We must look to the future. Our people have every reason to expect greater accomplishment in the future. One thing is certain, we are not going back to the old "horse and buggy" days in government. We are not going back to the dark days of 1930, 1931, and 1932. The old order has passed. The new day has dawned. And we as Representatives in Congress must keep in step with the procession. We cannot look backward, but must look forward to higher and better things and to far greater achievements.

AN EXPLANATION OF THE NEUTRALITY ACT

Mr. KNIFFIN. Mr. Speaker and Members of the House, the Seventy-fourth Congress, now coming to a close, has been confronted with many serious problems. A Congress is remembered by the legislation it passes. Many Members of this body were aroused by grave indications of an impending European war. Upon investigation we found that the United States has no reason to become involved in international conflict. Acting upon the facts, we enacted legislation to protect the American people. Of all the perplexing problems with which nations are beset, that of maintaining peace surpasses all others in importance. It is a recognized fact that this Congress will be memorable because of its enactment of the Neutrality Act. The passage of this law denotes the first solid step toward peace.

WAR OR PEACE

The matter of war or peace depends largely upon the laws enacted by the legislative branch of our Government. This Congress has shown vision, initiative, and high moral courage in the passage of the Neutrality Act and has realized that the surest way to prevent war is by avoiding the conditions which lead to war. In this respect we have acted boldly and wisely.

MODERN WARFARE

It cost $25,000 to kill one soldier in the late war. Seven millions of men lost their lives. War is brutal. It is the most futile and ferocious of human follies. This generation is thoroughly acquainted with its evil consequences and aftereffects. We know that its deadly germ attacks the blood and bones of a nation. Millions of human beings all around the globe are still suffering and dying as a result of the unprecedented waste of the last war.

Science, which has brought about so many wonderful achievements affecting our daily life and health, has also made war more devastating. Modern warfare, using implements and gases now known, would be of a nature so destructive that we can conceive it only as supernatural. Another general war would usher us into an era of wholesale scientific slaughter in which horror, destruction, and death indescribable would come to men, women, and children.

PRINCIPAL PROVISIONS OF ACT

We have sought through neutrality legislation primarily to keep our citizens out of war, and it is my belief that the people of this country are entitled to an explanation of what we have accomplished.

The principal provisions of the Neutrality Act, which is now a law, consist of an absolute embargo against the sale or export of arms, ammunition, or implements of war to belligerent countries, a prohibition against the making of loans or the extension of credits to any belligerent government, the exclusion of passports to American citizens for travel on vessels of belligerents, and the removal of governmental protection from all citizens thus traveling.

By this act of Congress we have given official notice to the world that America will no longer permit itself to be used as a base of supplies for war purposes. It is indeed a new principle of national behavior which will make for a better ordered world. This law means that when any foreign nation declares war it automatically severs itself from all financial aid, arms, and munitions from us, and none of our citizens will be permitted to travel upon any of their vessels. It means that the American flag will never again be wrapped around kegs of powder destined for the ports of warring nations. As the act applies equally to all nations, extends the same treatment to all, no policy could be more neutral.

This neutrality is a safeguard against our being drawn into armed conflict, and, furthermore, it renders as remote as any act on our part could the possibility of conflict between other nations.

Inasmuch as this policy is mandatory and compulsory, it lies entirely in our hands—is not dependent upon any agreement, treaty, secret alliance, or any other form of possible or probable entanglement.

AMERICA SETS EXAMPLE

This law marks a great advance in the preservation of the peace of our country. It makes for peace built upon the true spirit of peace and amity. By enacting it we have set the world a true example of peace and have proven that the forces of good are still superior to the forces of evil. It is a measure of relief to a hopeful and expectant world that is war weary, that has been bled white by the ravages of conflict, that has been filled with such a sad spectacle of crippled and diseased men, and that has sent to untimely graves millions of the flower of the youth and manhood of many countries.

By this plan we keep our own peace, and by so doing show other nations that peace must first come from the within, and that it may become universal if they likewise keep their own peace.

Now, on account of our position and national strength and importance among nations, the adoption of a policy of this character should have great influence. Other nations may adopt similar legislation. It is reasonable to believe

that others will follow our example. Once a number of nations follow our lead, the clouds of conflict will quickly disappear, and we shall be able to visualize through the clearing bloody mists the scanty outline of the harbor of permanent world peace. When that time comes, the long and soul-trying struggle will have been won, and the stars will be heard singing together, and all of the sons of men will shout with joy.

HUMAN LIVES VERSUS COMMERCE

There are those who advocate the shipment of anything anywhere in time of war. A theory palpably absurd. They should remember that this country tried that very policy during the late war and in due time, while profiteering upon the misfortunes of others, became ourselves involved. Then, too, the effect of such a policy is to promote foreign commerce at the expense of human life. In this connection, it is pertinent to at least presume that business has learned a costly lesson. Industry has never held the gains of war expansion. Contrarily, it has always suffered sharp recessions and collapses in after-war periods.

INDUSTRY LOSES

Moreover, the tremendous decrease in the capacity of impoverished peoples to buy and consume, together with higher taxes for a generation following war, makes it clear that the sum total of war in its final analysis causes industry to be the financial loser. The permanent gains of industry have all been established in peacetimes. Gains of industry must be based upon sound economic conditions. There are many instances in which business has attained its objective in peacetime after it attempted and failed to accomplish it during hostilities. The prolonged post-war burden upon industry (except manufacturers of arms and munitions) causes it to suffer notwithstanding the temporary swell in profits during actual warfare. These facts allow of no doubt as to the inability of industry to progress upon a foundation of destruction and waste.

NEUTRALITY MUST BE STRICT

Our insistence upon our rights as a neutral were ignored during the World War. Attacks upon our shipping followed and then in turn came our involvement in the conflict. Therefore, if it was not plain then, it should be plain now, that our policy must be one of strict neutrality to all and this neutrality must mean that no belligerent may profit by our aid, either direct or indirect. Any peace plan that does not reflect these features will be found lacking when the final test comes.

Another effect of the present law is to prevent a full exploitation of the private profit system in the manufacture of arms and munitions, and thus serves to restrain the activities of the huge subversive force which lies behind the arming and counter arming of nations. The control of this force is found finally in a mere handful of men, whose power, in some respects, reaches above the power of the State itself.

AMERICA SHOULD NOT LEAVE HOME BASE

The home-loving, right-thinking men and women, the lovers of decency and morality, the fathers and mothers of our boys and girls, earnestly approve this long-awaited action on the part of Congress. If other nations must fight, let them fight. We can and we must remain at home and here defend our own policies and our own rights. It would, of course, be imprudent for us to disarm while other nations remain heavily armed. To do so might invite aggression. That is why we maintain an army, navy, and thousands of powerful and swift fighting planes to flash out from our shores and repel any possible military attack upon our people. In no event, however, should we allow America to be drawn away from the home base and forced to send armies across the sea to fight.

LAW MUST BE MADE PERMANENT

The present neutrality act expires on May 1, 1937. This leaves to the next Congress the task of improving it, if possible, and reenacting it into permanent law.

There are few things which escape being called "contraband of war" by one or another nation engaged in international strife. In view of this fact, when the law is to be made permanent, studied consideration should be given to the question of prohibiting shipments of raw materials. These are sometimes referred to as secondary materials: Cotton, oil, food, metals, and the like. To make sure of our future immunity I am persuaded that the closest possible ban should be imposed upon sales of supplies of any kind that may even remotely aid a belligerent. Sales of such commodities, if any, should at least be restricted to peacetime proportions.

FREEDOM OF THE SEAS

Let us not be stampeded into a defense of an obscure phrase like "freedom of the seas" which has no meaning in wartime. The belligerent with the superior navy usually defines this phrase. We have gone most of the way by renouncing credits, munitions, and the protection of American citizens who would jeopardize the safety of all by foolishly traveling in war zones and naval blockades where torpedoes are ripping through the waters. It would be cheaper for the average citizen, who pays the bills, to get along temporarily with less commerce because the ultimate cost of war to protect this trade is paid by the people who do not profit.

RAW MATERIALS

This feature should be given careful study before the question is taken up for final determination by the next Congress, because out of the sale of secondary supplies a few make large profits and then, when it should happen that we are entangled on account of such sales and profits, the general public must shoulder the cost. A cost which renders a horrible accounting of gravestones, shattered minds, mangled bodies, broken homes, broken hearts, together with economic instability and back-breaking taxation for years to come. We are still reaping the ill effects of our last conflict, and we shall continue to do so. Surely we cannot, in the light of what we now know, fail to take every possible means to prevent our entanglement in any future debacle that may spread its ugly wings again over this fair land of ours. We are now firmly committed to a policy of peace and should examine carefully into all possible methods which will strengthen our position.

ARMS TRAFFIC CONTINUES

The world traffic in arms has continued unceasingly since the last war. A fact which indicates conclusively that the commercial motive is the chief obstacle to peace. If a fair portion of the enormous expenditures made in preparation for war could be diverted for use in the promotion of peace, the clangor of arms would cease from the rising of the sun to its going down, and we would soon find ourselves living on a happy and peaceful planet.

DISARMAMENT

The American people want to live in peace; they do not want war. It is entirely possible that our form of government might not survive our participation in another great war. The future of America as a Government, therefore, depends to some extent upon our foreign policy. This policy directly affects the daily living of most of our citizens as the burden of war bears down most heavily upon the middle and poorer classes. It is to be regretted that in this present imperfect world, nations have yet found no agreement upon practical methods of disarming. Peace conferences have been of little value because of the constant fear engendered by visions of attack and the frantic efforts to be prepared to meet the expected enemy. Nevertheless, I am optimistic enough to believe that peace conferences should be encouraged as they at least tend to organized promotion of peace principles, and by moral suasion publicly oppose efforts to stifle the human impulses for peace which have slowly developed as we have emerged from some of the practices of primitive savagery.

I am a firm believer in drastic disarmament, and would be glad to quickly join in any good-faith movement among the principal powers designed to reduce armaments on a major scale. A substantial, uniform reduction of armaments would lift from the backs of suffering mankind an unbearable

burden. Any and all attempts to bring about this much-desired end should be encouraged by the United States.

THE WAR DEAD

War is horrible, wasteful, sordid, and utterly indefensible. All those who truly know war abhor it. During the late catastrophe, thousands of our fighting men had an opportunity to observe at close range how hideous is the face of war. Those who are still with us strongly advocate taking the profit out of war. They consider this to be of first importance. Their active support contributed notably to the enactment of this neutrality legislation. It is also hoped that the work of this Congress is within the knowledge of their comrades who did not return from the western front—the war dead. If it is, and I believe that it is, the souls of those who died amid the roar and shriek of whistling shells, from up there far beyond the star line are now looking down approvingly upon the first honest, straightforward attempt on the part of any great nation to remove the incentive causes of deliberate human destruction.

CONCLUSION

The power to declare war lies in the Congress alone. Obviously this provision in the Constitution places a serious responsibility upon the individual Member of this body that is not shared by the average citizen. As a Member of Congress I am determined to do my part to assure peace to the citizens of the United States even though foreign nations be at war, and I hope that the day will dawn when the good people of this and of every civilized country will teach their children to hate the impious and fiendish agency of armed conflict. May God hasten the day when the scourge of war will be banished from the earth.

THE SALES TAX

Mr. SCOTT. Mr. Speaker, California is one of those States laboring under the burden of a sales tax. Now a movement is under way to repeal this form of taxation at the election in November. A Sales Tax Repeal Association, with Jackson H. Ralston as general chairman, and Ralph E. Chadwick, 321 West Third Street, room 603, Los Angeles, as executive secretary, has opened headquarters in San Francisco, San Diego, and Los Angeles. An active campaign is being waged now to secure the approval of the sales-tax repeal amendment. This amendment is popularly referred to as the Ralston amendment.

Just recently Mr. Chadwick delivered an excellent address on the subject. He sent a copy of it to me. For the benefit of those in the House who represent sales-tax States and for the benefit of those in California who did not have an opportunity to hear the speech of Mr. Chadwick, I want to summarize his argument in the RECORD.

The Ralston amendment is an initiative measure to be submitted to the people of California at the November election. It provides in brief for the repeal of sales taxes, the removal of the limitation upon taxation for State purposes on real and personal property, and exempts from taxation by progressive steps all tangible personal property and improvements upon land. It provides that the first year after its adoption improvements upon land used as a homestead shall be exempt from taxation to the value of $1,000.

TAX—TAX—TAX

Citizens of California are subject to not less than 100 different taxes. Every form of service or property, every need and activity from cradle to grave, is subject to tax or license charge. It is remarkable that industry survives the burden, and small wonder that we experience recurring depressions that threaten national security and retard progress. Blithely, nonchalantly, local, State, and Federal legislators tax this, that, and 'tother, with no regard for the effect or justice of the impost. Ignoring either ability-to-pay or service-rendered basis for taxation, officials strike out blindly and get the money wherever the most may be had with the least protests from those who contribute to campaign funds.

Persons with little or no economic or political influence may protest in vain until their indignation is made manifest at the polls and a new set of officials placed in office, while the old game of plucking the tax goose goes on so long as a single feather remains.

SALES TAX A "THROW-BACK"

With respect to the sales tax, Dr. Elmer Staffelbach says:

> The general sales tax is a form of tax which constitutes a "throw-back" to forms of taxation which were in effect before the French Revolution, and which it took a revolution to overthrow. It is completely the reverse of the ability-to-pay theory, in that it taxes poverty and tends to exempt wealth and ability to pay.

With respect to the effect of the sales tax, every person who ever paid a sales tax knows from experience that he has less money to spend for goods and services, due to the imposition of the sales tax, and that his purchasing power is accordingly decreased. The sales tax takes the pennies of the poor and rich alike in order that those who profit most by government may escape their just and equitable share of the tax burden.

WHAT DOES IT COST?

Published reports indicate that we are paying in excess of $70,000,000 annually for the privilege of purchasing goods and enjoying services that give employment to labor and profit to producers and distributors. And how much is $70,000,000? It is approximately $200,000 a day. It is the price of a bottle of milk each day for every family in the State of California. It is the price of two pairs of shoes a year for every inhabitant of the State. If left in the pockets of those to whom it rightfully belongs, it would increase the revenue of every farm, factory, and store and would find its way into the cash drawers of those who sell goods and render services. Two hundred thousand dollars is taken out of the pockets of consumers every 24 hours. This is a terrific toll upon industry and a very real hardship to 90 percent of our people whose incomes or earnings are in the lower brackets.

While repealing the sales tax, the Ralston amendment does not repeal or affect the gasoline tax which is paid at service stations. Nor does it repeal or affect income or inheritance or some nine other taxes now levied by the State.

While the measure most emphatically does not provide for the substitution of a "land value" tax for the sales tax, it is the earnest hope of its proponents that this will be done. California has suffered from land monopoly and speculation. It is estimated that there is enough land already subdivided in the State to meet the requirements of 125,000,000 people. This subdivided land would be the source of unearned profits if the people of the State could be persuaded to relieve its speculator-owners from their just share of the tax burden.

WHY THE BURDEN ON IMPROVEMENTS?

And why do some landowners insist that if a man improves, if he builds an apartment house for the service of people, or a home on a lot or farm for his own use, that he be taxed for what he does? Why do they oppose the untaxing of factories, machinery, stores, raw materials, finished goods, crops, orchards, and farm improvements and equipment? Why do they oppose exemption of these things from taxation? Why must industry and labor, who make the renting of houses and apartments and the buying of homes possible, be continually penalized?

Because, by maintaining a high tax burden on improvements and tangible personal property, by inflicting sales taxes on an already poverty-stricken people, holdings in land and the land reserves of future Americans are practically untaxed. This enables a few to hold more land, for a longer time, for a higher price, and a bigger mortgage, and for more false profit.

Consider, there are 100,000,000 acres of land in the State of California, or about 17 acres for each of its inhabitants. Of this area only 51,519,955 acres, or half of the total, appears on the tax rolls. In 1935 this land was assessed at $3,087,569,460, or less than $60 an acre on the average, and not one penny was paid by its owners, as such, for the support of State or Federal Government.

Section 2 of article XVII of the State constitution provides that the holding of large tracts of land, uncultivated

and unimproved, by individuals or corporations, is against the public interest, and should be discouraged by all means not inconsistent with the rights of private property. The sales-tax repeal amendment would give force and effect to this provision. Through the progressive exemption from taxation of tangible personal property and improvements upon city lots and farm lands and a corresponding increase in the tax upon land values, a powerful stimulus would be given to productive enterprise.

CITY LAND VERSUS FARM LAND

Everyone is familiar with the fact that cities and farming districts alike are hemmed in and their orderly growth restricted by huge land estates. Our present tax system encourages the nonuse or holding for speculation on vast domains. The owners are not to blame for the condition. The responsibility rests with us all and the remedy lies in our hands. The practice of assessing large or extremely valuable landholdings at a fraction of their value will continue so long as we are willing to submit to the taxation of industry.

Our present system of taxation presents the shameful spectacle of panhandling the poor and penalizing the industries for the money with which to maintain government.

The whole cost of local and State government—approximately $500,000,000—is about 4 percent of the real value of the land of this State, or an average of $5 per acre of 6 lots, after the worker, farmer, merchant, and manufacturer are freed from taxation on the products of their thrift and energy.

In 1900 the population of Los Angeles County was 170,289 and the assessed value of land $57,677,170, or $332 per person. At that time the most valuable lots were worth $150,000 each, or about $1,000,000 per acre. The 1930 census credits the county with a population of 2,208,492, which means that the most valuable lots are now worth a million and a half each, or $10,000,000 an acre. While the value of centrally located lots has risen to astronomical figures, wages and interest have declined. No part of the benefits of population growth accrues to merchant, farmer, worker, or manufacturer as such. Now, in common honesty, should we not first draw upon population values in private hands before filching the pennies of the poor or the legitimate profits of farmer, merchant, or manufacturer for public use?

TAX THOSE ABLE TO PAY

The Ralston or sales-tax repeal amendment would create a change in our tax policy. It would mean taxation that increases employment and purchasing power, and reduces the tax burden for those engaged in productive enterprise. With 25 percent of the people of this county on relief and another 25 percent on the border line, it is the part of wisdom to lift the burden of taxation from those least benefited by organized society and less able to pay and to shift it to the capable financial shoulders of those who, while neither toiling nor spinning, are able to profit most through community growth.

Real farmers, those who actually farm farms rather than farm farmers, would save 3 percent on their purchases as a result of the repeal of the sales tax, and progressively would have their taxes removed on orchards, crops, livestock, and buildings, leaving the value of their lands alone subject to taxation. And farmers have relatively little land value—theirs are mainly labor values. Contrast the land values of Los Angeles business frontage with the value of farm lands. The double-frontage land values on a section of Broadway in Los Angeles are worth not less than $300,000,000 the mile. This is the true "gold coast" of modern times. Just by way of experiment, let the farmer or home owner check the assessment on his land with that of neighboring or adjacent landholdings and consider that if there were an equalization of the tax burden upon all landowners, regardless of the use to which they put their property, the tax burden would be very light indeed for those engaged in productive activity.

REPEAL PREDICTED

The Sales Tax Repeal Association is predicting a determination on the part of the people of California to be done with sales and similar taxes. They feel that the people will be neither frightened nor cajoled, bullied nor threatened, nor in any degree diverted from their fixed purpose to swat it forthrightly next November.

This is what is proposed in submitting the Ralston or sales-tax repeal amendment to the people of California. Other States might with profit watch for the results in the California election in November.

MEMORIAL TO THE HONORABLE WILLIAM WALLER RUCKER, FORMER MEMBER OF THE HOUSE OF REPRESENTATIVES FROM MISSOURI, DECEASED

Mr. ROMJUE. Mr. Speaker and Members of the House of Representatives, I have been apprized recently of the death of Hon. William Waller Rucker, who served as a Member of Congress from Missouri for a period of 24 years, and during all that time he represented faithfully and well his constituents of what was then known as the Second Congressional District in Missouri.

I was fortunate in having had the honor and privilege of serving in the House of Representatives with him for a period of 4 years, the last years of his long and distinguished service to his State and district.

Mr. Rucker died at his home in Keytesville, Mo., the last of May, and there was a very large and sympathetic gathering of people in attendance at the last rites of this splendid citizen.

Mr. Rucker was born near Covington, Va., in 1855, and near the beginning of the Civil War he moved with his parents to West Virginia, in which State he attended the common schools, and at the age of 18 years he moved to Chariton County, Mo. As a young man he first engaged in teaching in the rural schools, during which time he devoted all his spare time to the study of the law. He was admitted to the bar in 1876, and a few years thereafter was elected prosecuting attorney of Chariton County, which office he held with distinction, discharging his duties in an effective and complimentary manner. He was renominated and reelected prosecuting attorney up to and until he was elected to the office of judge of the circuit court. He served 6 years as prosecuting attorney and 6 years as circuit judge, and while he was holding the position of circuit judge he was nominated and elected to Congress. During all of his official career he served his constituents and the public interests faithfully and well.

Since his retirement from Congress and the redistricting of the State of Missouri a portion of his district became a part of the district which I now have the honor to represent.

After Mr. Rucker's retirement from Congress he was often and affectionately inquired about by Members remaining here in Congress who had served with him. I think more inquiries of an affectionate nature were made relative to him by other Members who knew him than perhaps any other Member concerning whom inquiry was made from me, which indicates the indelible impression that he made on the men here with whom he had served.

When I came to Congress as a young man he had previously had many years of experience, and it is a pleasure to me to recall the many times when we counseled together, and his counsel was always regarded as sound. He was not a spectacular man and not of the type given to the seeking of notoriety, but rested his services upon the sound foundation of always being alert to the best interests of his constituency and his obligations to the public interest.

After his retirement from Congress I, of course, did not see him so often, but I made it a point while back in Missouri to pay him a visit nearly every year, and I never went near or through his home town, regardless of how much of a hurry I was in, without going by to spend awhile with him. Mrs. Romjue and myself always looked forward with pleasure when we contemplated a visit to his home. He was always hospitable, sincere, and solicitous about the welfare of his friends; and while he had reached a rather advanced age at the time of his death, the knowledge of his passing came as a shock to me and his many other friends, and I felt a keen regret in his death. His companionship and sound counsel and advice on public matters will be keenly

missed by those who knew him best as time goes on. Those who served with him in Congress, even though for a short time, learned to know and trust him; and, in the words of the immortal poet, I can aptly say:

His life was gentle, and the elements so mixed in him that nature might stand up and say to all the world—he was a man.

He was an able statesman and a faithful servant. He was conscientious and kind-hearted, and his kind deeds will live on and on.

MEMORIAL DAY FOR GENERAL PULASKI, POLISH PATRIOT, WHO FOUGHT FOR AMERICAN INDEPENDENCE

Mr. WOLVERTON. Mr. Speaker, the House has had under consideration Senate Joint Resolution 187, as amended, authorizing the President of the United States of America to proclaim October 11 of this year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

As amended and considered by the House, the joint resolution reads as follows:

Senate Joint Resolution 187

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11, 1936, and inviting the people of the United States to observe the day in schools and churches or other suitable places with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

Mr. Speaker, it is right and proper that this Nation should ever be willing and ready to recognize and pay tribute to those who fought and died in the cause of American liberty.

At different times, during the last few years, Congress has adopted resolutions designating October 11 of the particular year as General Pulaski's Memorial Day. The purpose of all such resolutions was to express our national appreciation of the valuable service rendered by this great and courageous Polish soldier and patriot, who not only gave his wealth but also his life in the cause of American liberty.

During this Congress an effort was made by the friends of the Polish patriot to increase the scope of the resolutions, as previously adopted, so that October 11 of every year would be designated as a memorial day instead of the necessity of passing a separate resolution each year. In other words, adopt legislation that would once and for all time designate and fix October 11, of every year, as General Pulaski's Memorial Day. It seemed logical, reasonable, and proper to do so, particularly in view of the fact that Congress had time and again shown its appreciation of the patriotic service of General Pulaski by adopting resolutions that set apart October 11 as a day to commemorate his service and death.

Congress, ever willing and anxious to do its part to give deserved recognition to General Pulaski, accordingly passed a resolution authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski. Notwithstanding the fact that both the Senate and the House of Representatives voted in favor of the resolution, it did not become a law, because President Roosevelt refused to give it his approval. On April 11, 1936, he vetoed the resolution and thereby prevented its adoption.

It is needless to say that such action upon the part of the President was a keen disappointment to myself and others who were interested in the passage of the resolution. However, it has not stopped our activity in behalf of this resolution that will designate October 11 of this present year as a memorial day; nor will the action of the President discourage us in continuing the effort to procure legislation that will definitely and finally designate October 11 of every year hereafter as a General Pulaski's Memorial Day.

I can see no good reason why legislation making October 11 a permanent memorial day should have been killed by a veto from President Roosevelt. It is particularly difficult to understand why legislation calling upon officials of the Government to display the flag of the United States on governmental buildings on October 11 of each year and inviting the people of the United States to observe the day in commemoration of the death of Gen. Casimir Pulaski should meet with the disapproval of the President, when on April 30, 1934, he approved a resolution passed by Congress, with the same provisions and recognizing the services of Columbus, as follows:

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating October 12 of each year as Columbus Day and calling upon officials of the Government to display the flag of the United States on all Government buildings on said date and inviting the people of the United States to observe the day in schools and churches or other suitable places with appropriate ceremonies expressive of the public sentiment befitting the anniversary of the discovery of America.

Without in any way detracting from the outstanding achievements of Columbus, it seems strange that General Pulaski, who gave of his wealth and finally his life in order that liberty and freedom might prevail in this land, should not receive an honor and tribute similar to that given Columbus. The sacrifice of one brought forth a new continent, and the sacrifice of the other a new nation dedicated to liberty and freedom.

On many occasions it has been my privilege, in this House and elsewhere, to emphasize the high order of patriotism that marked the career of this illustrious young Polish nobleman, who heard our call for help and immediately left his native Poland and made his way to America that he might participate in the great struggle for freedom and equality. The story of his courage, his devotion, and enthusiasm has been told and retold. It makes one of the most glorious pages in the history of this Nation. Written with his life-blood, it can never be erased. As long as this Nation shall endure his memory will remain.

And with the memory of General Pulaski there will always be linked that other great Polish patriot, Gen. Thaddeus Kosciuszko, who fought for 6 years under the leadership of General Washington in the war for American independence. He, like Count Pulaski, came to these shores to engage in our struggle for freedom because there was a love of liberty inbred in his courageous soul.

Nor shall we ever be unmindful of the courage and willingness to serve that has been shown by other Polish patriots, who in great numbers have answered the call of the country in every great conflict in which we have been engaged. In the Revolutionary War, in the Civil War, the Spanish-American War, and the World War, our Polish friends and citizens have left a record of faithfulness that will forever be a tribute to their patriotism and love of freedom.

And as might be expected from such a people, whose love of liberty has coursed through the veins of each generation, they have shown a high order of citizenship. Devoted to the institutions of America, our Polish citizens have given expression in their everyday life to those qualities that make for a strong Nation, namely, patriotism, character, and industry. In recognition of this fact and as evidence of my high regard for our Polish citizens, I have appointed to a cadetship at the United States Military Academy at West Point, effective July 1, 1936, Edward Dziatkiewicz-Verner, a Polish boy, as the first to be so appointed from the First Congressional District of New Jersey.

It will always be my desire and purpose, in the future as in the past, to participate in any movement that has for its object the giving of proper recognition to our Polish patriots and acknowledge our indebtedness to them for their service they so well rendered in the winning of our independence.

EVOLVING FROM DEPRESSION

Mr. GRAY of Pennsylvania. Mr. Speaker, the Republican Party has held its national convention, and with weeping, wailing, and gnashing of teeth it again foredooms America to disaster and gloom if the Democratic administration is continued in power for another 4 years.

By every right thought we may lay legitimate claim on the prediction of a better and brighter future for our people

by the continuation of the executive leadership of Franklin Roosevelt.

After 12 trying tragic years of dismal governmental failure by the master minds who engineered the destinies of the Republican Party and the country, and who left a trail of want and misery the like of which this country has never before experienced and hopes never again to endure, there came a fearless, dauntless, unencumbered Executive who in 3 short years revived a distraught and hopeless people, unburdened the load on weary souls, rekindled the fires of their spirit, and rebuilt a fallen Nation.

How quickly we forget, or rather, how quickly some would have us forget. At the recent make-believe convention in Cleveland we were told that the purpose of the Republican leadership was to restore America to the people.

An immediate question presents itself. Restore what kind of an America to what part of the people? From the results of their actions, from the history of their 12 tragic years of stewardship, it is evident that what that leadership purposes is not to restore America to the people but to resteal America from the people.

When we contemplate the series of disasters which one by one and then in combined accumulation fell with such destructive fury upon the people because of the ineptitude and bewilderment of those who shaped our governmental policies in the years from 1920 to March 4, 1933, we stand amazed at the ever-increasing deluge of despair climaxing the conduct of those who, entrusted with the powers of government, wholly failed to exercise their functions but instead spun about and around in a dizzy dance like decapitated chickens. The wonder is not that so little has been done but that so much has been accomplished in 3 short years.

Behold the stream of unemployment mounting rapidly from year to year until it reached flood stage and then broke in full force and violence to inundate and devastate the country. Fifteen million unemployed when Roosevelt took office; jobless men and women roamed the streets and highways of the land, hungry, haggard, hopeless. We were told and told again and again that despite it all "prosperity was just around the corner." Nothing, however, was done to bring prosperity from around the corner until the people, tired of futile words and supine inaction, elected Roosevelt, who, instead of watchfully waiting for prosperity to come from behind the corner, immediately started out to locate Mr. Prosperity, caught him by the neck, and booted him onto Main Street.

Who does not tremble at the thought of 7,000 banks closing their doors on their own customers and depositors in those terrible 4 years of Hooverism—the apostle of that rugged individualism which made all individuals ragged. A decrease in total bank deposits of more than $15,000,000,000. Insolvencies and bankruptcies jostling one another and the lights of business big and little failing and fading about us like showers of falling stars. The lights of heaven had indeed gone out.

To recount those unhappy days is not an act of love but of necessity; that the people may not again be led astray by privilege seekers playing them for suckers. Make an account of the plight of the farmer. His situation grew more and more intolerable as one year passed upon another, selling his product below the cost of production until his losses included home and fields and every expectation of reward for his toil.

If one made inventory of the condition of industry during the 4 years of the dizzy "chicken plague" from 1929 to 1933, the asset column would be almost a total blank. You observed no industrial activity in that period. What you saw was an ever-decreasing quantity of manufacturing, of trade, of mining. You saw the wholesale stagnation of a nation paralyzed in every limb and muscle and bleeding profusely from every artery.

With this multiplication of evils and disasters having gathered into a whirlwind, which struck with such terrific violence that it laid waste the entire country, from ocean to ocean and Lakes to Gulf, Franklin Roosevelt was inaugurated President March 4, 1933, and at once was begun the gigantic and laborious task of reconstruction and rehabilitation.

First of all, the banking structure was remodeled and repaired. Those who now have savings for the future can deposit that money in the banks with the assurance of getting it when they want it and when they need it. The Federal Deposit Insurance Act has brought confidence where previously there was nothing but fear and cause to fear. No sound-thinking person would undo what has been done in that respect. May I ask a question here? The Republican high command and Hearst candidate for President, Gov. Alf Landon, of Kansas, opposes and derides the Federal Deposit Insurance Act and its administration. Do he and they intend to repeal that wholesome and beneficial legislation? If so, why do they not tell the people of their intention? Blessed be the thoughts and actions of the great and the near great. If Alf Landon, the Hearstling, has as much statesmanship in other channels as he has displayed in his persistent opposition to protection of depositors, the White House might well be spared the tenancy of another apostle of rugged individualism and consummate mediocrity.

The calamity of mounting unemployment was attacked, not by a wordy "prosperity around the corner" method but by the enactment of the N. I. R. A. and other laws for the benefit of the laboring man, and their effect was immediate and widespread for betterment until the United States Supreme Court spoke its piece. As this campaign progresses you will doubtless hear much on this issue of the Supreme Court. My own position is that neither the Supreme Court nor the Constitution should be permitted permanently to obstruct or stand in the way of an onward orderly march to greater and better things for the common people.

Let us make a brief reference to American youth.

The keynoter in Cleveland, Senator STEIWER, made great noise about the Civilian Conservation Corps, charging that the youth of the country was suffering the gravest of losses because of their employment in Federal camps at $30 per month, bewailing the slavery of debt and extravagance they would inherit.

What, exactly, did he mean? Without directly saying so, the Republican keynoter and his debt-lamenting comrades with the money bags would abolish the C. C. C. camps. They never would have established them. They are opposed to them as to all other acts of the Roosevelt administration. You all remember the wanderings of youth before one and one-half million of them were rescued from the possible approaches to the haunts and crevices of dispirited men. Every street, road, lane, alley, and bypath was trod by the drifting columns of shifting young manhood.

But what do the gatherers of gold care for humanity, and particularly youthful humanity? It is but another kind of commodity to be bartered and used for selfish gain. So nothing was done by the great engineers, nor by any of the abolishers of poverty, nor by any noble experimenters to save youth until came Franklin Roosevelt. Sure it has cost some money. Mothers and fathers do not stint on medical and nursing aid at the expected "blessed event." When the life of an unborn infant hangs in the balance, every effort is extended for its survival and protection; but when the future of millions of our youth is at stake, spiritually and physically at stake, the heartless prehistoric monsters who infest the kingdom that was once Republicanism roar and gnash their teeth because the Government assumed a national obligation to alleviate a national calamity. Yes; some debt has been incurred in saving our youth, and believe me these same roaring gentlemen are going to pay their fair and just proportion of that debt. The youth of this Nation must be saved even if the saving does in a measure deflate the gluttonous fortunes of some of our plutocratic citizenry.

What was the state and standing of labor, its rights, and inherent privileges in the heyday of big-business control? It

took a Roosevelt to rebuild the unions under the law, and to guarantee the right of collective bargaining. Did the Supreme Court destroy the N. R. A.? Yes; and to the open and shouted delight of all commonly recognized Republican leadership in the Congress of the United States and out of it. But the Supreme Court, though it destroyed the N. R. A., did not and could not destroy the modern recognition of a law many hundreds of years older than the Supreme Court itself—that the laborer is worthy of his hire. That great Court cannot destroy the modern version of that ancient law that the hire and condition of the laborer is worthy of governmental action and legal protection.

One plank in the Republican platform of 1936 deserves a little attention—the labor plank. It reads as follows, in part:

The welfare of labor rests upon increased production and prevention of exploitation.

Here we have a definite statement, with a most indefinite meaning. If the statement is true, then every mechanical device and machine which displaces 10 or a hundred or a thousand workers promotes the welfare of the laborer. One might talk that doctrine to political hirelings and great industrialists, but let him not think he can feed it to workingmen.

That labor sentence is worth repetition for what it reveals.

The welfare of labor rests upon increased production and the prevention of exploitation.

If the autocrats at the Republican table in Cleveland are opposed to exploitation of labor, why do they exult and acclaim every decision of the Supreme Court kicking over some Democratic legislation enacted for the express purpose of preventing exploitation? Why do they send up to the stratosphere peons of praise and thanksgiving when a law to stabilize an industry or wages, to shorten hours, or to improve working conditions is laid to rest in the graveyard of unconstitutionality? Cant and hypocrisy.

The second paragraph in the labor plank of 1936 Republicanism pledges it to "protect the right of labor to organize and to bargain collectively through representatives of its own choosing without interference from any source." What a gem. Stolen bodily, almost verbatim, from the N. R. A. of the Roosevelt administration. Do they believe in such a principle enacted in law? They do not. At least they do not say so. They are for it, only do not expect any such sort of legislation. The unvarnished truth is they do not believe it, do not want, and if given the opportunity would refuse to adopt it. My friends, that labor plank is a pure and unadulterated fraud, so intended and so constructed. For this, if for nothing else, they will be properly rebuked in November.

So much is being said and written about balancing the Budget, keeping the governmental expenditures within the national income. I approve of that policy, with certain limitations.

In the first place, the welfare of the people has a claim on Government which takes priority of mere mathematical computation of dollars and cents. When unemployment is so widespread as to be a national calamity; when the specter of starvation haunts the steps of the aged, the halt, and the blind; when nourishment is unprovided for mothers and for children; when those only who are in more fortunate circumstances are supplied with the common necessities of food, clothing, and shelter, and all others exist in want and dire poverty; when, in all, the very life of the living is threatened and endangered, then men are more important than money and a budget unbalanced by needful extraordinary expenditures is a Christian and a humane procedure the sum total of which benefits cannot be counted by mere pecuniary measurements, but must be accepted as an investment in the immaterial resources of the collective human spirit as well as in the material well-being of the Nation.

The present plaints of impending disaster of one kind or another are the common lamentations of the savagery and plundering of a stark and greedy selfishness. It is the screech of the rusty hinges on the moldy doors of the golden coffers of the grasper and the miser. It is the friction caused by the resistance of accumulated wealth to the translation of a modicum of Christianity into the sphere of governmental policy. For those who move forward in this translation we may look for attempted crucifixion at the hands of those who would pollute the temple and would rouse the rabble to deeds of hate and vengeance.

Let us, my friends, not be alarmed by such. Let us press onward to the battle, conscious of the support of all kindly hearts, clear minds, and noble souls. With Roosevelt the people will win again, because of Roosevelt the people approve.

The plunderers shall not resteal America from the people.

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 29 minutes p. m.), the House adjourned until tomorrow, Tuesday, June 16, 1936, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

APRIL 8, 1936.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 4 of rule XXVII, I, JOSEPH A. GAVAGAN, move to discharge the Committee on the Judiciary from the consideration of the bill H. R. 5, entitled "A bill to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching", which was referred to said committee on January 3, 1935, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Joseph A. Gavagan.
2. Martin J. Kennedy.
3. Wm. H. Sutphin.
4. J. Will Taylor.
5. Carroll Reece.
6. Sol Bloom.
7. Thomas F. Ford.
8. M. A. Zioncheck.
9. John Steven McGroarty.
10. Vito Marcantonio.
11. M. A. Dunn.
12. William P. Connery, Jr.
13. Theodore L. Moritz.
14. James A. O'Leary.
15. Louis Ludlow.
16. Caroline O'Day.
17. Isaac Bacharach.
18. Harry C. Ransley.
19. Fred A. Hartley.
20. W. H. Wilson.
21. Chester C. Bolton.
22. Wm. E. Hess.
23. Florence P. Kahn.
24. Richard J. Welch.
25. Chas. A. Wolverton.
26. Thomas O'Malley.
27. Verner W. Main.
28. Henry Ellenbogen.
29. Melvin J. Maas.
30. Usher L. Burdick.
31. George G. Sadowski.
32. John D. Dingell.
33. George Burnham.
34. R. L. Bacon.
35. Robert Crosser.
36. Arthur W. Mitchell.
37. Warren J. Duffey.
38. Everett M. Dirksen.
39. W. H. Larrabee.
40. Finly H. Gray.
41. Thos. C. Hennings.
42. Robt. T. Secrest.
43. Wm. T. Schulte.
44. Edward W. Patterson.
45. Hamilton Fish, Jr.
46. R. S. McKeough.
47. William J. Granfield.
48. Thomas J. O'Brien.
49. James A. Shanley.
50. Albert J. Engel.
51. John A. Martin.
52. Leonard W. Schuetz.
53. John M. Houston.
54. J. M. Robsion.
55. Wm. Lemke.
56. J. George Stewart.
57. Wm. W. Blackney.
58. John W. Gwynne.
59. Jack Nichols.
60. Peter A. Cavicchia.
61. Ernest Lundeen.
62. Jas. McAndrews.
63. Theodore Christianson.
64. Clare Gerald Fenerty.
65. Jesse P. Wolcott.
66. B. K. Focht.
67. Randolph Carpenter.
68. Dewey Short.
69. Sam L. Collins.
70. Joseph L. Pfeifer.
71. Marcellus H. Evans.
72. Edward A. Kenney.
73. Matthew J. Merritt.
74. Richard J. Tonry.
75. J. H. Hoeppel.
76. Harry P. Beam.
77. John M. Costello.
78. Don Gingery.
79. Edward A. Kelly.
80. Edward W. Curley.
81. Chas. J. Colden.
82. Stephen M. Young.
83. Henry C. Luckey.
84. William B. Barry.
85. Joseph W. Martin, Jr.
86. Clare E. Hoffman.

87. Ralph O. Brewster.
88. Fred C. Gilchrist.
89. B. W. Gearhart.
90. Chauncey W. Reed.
91. William A. Pittenger.
92. Aug. H. Andresen.
93. Joseph P. Monaghan.
94. Harry Sauthoff.
95. A. J. Sabath.
96. Harry L. Englebright.
97. Wesley E. Disney.
98. Byron B. Harlan.
99. William R. Thom.
100. A. P. Lamneck.
101. Ambrose J. Kennedy.
102. Thomas A. Jenkins.
103. Raymond J. Cannon.
104. Martin L. Sweeney.
105. Jennings Randolph.
106. George N. Seger.
107. Alfred F. Beiter.
108. Edward C. Eicher.
109. John P. Higgins.
110. John W. McCormack.
111. Samuel P. Pettengill.
112. Charles D. Millard.
113. J. W. Ditter.
114. Andrew L. Somers.
115. John J. Dempsey.
116. John H. Tolan.
117. Gardner R. Withrow.
118. Louis C. Rabaut.
119. Vincent L. Palmisano.
120. Joseph E. Casey.
121. Paul J. Kvale.
122. Michael J. Stack.
123. Herman P. Kopplemann.
124. Charles Kramer.
125. Francis E. Walter.
126. Byron N. Scott.
127. Arthur D. Healey.
128. Leo Kocialkowski.
129. James L. Quinn.
130. Glenn Griswold.
131. Leo E. Allen.
132. L. C. Arends.
133. Eugene B. Crowe.
134. Ralph E. Church.
135. John J. Delaney.
136. Emanuel Celler.
137. D. C. Dobbins.
138. Robert L. Ramsay.
139. Thomas H. Cullen.
140. D. J. Driscoll.
141. Harry H. Mason.
142. James M. Mead.
143. Samuel Dickstein.
144. U. S. Guyer.
145. George H. Tinkham.
146. John J. Boylan.
147. Chester Thompson.
148. Frank C. Kniffin.
149. Harold Knutson.
150. William I. Sirovich.
151. John W. Boehne, Jr.
152. James A. Meeks.
153. Frank H. Buck.
154. Mary T. Norton.
155. George P. Darrow.
156. Clarence J. McLeod.
157. George W. Johnson.
158. F. L. Crawford.
159. T. Alan Goldsborough.
160. Frank Crowther.
161. Philip A. Goodwin.
162. William A. Ashbrook.
163. Roy O. Woodruff.
164. Albert E. Carter.
165. Joseph Gray.
166. Edith Nourse Rogers.
167. John Lesinski.
168. Charles N. Crosby.
169. Theodore A. Peyser.
170. Frank J. G. Dorsey.
171. W. A. Ekwall.
172. W. W. Fiesinger.
173. Harry L. Haines.
174. Francis D. Culkin.
175. Richard M. Russell.
176. J. Joseph Smith.
177. Earl C. Michener.
178. Bert Lord.
179. Charles F. Risk.
180. James Wolfenden.
181. D. Lane Powers.
182. Emmet O'Neal.
183. Wm. M. Citron.
184. Geo. A. Dondero.
185. Edward C. Moran, Jr.
186. Frank Carlson.
187. Karl Stefan.
188. L. T. Marshall.
189. Daniel A. Reed.
190. Paul R. Greever.
191. G. M. Gillette.
192. Chas. I. Faddis.
193. Edw. J. Hart.
194. Dow W. Harter.
195. Kent E. Keller.
196. Charles R. Eckert.
197. Virginia E. Jenckes.
198. M. K. Reilly.
199. Brooks Fletcher.
200. Frank E. Hook.
201. Charles A. Plumley.
202. G. J. Boileau.
203. B. J. Gehrmann.
204. John G. Cooper.
205. J. Roland Kinzer.
206. James W. Mott.
207. B. H. Snell.
208. Merlin Hull.
209. Geo. J. Schneider.
210. R. G. Wigglesworth.
211. Pehr G. Holmes.
212. R. T. Buckler.
213. Otha D. Wearin.
214. Thomas R. Amlie.
215. C. E. Hancock.
216. Clifford R. Hope.
217. W. P. Lambertson.
218. Frederick R. Lehlbach.

This motion was entered upon the Journal, entered in the CONGRESSIONAL RECORD with signatures thereto, and referred to the Calendar of Motions to Discharge Committees, June 15, 1936.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will meet Tuesday, June 16, at 10 a. m., to consider H. R. 12913, a bill to protect for American actors, vocal musicians, operatic singers, solo dancers, solo instrumentalists, and orchestral conductors the artistic and earning opportunities in the United States, and for other purposes.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, June 16, 1936, at 10: 30 a. m., in Room 328 House Office Building, to consider various bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

867. A letter from the Chairman of the Federal Trade Commission, transmitting an interim report of the Federal Trade Commission with respect to the sale and distribution of milk and milk products, in pursuance of House Concurrent Resolution No. 32, Seventy-third Congress, second session, adopted June 15, 1934; to the Committee on Interstate and Foreign Commerce and ordered to be printed.

868. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Department of the Interior which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

869. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Agricultural Adjustment Administration which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

870. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Department of Commerce which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

871. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Veterans' Administration which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

872. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 239), lists of papers among the archives and records of the Federal Trade Commission which the Commission has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

873. A letter from the Archivist of the United States, transmitting, in accordance with the provisions of section 9 of The National Archives Act, approved June 19, 1934 (48 Stat. 1122; U. S. C., title 40, sec. 230), lists of papers among the archives and records of the Department of the Treasury which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ZIMMERMAN: Committee on Irrigation and Reclamation. H. R. 12920. A bill for the relief of the Bridgeport

Irrigation District; with amendment (Rept. No. 2964). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Rules. Senate Joint Resolution 270. A joint resolution to provide for the appointment of a committee to study the question of Puerto Rican independence; with amendment (Rept. No. 2965). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. H. R. 10798. A bill to provide for the establishment of magistrate courts in the District of Columbia; with amendment (Rept. No. 2966). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 4648. An act to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes; without amendment (Rept. No. 2967). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES: Committee on Agriculture. S. 4520. An act to amend the act approved June 29, 1935 (49 Stat. 436–439), entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges"; without amendment (Rept. No. 2968). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 12831. A bill to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of Hartford, Conn.; without amendment (Rept. No. 2992). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Washington: Committee on Claims. H. R. 891. A bill for the relief of John E. Sandage; with amendment (Rept. No. 2969). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 2328. A bill for the relief of Catherine Ward; with amendment (Rept. No. 2970). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 2560. A bill for the relief of Etta Pippin; with amendment (Rept. No. 2971). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3407. A bill for the relief of Alpha Vint; with amendment (Rept. No. 2972). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 3491. A bill for the relief of the Great Northern Railway Co.; with amendment (Rept. No. 2973). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. H. R. 9372. A bill for the relief of Charles M. Perkins; without amendment (Rept. No. 2974). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 10055. A bill for the relief of N. C. Nelson; with amendment (Rept. No. 2975). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 10173. A bill for the relief of M. K. Fisher; with amendment (Rept. No. 2976). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 10508. A bill for the relief of the Van Buren Light and Power District; with amendment (Rept. No. 2977). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 10559. A bill for the relief of Florence B. Lee; with amendment (Rept. No. 2978). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 10778. A bill for the relief of Willard Webster; with amendment (Rept. No. 2979). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. H. R. 10908. A bill for the relief of E. W. Ross; with amendment (Rept. No. 2980). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 11212. A bill for the relief of Earl Hill; with amendment (Rept. No. 2981). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 11314. A bill for the relief of A. S. Koyer; with amendment (Rept. No. 2982). Referred to the Committee of the Whole House.

Mr. GUYER: Committee on Claims. H. R. 11549. A bill authorizing and directing the Secretary of the Treasury to reimburse Malinda J. Mast and William Lee Mast for the losses sustained by them by reason of the negligence of an employee of the Civilian Conservation Corps; with amendment (Rept. No. 2983). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. H. R. 11864. A bill for the relief of Dexter P. Cooper; without amendment (Rept. No. 2984). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 11893. A bill for the relief of James W. Grist; without amendment (Rept. No. 2985). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 12067. A bill for the relief of Clifford Y. Long; with amendment (Rept. No. 2986). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 12341. A bill for the relief of F. W. Elmer; with amendment (Rept. No. 2987). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 12346. A bill for the relief of Leah Levine; without amendment (Rept. No. 2988). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 2553. An act conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claim of C. C. Young; with amendment (Rept. No. 2989). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3844. An act for the relief of Mrs. M. N. Shwamberg; with amendment (Rept. No. 2990). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on the Civil Service. S. 4659. An act to authorize the payment of an annuity to William H. Moran, Chief of the Secret Service Division of the Treasury Department, upon his retirement, in recognition and appreciation of his services to the United States; without amendment (Rept. No. 2991). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER: A bill (H. R. 12966) to provide for control and regulation of coin-controlled amusement devices and to levy a tax upon each licensed device to be paid to the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BREWSTER: A bill (H. R. 12967) to provide for the acquisition of additional land for the Acadia National Park; to the Committee on the Public Lands.

By Mr. RAMSAY: A bill (H. R. 12968) authorizing the Wheeling postmaster to use a special cancelation stamp; to the Committee on the Post Office and Post Roads.

By Mr. VINSON of Georgia: A bill (H. R. 12969) to authorize the acquisition of lands in the San Francisco Bay area as a site for a naval supply base and to authorize the construction and installation of facilities for a naval supply base thereon; to the Committee on Naval Affairs.

By Mr. KELLER: A bill (H. R. 12970) to amend the act entitled "An act creating the Mount Rushmore National Memorial Commission and defining its powers and purposes", approved February 25, 1929, and for other purposes; to the Committee on the Library.

By Mr. MAPES: A bill (H. R. 12971) to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.; to the Committee on Merchant Marine and Fisheries.

By Mr. LARRABEE: Joint resolution (H. J. Res. 624) providing authority for a census of employment and population; to the Committee on the Census.

By Mr. O'CONNOR: Joint resolution (H. J. Res. 625) to provide that the first regular session of the Seventy-fifth Congress shall begin on January 5, 1937; to the Committee on the Judiciary.

By Mr. WEARIN: Joint resolution (H. J. Res. 626) relating to the design for the memorial to Thomas Jefferson to be erected in the District of Columbia; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER: A bill (H. R. 12972) to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels; to the Committee on War Claims.

By Mr. BREWSTER: A bill (H. R. 12973) for the relief of William V. and Alice S. Phillips; to the Committee on Claims.

By Mr. EICHER: A bill (H. R. 12974) granting a pension to Mary H. Perkins; to the Committee on Invalid Pensions.

By Mr. FARLEY: A bill (H. R. 12975) granting an increase of pension to Mary A. Swander; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12976) for the relief of Nelson H. Rogers; to the Committee on Military Affairs.

By Mr. HULL: A bill (H. R. 12977) for the relief of Mr. and Mrs. Jens H. Flattum; to the Committee on Claims.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 12978) granting a pension to Mary E. Simmons; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 12979) granting a pension to J. E. Barrows; to the Committee on Pensions.

By Mr. MOTT: A bill (H. R. 12980) for the relief of Ernest Krick; to the Committee on Claims.

Also a bill (H. R. 12981) for the relief of May Elizabeth Ferren; to the Committee on Claims.

By Mr. REED of Illinois: A bill (H. R. 12982) to revive certain patents; to the Committee on Patents.

By Mr. SADOWSKI: A bill (H. R. 12983) for the relief of Elizabetta Lupini; to the Committee on Immigration and Naturalization.

By Mr. SNELL: A bill (H. R. 12984) granting an increase of pension to Annie E. Fuller; to the Committee on Invalid Pensions.

By Mr. WHELCHEL: A bill (H. R. 12985) for the relief of Dr. George O. Castellaw; to the Committee on Claims.

Also, a bill (H. R. 12986) for the relief of W. D. Presslie; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

11064. By Mr. CURLEY: Petition of sundry citizens of the county and Borough of the Bronx, New York City, endorsing House bill 7122, providing pensions for the blind; to the Committee on Pensions.

11065. By Mr. FENERTY (by request): Petition of sundry citizens of Philadelphia, Pa., urging that the so-called Starnes-Reynolds immigration bill be enacted into law; to the Committee on Immigration and Naturalization.

11066. By Mr. Ford of California: Petition of 61 residents of Los Angeles to the Congress of the United States, requesting President Roosevelt to designate a national day of prayer; to the Committee on Rules.

11067. Also, resolution of the Council of the City of Los Angeles, requesting that State and Federal Governments should apportion relief funds on a basis of the total indigent load compared to population and assessed valuation of various communities, particularly Los Angeles County, citing facts and statistics to indicate the desirability of such action; to the Committee on Appropriations.

11068. Also, resolution adopted by the Council of the City of Los Angeles in respect to the memory of the late Speaker of the House, expressing regrets at the death of Joseph W. Byrns, whose fair-mindedness and other personal qualities were such as to cause admiration and respect by those with whom he came in contact, regardless of their political affiliations or opinions, and one who rendered valuable and outstanding service, both in times of peace and in times of war; the Nation thus losing an able, faithful, and honored official; to the Committee on Rules.

11069. By Mr. KENNEY: Petition of the Weehawken Home Owners' Association, endorsing the Fifty-sventh Street Bridge bill (S. 1645) and favoring its passage; to the Committee on Interstate and Foreign Commerce.

11070. By Mr. KRAMER: Resolution of the Department of Motor Vehicles of the State of California, relative to the soliciting of Public Works Administration funds for the building of tunnels and overhead crossings for pedestrians where the traffic density warrants such expenditure; to the Committee on Appropriations.

11071. Also, resolution of the United Association of Plumbers and Steam Fitters of the United States and Canada, Los Angeles, Calif., relative to the passage of the Wagner-Ellenbogen housing bill, etc.; to the Committee on Banking and Currency.

11072. By Mr. McCORMACK: Memorial of General Court of Massachusetts, memorializing Congress for the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 p. m.; to the Committee on Labor.

11073. By Mr. PATMAN: Petition of Henry Rawlins and 36 other citizens of Vineland, N. J., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11074. Also, petition of Alfred Strauber and 66 other citizens of Philadelphia, Pa., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11075. Also, petition of William A. Sumulb and 91 other citizens of Philadelphia, Pa., urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11076. Also, petition of E. M. Craig and 44 other citizens of Vineland, N. J., urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11077. Also, petition of C. Schlitz and 129 other citizens of Philadelphia, Pa., urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11078. Also, petition of Howard E. Davis, of Narberth, Pa., and 124 other citizens of Philadelphia, Pa., and surrounding territory, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11079. Also, petition of P. Huet and 236 other citizens of Philadelphia, Pa., urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11080. Also petition of James Harper and 177 other citizens of Philadelphia, Pa., and surrounding vicinity, urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11081. Also, petition of Joseph L. Travers and 241 other citizens of Philadelphia, Pa., and surrounding vicinity, urging the passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11082. Also, petition of Elizabeth C. Mutzer, of Camden, N. J., and 22 other citizens of New Jersey and Pennsylvania,

urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11083. Also, petition of Lloyd E. Goss and 41 other citizens, of Philadelphia, Pa., urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11084. Also, petition of C. Louis Leift and 68 other citizens, of Philadelphia, Pa., urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11085. Also, petition of Marie Smith and 137 other citizens of Philadelphia, Pa., urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11086. Also, petition of Louis Cohen and 140 other citizens of Camden, N. J., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11087. Also, petition of A. Lechtman and 45 other citizens of Philadelphia, Pa., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11088. Also, petition of A. Louis Armstrong and 99 other citizens of Chester, Pa., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11089. Also, petition of D. N. Steward and 128 other citizens of Trenton, N. J., and adjacent vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11090. Also, petition of Frances Golohlin and 47 other citizens, of the State of Pennsylvania, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11091. Also, petition of Mrs. E. Kindermann and 76 other citizens of Philadelphia, Pa., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11092. Also, petition of Sylvester Vannamsen and 12 other citizens, of Bridgeton, N. J., and surrounding vicinity, urging passage of the Robinson-Patman bill; to the Committee on Interstate and Foreign Commerce.

11093. By Mrs. ROGERS of Massachusetts: Petition of the General Court of the Commonwealth of Massachusetts, urging the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 o'clock p. m.; to the Committee on Labor.

11094. By Mr. WIGGLESWORTH: Petition of the General Court of Massachusetts, memorializing Congress for the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 o'clock p. m.; to the Committee on Labor.

11095. By the SPEAKER: Resolution of the Kings County Grand Jurors Association, of Brooklyn, N. Y., urging the passage of House bill 11152; to the Committee on the Civil Service.

11096. Also, petition of the Federation of Citizens' Associations of the District of Columbia, urging the passage of the District of Columbia appropriation bill for 1937; to the Committee on Appropriations.

11097. Also, resolution adopted by the seventh biennial convention of the International Association of Oil Field, Gas Well, and Refinery Workers of America, held in Tulsa, Okla., on June 1 to 7, 1936; to the Committee on Ways and Means.

11098. Also, resolution of the national directorate of the American Association for the Recognition of the Irish Republic; to the Committee on Foreign Affairs.

11099. Also, memorial adopted by the council of the city of Los Angeles at its June 4 meeting, in respect to the memory of the late Speaker of the House, Joseph W. Byrns; to the Committee on Rules.

11100. By Mr. CONNERY: Petition of the International Association of Machinists, No. 714, of Taunton, Mass., urging that the manufacture of all munitions in United States Government-owned plants be under civil-service laws; to the Committee on the Civil Service.

11101. Also, petition of the General Court of Massachusetts, memorializing Congress for the enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 o'clock p. m.; to the Committee on Labor.

11102. Also, petition of the Lawrence (Mass.) Central Labor Union, endorsing and urging the immediate enactment of the Wagner-Ellenbogen housing bill; leaving the general policy of administrative set-up as it now is in the bill, to increase the immediate appropriation from $51,000,000 to $100,000,000 and the first bond issue from $100,000,000 to $250,000,000 with corresponding increases for future years; to the Committee on Banking and Currency.

11103. Also, petition of the Senate of Massachusetts, memoralizing Congress in opposition to certain pending legislation relative to price fixing of coal; to the Committee on Ways and Means.

11104. Also, petition of the National Leather Workers' Association, Boston, Mass., endorsing the aims and purposes of the Council for Industrial Progress; to the Committee on Labor.

11105. By Mr. GOODWIN: Petition of American Legion, Navy Post 16, Department of New York, urging upon Congress the enactment of House bills 11681 and 11682; to the Committee on Naval Affairs.

11106. By Mr. JOHNSON of Texas: Petition of Mr. Daniel Russell, head of department of rural sociology, Agricultural and Mechanical College, College Station, Tex., in favor of Senate bill 4723; to the Committee on Agriculture.

SENATE

TUESDAY, JUNE 16, 1936

(Legislative day of Monday, June 15, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Monday, June 15, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	King	Pope
Ashurst	Clark	La Follette	Radcliffe
Austin	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barbour	Davis	Long	Schwellenbach
Barkley	Dieterich	McAdoo	Sheppard
Benson	Duffy	McGill	Shipstead
Bilbo	Fletcher	McKellar	Smith
Black	Frazier	McNary	Steiwer
Bone	George	Maloney	Thomas, Okla.
Borah	Gerry	Metcalf	Thomas, Utah
Brown	Gibson	Moore	Townsend
Bulkley	Guffey	Murphy	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Wagner
Capper	Hatch	Nye	Walsh
Caraway	Hayden	O'Mahoney	Wheeler
Carey	Holt	Pittman	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. MCCARRAN] are absent because of illness, and that the junior Senator from Virginia [Mr. BYRD], the senior Senator from Virginia [Mr. GLASS], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], the junior Senator from Indiana [Mr. MINTON], the Senator from Louisiana [Mr. OVERTON], the senior Senator from Indiana [Mr. VAN NUYS], and the Senator from Ohio [Mr. DONAHEY] are unavoidably detained.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. DICKINSON], the Senator from New Hampshire [Mr. KEYES], and the Senator from Maine [Mr. WHITE] are necessarily absent.

Mr. McNARY. I announce that the Senator from California [Mr. JOHNSON] is absent because of illness.

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolutions of the Senate:

S. 1318. An act to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes;

S. 1795. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 1976. An act to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps;

S. 3344. An act to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky;

S. 3784. An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes;

S. 3805. An act to authorize the Secretary of the Interior to reserve certain lands on the public domain in Nevada for addition to the Walker River Indian Reservation;

S. 3843. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes;

S. 3907. An act for the relief of the State of Nevada;

S. 3997. An act to authorize the Secretary of War to lend War Department equipment for use at the Eighteenth National Convention of the American Legion at Cleveland, Ohio, during the month of September 1936;

S. 4038. An act to amend an act of Congress approved March 3, 1863, entitled "An act to reorganize the courts in the District of Columbia, and for other purposes";

S. 4252. An act to provide for the modification of the contract of lease entered into on June 12, 1922, between the United States and the Board of Commissioners of the Port of New Orleans;

S. 4461. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

S. 4463. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa;

S. 4584. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), to extend and adapt its provisions to the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico February 7, 1936, and for other purposes;

S. 4618. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto across the Mississippi River at or near Baton Rouge, La.;

S. 4658. An act to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes;

S. 4667. An act to prohibit the commercial use of the coat of arms of the Swiss Confederation pursuant to the obligation of the Government of the United States under article 28 of the Red Cross Convention signed at Geneva July 27, 1929;

S. 4680. An act authorizing the State of Wisconsin to construct, maintain, and operate a free highway bridge across the Mississippi River at or near La Crosse, La Crosse County, Wis.;

S. 4709. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.;

S. 4710. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa.;

S. 4734. An act to provide for hurricane patrol in the Gulf of Mexico and environs during the hurricane season;

S. J. Res. 187. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1936, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski;

S. J. Res. 235. Joint resolution authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress;

S. J. Res. 243. Joint resolution authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; and

S. J. Res. 245. Joint resolution authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 2047. An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes;

S. 2127. An act to amend section 4471 of the Revised Statutes of the United States, as amended;

S. 3257. An act to amend the World War Adjusted Compensation Act;

S. 3841. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 4026. An act to amend the National Defense Act of June 3, 1916, as amended;

S. 4105. An act authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission of Maryland, for park, parkway, and playground purposes;

S. 4132. An act to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army; and

S. 4654. An act to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 2712. An act to promote the efficiency of the Bureau of Engraving and Printing;

S. 3488. An act to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River, and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama; and

S. 4462. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate numbered 95 to the bill and concurred therein, and that the House had receded from its disagreement to the amendment of the Senate numbered 136 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses thereon on the amendment of the Senate to the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes.

The message also announced that the House had receded from its disagreement to the amendments of the Senate numbered 24 and 54 to the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate, and that the House still further insisted upon its disagreement to the amendment of the Senate numbered 53 to the bill.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 12. An act to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.;

H. R. 1995. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

H. R. 6612. An act authorizing the appropriation of funds for the payment of claims of certain foreign governments under the circumstances hereinafter enumerated;

H. R. 8874. An act to increase the efficiency of the Medical Corps of the Regular Army;

H. R. 9040. An act to provide for the erection of a memorial in the national cemetery of Philadelphia, Pa., in honor of the 40 unknown soldiers of America's wars who lie buried there;

H. R. 9092. An act to provide for the preliminary examination of the Saginaw River and its tributaries in Saginaw County, Mich., with a view to the controlling of floods;

H. R. 11176. An act increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.;

H. R. 11180. An act to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes;

H. R. 11183. An act to provide for the acquisition of certain lands by the town of Benson, Ariz., for school and park purposes;

H. R. 11221. An act to amend the last two provisos, section 26, act of Congress approved March 3, 1921 (41 Stat. L. 1225–1248);

H. R. 11614. An act to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.;

H. R. 11615. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

H. R. 11800. An act to reimpose a trust on certain lands allotted on the Yakima Indian Reservation;

H. R. 11922. An act to amend the act of May 25, 1933 (48 Stat. 73);

H. R. 12062. An act to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes;

H. R. 12244. An act to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes;

H. R. 12257. An act to extend the jurisdiction of the United States Court for China to offenses committed on the high seas;

H. R. 12328. An act to authorize the acceptance of certain lands in the city of San Diego, Calif., by the United States, and the transfer by the Secretary of the Navy of certain other lands to said city of San Diego;

H. R. 12374. An act to amend the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933;

H. R. 12494. An act to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.;

H. R. 12557. An act to provide for a term of court at Benton, Ill.;

H. R. 12717. An act to provide for the right of election by employees, subject to the provisions of the Civil Service Retirement Act, of a joint and survivorship annuity upon retirement;

H. R.12758. An act to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933;

H. J. Res. 366. Joint resolution providing for the establishment of a game-management supply depot and laboratory, and for other purposes;

H. J. Res. 597. Joint resolution authorizing an investigation by the United States Bureau of Fisheries of the pilchard (Sardinia caerulea) fisheries and fishing industry along the Pacific coast of the United States; and

H. J. Res. 606. Joint resolution amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions:

S. 3371. An act for the relief of John Walker;
S. 3441. An act for the relief of C. T. Hird;
S. 3956. An act for the relief of Jacob Kaiser;
H. R. 300. An act for the relief of F. P. Bolack;
H. R. 686. An act for the relief of John Collins;
H. R. 796. An act for the relief of A. E. Clark;
H. R. 993. An act for the relief of Frank A. Boyle;
H. R. 2213. An act for the relief of Charles P. Shipley Saddlery & Mercantile Co.;
H. R. 2262. An act for the relief of William H. Locke;
H. R. 2387. An act for the relief of Julia Miller;
H. R. 2400. An act for the relief of Blanche Knight;
H. R. 2495. An act for the relief of Thomas Berchel Burke;
H. R. 2496. An act for the relief of Thomas J. Moran;
H. R. 2497. An act for the relief of William H. Hildebrand;
H. R. 3160. An act for the relief of Irene Magnuson and Oscar L. Magnuson, her husband;
H. R. 3388. An act for the relief of Jessie D. Bowman;
H. R. 3694. An act for the relief of Florence Byvank;
H. R. 3907. An act for the relief of James L. Park;
H. R. 4085. An act for the relief of Joseph Watkins;
H. R. 4219. An act for the relief of John J. Ryan;
H. R. 4373. An act for the relief of Albert Gonzales;

H. R. 4565. An act for the relief of Lucile Smith;

H. R. 4619. An act for the relief of Joseph Salinghi;

H. R. 4699. An act for the relief of Estelle M. Gardiner;

H. R. 4955. An act for the relief of the estate of Jennie Brenner;

H. R. 5635. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation;

H. R. 5752. An act for the relief of May Wynne Lamb;

H. R. 5870. An act for the relief of K. S. Szymanski;

H. R. 5900. An act for the relief of Joseph E. Moore;

H. R. 6702. An act for the relief of Annie E. Daniels;

H. R. 7270. An act for the relief of Clara Imbesi and Domenick Imbesi;

H. R. 7555. An act for the relief of W. N. Holbrook;

H. R. 7743. An act for the relief of Mrs. David C. Stafford;

H. R. 7764. An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes;

H. R. 8028. An act for the relief of the Great Northern Railway Co.;

H. R. 8033. An act for the relief of Juanita Filmore, a minor;

H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes;

H. R. 8200. An act for the relief of the seamen of the steamship *Santa Ana;*

H. R. 8220. An act for the relief of Helen Mahar Johnson;

H. R. 8671. An act for the relief of R. H. Quynn, lieutenant, United States Navy;

H. R. 8759. An act to amend the act known as the Perishable Agricultural Commodities Act, 1930, approved June 10, 1930, as amended;

H. R. 9926. An act for the relief of Robert B. Barker;

H. R. 10225. An act for the relief of W. D. Lovell;

H. R. 10435. An act for the relief of Emma Hastings;

H. R. 10527. An act for the relief of Harris Bros. Plumbing Co.;

H. R. 10677. An act for the relief of Cora Fulghum and Ben Peterson;

H. R. 10712. An act to authorize the transfer of land from the War Department to the Territory of Hawaii;

H. R. 10916. An act for the relief of Carl Hardin, Orville Richardson, and W. E. Payne;

H. R. 11072. An act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

H. R. 11203. An act for the relief of Andrew Smith;

H. R. 11218. An act to provide for the disposition of tribal funds now on deposit, or later placed to the credit of the Crow Tribe of Indians, Montana, and for other purposes;

H. R. 11262. An act for the relief of Brooks-Callaway Co.;

H.R. 11461. An act for the relief of the estates of N. G. Harper and Amos Phillips;

H. R. 11522. An act to amend the charter of the National Union Insurance Co. of Washington in the District of Columbia;

H. R. 11643. An act to amend certain provisions of the act of March 7, 1928 (45 Stat. L. 210–212);

H. R. 11819. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 11820. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

H. R. 11916. An act to authorize the transfer of a certain piece of land in Muhlenberg County, Ky., to the State of Kentucky;

H. R. 12006. An act to authorize a preliminary examination of the Kennebec River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12033. An act authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles in Mono County in the State of California;

H. R. 12074. An act to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.;

H. R. 12202. An act to provide for a preliminary examination of Six Mile Creek in Logan County, Ark., with a view to flood control and to determine the cost of such improvement;

H. R. 12240. An act to authorize a preliminary examination of the tributaries, sources, and headwaters of the Allegheny and Susquehanna Rivers in the State of Pennsylvania, where no examination and survey has heretofore been made, with a view to the control of their floods and the regulation and conservation of their waters;

H. R. 12305. An act to define the jurisdiction of the Coast Guard;

H. R. 12311. An act for the relief of the P. L. Andrews Corporation;

H. R. 12408. An act for the relief of Robert D. Baldwin;

H. R. 12461. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H. R. 12514. An act authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay, from a point in Baltimore County, Md., over Hart Island and Miller's Island to a point near Tolchester, Kent County, Md.;

H. R. 12622. An act for the relief of Dr. Harold W. Foght;

H. R. 12685. An act granting the consent of Congress to the county of Horry, S. C., to construct, maintain, and operate a free highway bridge across the Waccamaw River, at or near Red Bluff, S. C.;

H. R. 12896. An act to provide for the transfer of the surplus decommissioned lightship *No. 82* to United States Ship Constitution Post, No. 3339, Veterans of Foreign Wars;

H. J. Res. 415. Joint resolution to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States;

H. J. Res. 444. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally", approved August 27, 1935;

H. J. Res. 522. Joint resolution for the relief of William W. Brunswick;

H. J. Res. 583. Joint resolution authorizing the Veterans' Administration to prepare and publish a compilation of all Federal laws relating to veterans of wars of the United States; and

H. J. Res. 589. Joint resolution to authorize the Secretary of the Treasury to permit the transportation of bonded merchandise by other than common carriers under certain conditions.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolutions:

On June 15, 1936:

S. 1435. An act conferring jurisdiction upon the United States District Court for the District of Connecticut to hear, determine, and render judgment upon the claim of Elizabeth Kurau;

S. 1687. An act to incorporate the National Yeomen F;

S. 3080. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of John W. Hubbard;

S. 3334. An act to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes;

S. 3369. An act providing for the posthumous appointment of Ernest E. Dailey as a warrant radio electrician, United States Navy;

S. 3389. An act to provide for the appointment of two additional judges for the southern district of New York;

S. 3531. An act to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928;

S. 3607. An act for the relief of T. H. Wagner;

S. 3608. An act for the relief of Vinson & Pringle;

S. 3652. An act for the relief of George E. Wilson;

S. 3768. An act for the relief of E. W. Jermark;

S. 3781. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases;

S. 3818. An act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and Public Health Service;

S. 3824. An act for the relief of Maud Kelley Thomas;

S. 3850. An act for the relief of Mrs. Foster McLynn;

S. 3861. An act for the relief of the Alaska Commercial Co., of San Francisco, Calif.;

S. 4052. An act for the relief of W. D. Gann;

S. 4116. An act for the relief of Grant Anderson;

S. 4119. An act for the relief of Bernard F. Hickey;

S. 4140. An act for the relief of Homer Brett, American consul at Rotterdam, Netherlands;

S. 4233. An act for the relief of William H. Brockman;

S. 4265. An act to authorize the Secretary of War to set apart as a national cemetery certain lands of the United States Military Reservation of Fort Bliss, Tex.;

S. 4358. An act for the relief of Harry L. Parker;

S. 4359. An act for the relief of W. D. Reed;

S. 4374. An act for the relief of Ruth Edna Reavis (now Horsley);

S. 4379. An act for the relief of the Indiana Limestone Corporation;

S. 4381. An act authorizing certain officers and enlisted men of the United States Army to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered;

S. 4400. An act for the relief of Barbara Jaeckel;

S. 4542. An act authorizing the Comptroller General of the United States to settle and adjust the claim of the Merritt-Chapman & Scott Corporation;

S. 4713. An act validating a town-lot certificate and authorizing and directing issuance of a patent for the same to Ernest F. Brass;

S. J. Res. 110. Joint resolution authorizing Brig. Gen. C. E. Nathorst, Philippine Constabulary, retired, to accept such decorations, orders, medals, or presents as have been tendered him by foreign governments;

S. J. Res. 151. Joint resolution making provision for a national celebration of the bicentenary of the birth of Charles Carroll of Carrollton, wealthiest signer of the Declaration of Independence;

S. J. Res. 226. Joint resolution authorizing the President to invite foreign countries to participate in the San Francisco Bay Exposition in 1939 at San Francisco Calif.; and

S. J. Res. 267. Joint resolution authorizing the President to invite foreign countries to participate in the New York World's Fair 1939, Inc., in the city of New York during the year 1939.

On June 16, 1936:

S. 1073. An act for the relief of Louis Finger;

S. 3467. An act amending the Shipping Act, 1916, as amended; and

S. 3600. An act for the relief of S. C. Eastvold.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 12. An act to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.;

H. R. 11614. An act to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.; and

H. R. 12557. An act to provide for a term of court at Benton, Ill.; to the Committee on the Judiciary.

H. R. 1995. An act to provide for the selection of certain lands in the State of California for the use of the California State park system;

H. R. 11176. An act increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark.;

H. R. 11180. An act to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes;

H. R. 11183. An act to provide for the acquisition of certain lands by the town of Benson, Ariz., for school and park purposes, and

H. R. 12062. An act to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona, in exchange for certain other lands, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 6612. An act authorizing the appropriation of funds for the payment of claims of certain foreign governments under the circumstances hereinafter enumerated; and

H. R. 12257. An act to extend the jurisdiction of the United States Court for China to offenses committed on the high seas; to the Committee on Foreign Relations.

H. R. 8874. An act to increase the efficiency of the Medical Corps of the Regular Army; and

H. R. 11922. An act to amend the act of May 25, 1933 (48 Stat. 73); to the Committee on Military Affairs.

H. R. 9040. An act to provide for the erection of a memorial in the national cemetery of Philadelphia, Pa., in honor of the 40 unknown soldiers of America's wars who lie buried there; and

H. J. Res. 606. Joint resolution amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935; to the Committee on the Library.

H. R. 9092. An act to provide for the preliminary examination of the Saginaw River and its tributaries in Saginaw County, Mich., with a view to the controlling of floods;

H. R. 12494. An act to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich.; and

H. J. Res. 597. Joint resolution authorizing an investigation by the United States Bureau of Fisheries of the pilchard (Sardinia caerulea) fisheries and fishing industry along the Pacific coast of the United States; to the Committee on Commerce.

H. R. 11221. An act to amend the last two provisos, section 26, act of Congress approved March 3, 1921 (41 Stat. L. 1225–1248);

H. R. 11800. An act to reimpose a trust on certain lands allotted on the Yakima Indian Reservation; to the Committee on Indian Affairs.

H. R. 11615. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases; and

H. R. 12758. An act to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933; to the calendar.

H. R. 12244. An act to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes; to the Committee on Immigration.

H. R. 12328. An act to authorize the acceptance of certain lands in the city of San Diego, Calif., by the United States, and the transfer by the Secretary of the Navy of certain other lands to said city of San Diego; to the Committee on Naval Affairs.

H. R. 12374. An act to amend the act entitled "An act for the relief of unemployment through the performance

of useful public work, and for other purposes", approved March 31, 1933; to the Committee on Mines and Mining.

H. R. 12717. An act to provide for the right of election by employees, subject to the provisions of the Civil Service Retirement Act, of a joint and survivorship annuity upon retirement; to the Committee on Civil Service.

H. J. Res. 366. Joint resolution providing for the establishment of a game management supply depot and laboratory, and for other purposes; to the Committee on Agriculture and Forestry.

PETITIONS

Mr. WALSH presented resolutions adopted by the General Court of Massachusetts, favoring the enactment of legislation to prohibit the employment of women in industrial plants after 6 o'clock p. m., which were referred to the Committee on Education and Labor.

(See resolutions printed in full when laid before the Senate by the Vice President on the 15th inst., p. 9315, CONGRESSIONAL RECORD.)

He also presented a resolution adopted by officers and members of Local No. 52, United Rubber Workers of America, of Framingham, Mass., favoring the enactment of the so-called Walsh-Healey bill, which was referred to the Committee on Education and Labor.

MARKING OF IMITATION LEATHER ARTICLES

Mr. WALSH. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred resolutions of the General Court of Massachusetts, memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather.

There being no objection, the resolutions were referred to the Committee on Manufactures and ordered to be printed, as follows:

Resolutions memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather

Whereas the leather and tanning industry of the country is being threatened and imperiled in its existence caused by the sale of substitute or imitation leather represented as genuine leather; and

Whereas the people of the country are purchasing said imitation leather in the belief that it is genuine leather: Therefore be it

Resolved, That the General Court of Massachusetts hereby records itself in favor of Federal legislation to require that all substitution or imitation leather goods which are offered for sale to the public be plainly stamped or marked so that it shall be known that said goods are made of imitation leather and not of genuine leather; and be it further

Resolved, That the secretary of the Commonwealth send copies of these resolutions to each Member of Congress from this Commonwealth and to the presiding officers of both branches of Congress.

INVESTIGATION OF THE BLACK LEGION

Mr. WAGNER presented a resolution of the Brooklyn (N. Y.) Metal Trades Council, which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

BROOKLYN METAL TRADES COUNCIL,
New York, June 4, 1936.

Hon. ROBERT F. WAGNER,
Senate Office Building, Washington, D. C.

MY DEAR MR. SENATOR: The Brooklyn Metal Trades Council has unanimously adopted the following resolution upon which we urge you to take favorable action. The resolution follows:

Whereas investigation has shown the existence of a national organization known as the Black Legion; and

Whereas the avowed purpose of this organization is to destroy organized labor, the trade unions, and the democratic government of the Nation; and

Whereas the nefarious activities of the aforementioned band has already resulted in the death of two of our brother union men; and

Whereas the continued existence and work of this organization constitutes a menace to the rights and liberties of the people of our country: Therefore be it

Resolved, That the Brooklyn Metal Trades Council at a regular meeting on June 3, 1936, request the Congressmen and Senators from New York to support legislation to investigate this Black Legion; and be it further

Resolved, That copies of this resolution be sent to the Metal Trades Department, Labor, and the local papers.

Very truly yours,

IRVING C. VELSON, *Secretary.*

CAMP UPTON MILITARY RESERVATION, N. Y.

Mr. WAGNER also presented resolutions of the Board of Trustees of the village of Patchogue and the Town Board of Brookhaven, both in the State of New York, which were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

June 2, 1936.

Resolved, That the Board of Trustees of the Village of Patchogue approve the bill introduced in the House of Representatives (H. R. 12815) by Representative BACON, authorizing the transfer of Camp Upton Military Reservation, Long Island, N. Y., to the State of New York for forest demonstration, game conservation and management, and public park uses; and be it further

Resolved, That a copy of this resolution be transmitted to Representative BACON and to Senator WAGNER.

Whereas a bill has been introduced in the Congress of the United States of America to provide for the transfer and conveyance to the State of New York of all right and title now vested in the United States in land known as the Camp Upton Military Reservation, located in the town of Brookhaven, Suffolk County, N. Y.; and

Whereas said bill provides that the said lands shall be forever reserved by the State of New York for forest demonstration, game conservation and management, and public park uses: Now, therefore, be it

Resolved, That the Town Board of the Town of Brookhaven, Suffolk County, N. Y., hereby endorses the said proposed legislation and respectfully urges its enactment by the Congress; and be it further

Resolved, That a copy of this resolution be transmitted to the Honorable ROBERT L. BACON, and to the Honorable ROBERT F. WAGNER, Representatives in Congress from this district.

REPORTS OF COMMITTEES

Mr. ASHURST, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 12. A bill to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district, and providing for terms of said court to be held at Orangeburg, S. C. (Rept. No. 2395); and

H. R. 11614. A bill to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga. (Rept. No. 2379).

He also, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 12062) to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes, reported it without amendment and submitted a report (No. 2380) thereon.

Mr. STEIWER, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1986) to authorize the acquisition of a certain building, furniture, and equipment in the Crater Lake National Park, reported it with an amendment and submitted a report (No. 2381) thereon.

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 4707) validating certain applications for and entries of public lands, and for other purposes, reported it without amendment and submitted a report (No. 2382) thereon.

He also, from the same committee, to which was referred the bill (H. R. 12212) to quiet title and possession with respect to certain lands in Tuscumbia, Ala., reported it with an amendment and submitted a report (No. 2383) thereon.

He also, from the same committee, to which was referred the bill (S. 4727) to quiet title and possession with respect to certain lands in Lawrence County, Ala., reported it with amendments and submitted a report (No. 2384) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1962. A bill for the relief of Albert H. Jacobson (Rept. No. 2405);

H. R. 2932. A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the

claim of the International-Great Northern Railroad Co. against the United States (Rept. No. 2401);

H. R. 4059. A bill for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson (Rept. No. 2385);

H. R. 5829. A bill for the relief of Daniel J. Hagerty (Rept. No. 2402);

H. R. 7463. A bill for the relief of Lawrence R. Lennon (Rept. No. 2386);

H. R. 7864. A bill for the relief of Edward P. Oldham, Jr. (Rept. No. 2387);

H. R. 8643. A bill for the relief of Mr. and Mrs. Frank Daley (Rept. No. 2388);

H. R. 9008. A bill for the relief of Milo Milliser (Rept. No. 2389);

H. R. 9111. A bill for the relief of Evanell Durrance (Rept. No. 2406); and

H. R. 11597. A bill for the relief of L. A. Peveler (Rept. No. 2390).

Mr. BAILEY also, from the Committee on Claims, to which was referred the bill (H. R. 7642) for the relief of Katherine Trick, reported it with an amendment and submitted a report (No. 2391) thereon.

Mr. BENSON, from the Committee on Claims, to which was referred the bill (H. R. 8799) for the relief of John N. Hunter, Edmund M. Cook, Fred C. Putnam, Merchants National Bank of South Bend, Ind., and St. Joseph Loan & Trust Co., of South Bend, Ind., reported it without amendment and submitted a report (No. 2392) thereon.

Mr. BURKE, from the Committee on Claims, to which was referred the bill (S. 2777) for the relief of Mildred Moore, reported it with an amendment and submitted a report (No. 2394) thereon.

Mr. LOFTIN, from the Committee on Claims, to which was referred the bill (S. 3394) for the relief of Edmond G. Warren, reported it without amendment and submitted a report (No. 2403) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (H. R. 8841) for the relief of Estelle Mary MacDonald and Marilyn MacDonald, reported it without amendment and submitted a report (No. 2393) thereon.

He also, from the Committee on Immigration, to which was referred the bill (S. 4238) authorizing the naturalization of Joseph Brian Grant Ingoldsby, and for other purposes, reported it without amendment and submitted a report (No. 2400) thereon.

Mr. MOORE, from the Committee on Immigration, to which was referred the joint resolution (H. J. Res. 388) to authorize the issuance of a reentry permit to Tonio Mori Moto and his readmission upon application while such permit remains valid, reported it without amendment and submitted a report (No. 2399) thereon.

Mr. WALSH, from the Committee on Education and Labor, to which was referred the resolution (S. Res. 298) for the appointment of a special committee to investigate the movement of indigent persons across State lines (submitted by Mr. POPE on May 18, 1936), reported it with an amendment and submitted a report (No. 2396) thereon.

He also, from the Committee on Naval Affairs, to which was referred the bill (H. R. 11984) for the relief of Oda Herbert Plowman, reported it without amendment and submitted a report (No. 2397) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (S. 4773) to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels, reported it without amendment and submitted a report (No. 2398) thereon.

Mr. VANDENBERG, from the Committee on Commerce, to which was referred the bill (H. R. 12494) to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich., reported it without amendment and submitted a report (No. 2404) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the joint resolution (S. J. Res. 213) defining the jurisdiction of the Court of Claims under the act approved April 25, 1932 (47 Stat. L. 137), and for other purposes, reported it with amendments and submitted a report (No. 2407) thereon.

POLITICAL AND CIVIL RIGHTS OF WOMEN—PRINTING OF STATEMENT

Mr. HAYDEN. By direction of the Committee on Printing, I report back favorably, without amendment, Senate Resolution 319, and I ask unanimous consent for its immediate consideration.

There being no objection, the resolution, S. Res. 319, submitted by Mr. PITTMAN on the 5th instant, was read, considered, and agreed to, as follows:

Resolved, That the manuscript of the statement interpreting the laws of the United States with respect to the political and civil rights of women compared to the political and civil rights of men, compiled for action by the Seventh International Conference of American States, be printed as a Senate document.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. VANDENBERG:

A bill (S. 4779) to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.; to the Committee on Commerce.

By Mr. COPELAND:

A bill (S. 4780) to extend the laws governing inspection of vessels, and for other purposes; to the Committee on Commerce.

By Mr. ASHURST:

A bill (S. 4781) to prohibit certain loans or grants to States allowing open-market sale of convict-made merchandise; to the Committee on the Judiciary.

By Mr. CAPPER:

A bill (S. 4782) to provide for the extension of Prospect Street in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(Mr. LEWIS introduced Senate bill 4783, which was referred to the Committee on Patents and appears under a separate heading.)

By Mr. SCHWELLENBACH:

A bill (S. 4784) to permit mining within the Glacier Bay National Monument; to the Committee on Public Lands and Surveys.

By Mr. COPELAND:

A joint resolution (S. J. Res. 289) directing the Interstate Commerce Commission to make certain investigations concerning air-mail contracts, and for other purposes; to the Committee on Interstate Commerce.

By Mr. ROBINSON:

A joint resolution (S. J. Res. 290) to authorize the Director of the Mint to prepare a medal commemorative of the 50 years of continuous effort and service of Carrie Chapman Catt for the betterment of the status of women in the United States; to the Committee on the Library.

By Mr. MURPHY:

A joint resolution (S. J. Res. 291) amending section 11 of the Soil Conservation and Domestic Allotment Act; to the Committee on Agriculture and Forestry.

REVIVAL OF CERTAIN LETTERS PATENT

Mr. LEWIS. Mr. President, I desire to tender a bill and an observation regarding it. I trust I may be pardoned for interjecting an explanation.

Two bills were before the Committee on Patents. They were introduced by me, and related to the revival of certain patents known at the city of Chicago as the Robinson patents. Alas, confusion followed by the contention of certain claimants apart from patentees and successors other than those mentioned in the bills as introduced. I can certify to the honor and high citizenship of the people now owning interest in the patents, and worthy of the rights they seek. I desire now to introduce a new bill, the Senate committee having acted by displacing the others until this

new bill should come forward. The new bill sets forth the general situation and meets the conflict by comprehending the interests of all those now claiming.

The VICE PRESIDENT. Without objection, the bill will be received and appropriately referred.

The bill (S. 4783) to revive certain patents was read twice by its title and referred to the Committee on Patents.

CHANGE OF REFERENCE

Mr. NEELY. Mr. President, on the 16th day of January of this year I introduced Senate Joint Resolution 202, to aid in defraying the expenses of a National Negro Exposition to be held in the city of Atlanta, Ga., during the year 1936, which was referred to the Committee on Appropriations. That committee has now decided that it does not have jurisdiction of the subject matter, and on the suggestion of the chairman of the subcommittee which conducted hearings, I ask unanimous consent that the Committee on Appropriations be discharged from further consideration of the joint resolution and that it be referred to the Committee on the Library.

The VICE PRESIDENT. Without objection, it is so ordered.

REGULATION OF INTERSTATE COMMERCE IN BITUMINOUS COAL—AMENDMENTS

Mr. NEELY and Mr. FRAZIER each submitted an amendment intended to be proposed by them to the bill (S. 4668) to regulate interstate commerce in bituminous coal, and for other purposes, which were ordered to lie on the table and to be printed.

ADDRESS BY SECRETARY HULL AT BROWN UNIVERSITY

Mr. GERRY. Mr. President, I ask unanimous consent to have inserted in the RECORD a speech delivered by the Secretary of State, Hon. Cordell Hull, at Brown University, Providence, R. I., June 15, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am happy to be with you today. On similar occasions in the past William L. Marcy, Richard Olney, John Hay, and Charles Evans Hughes, four of my distinguished predecessors in the office of which I am proud to be the present incumbent—all of them your alumni—were the recipients of the honor which you bestowed upon me this morning. I am deeply grateful to your trustees for inducting me into the high company of those whom Brown University has chosen to favor with this mark of distinction.

I should like to address the remarks which I am about to make particularly to the youth of our country, represented by your newest alumni, the class which has just graduated from this great university. You and thousands like you are entering upon a new stage of your life's course. Your paths will diverge into various walks of endeavor. Your immediate preoccupations and interests will become diversified as you choose your particular avocations and determine to devote your effort to the particular pursuits of your choice. But whether your life work will lie in the field of business, or of public service, or of the various professions, there are some things that you will always have in common among yourselves and with the rest of your countrymen. Each of you will carry the responsibilities of citizenship in your country. As a component part of our Nation, none of you will be able to escape a sense of vital relationship with other nations in a world that is constantly being refashioned in a mold of growing interdependence and integration.

We of the older generations will gradually share with your generation, and finally relinquish to you, the management of our country's national and international affairs. You, in turn, will some day move into a similar relationship with your own children. All of us are the inheritors of the great things for which our country has stood, at home and abroad, since its beginnings. All of us are also the trustees of this precious heritage, which it is our manifest duty to pass on to our successors brighter rather than tarnished; made richer rather than poorer. Under a democracy as the form of government which it is our privilege and our blessing to enjoy in this country, each of us must individually bear his full share of responsibility for the kind of nation we are and the kind of world we live in.

My own immediate preoccupation is with the foreign relations of our country. For that reason, it may be fitting for me to direct my thoughts today primarily to a contemplation of what is basic in that particular aspect of our national life and to share with you what experience has taught me as to the part which each of us, individually and collectively, must play in the exercise of that phase of our free citizenship.

Dominant in the field of international relations, almost to the point of overshadowing all other considerations, is the great problem of peace and war. Human history has been a record of constantly shifting balance between the forces that make for peace and those that make for war, with now one, now the other tipping the scales.

Out of the far reaches of the past there has come down to us the admonition: "In time of peace, prepare for war." We of the modern world cannot accept this guiding rule in all its implications. It is true that war is still a part of our life and that circumstances may arise under which we may have to fight. So long as that remains true, common sense and prudence require each nation to be ready to meet its responsibilities. But side by side with that, and as an even more sacred duty, each nation should seek, in time of peace, to arrange its own affairs and its relations with other nations in such a way as to make resort to war unnecessary and, when humanity has progressed far enough, utterly unthinkable.

The grim counsel of the ancients is too deeply imbued with the inevitability of war. It lends to peace the aspect of a purely negative concept. It makes peace merely an interval between two succeeding conflicts, characterized by an absence of war, yet constantly overshadowed by its impending doom.

Peace, in a deep and broad sense, is not that. It is the indispensable foundation of human freedom and human progress. It is the framework within which alone the constructive genius of mankind can have unhampered scope to create an advancing civilization in terms of material comfort, cultural development, and spiritual happiness.

War inevitably interrupts the march of human progress. The advance of civilization requires an interplay of free individual initiative and originality to provide the driving power, and an appropriate social organization to furnish, through the combined and cooperative effort of many individuals, the necessary adequacy of resources. This advance is real when it creates new wealth by constantly expanding the productive equipment capable of supplying more and more abundantly our material needs, and when it multiplies those facilities which permit an enlarged and more widely diffused satisfaction of our cultural needs. War of necessity redirects, suddenly and brutally, the whole course of individual and collective effort.

Under the pressure of its exigent intensity war absorbs, for purposes of destruction, a varying share of both existing and newly created wealth. It forces upon each country involved two sets of adjustments—from peaceful pursuits to an all-embracing mobilization for military conflict and a subsequent demobilization to peaceful pursuits. These processes use up precious energy and resources and thus serve to slow down the pace of human progress. They represent a set-back which must be overcome before the advance of our civilization can be resumed.

War disrupts the operation of cultural facilities. It harnesses personal liberty to the chariot of its own grim purpose. It weakens the fiber of individuals and of nations. It leaves mankind poorer than it would have been, both materially and spiritually, and imposes upon the world, during the period that immediately succeeds armed hostilities, the choice between permanent enfeeblement and a supremely difficult effort of physical and moral regeneration.

The seeds of war are sown long before actual military operations begin. They lie and germinate in the frictions and conflicts, real or imaginary, that constantly arise between the interests and aspirations of individual nations. The duty of statesmanship is to reconcile these conflicts, to remove their causes, and thus to open wider and wider the horizons of human advancement.

The supreme care of the statesman should be the well-being of the people. War exacts too high a price to be conducive to human welfare—a price which normal human intellect cannot possibly accept as justified by any achievement that can be secured through a deliberate resort to arms. That is why enlightened and responsible statesmen of our days seek, in every way possible, to outlaw war as a means of national policy and to substitute for it the constructive processes of friendly conciliation and arbitration and fair adjudication of international disputes.

War is sometimes described as the last resort of the statesman. I should rather say that recourse to war as a means of attaining the aims of national policy is an unmistakable symbol of bankrupt statesmanship. But the statesman is only an instrument of national action. The mainsprings of that action lie in the will of the people. This is true ultimately even under a dictatorship, when individuals or small groups temporarily are able to assume autocratic control of the people's destiny. It is true, immediately and in full measure, in a democracy.

In the long run, statesmen can act only within the limits of the popular will, which finds its expression through the various agencies of public opinion. It is the trend of such opinion that determines fundamentally the course of a nation's policy. Well-informed public opinion, alert to the constructive needs and the best interests of the Nation and the world, vigorous in the assertion of its demands, will inevitably encourage and compel statesmen to seek for the country friendly and mutually beneficial—rather than hostile and mutually harmful—relations with other countries. It will strengthen in the world the forces of peace and repel the forces of war. Ignorant, indifferent, and supine public opinion will leave the Nation and the world at the mercy of blind chance or, worse still, of self-seeking adventurers, ready to sacrifice the well-being of mankind to personal or group greed and advancement.

Public opinion is the sum total of individual views and convictions. The shaping of conditions which determine whether nations will be at peace or at war with each other—or, for that matter,

the outcome of any issue, large or small—reaches back to the individuals who compose the national entities. If I were asked to express an opinion as to what will be the condition of affairs in our country or anywhere else in the world 10 or 20 years from now, I should reply unhesitatingly that I would first have to know what the character and temper of individual men and women will be at that time.

Learning is a great thing, and a powerful determinant of human action. Knowledge of the essential facts, understanding of the motives of others, ability to distinguish between immediate and long-range advantages, between broad and narrow interests—all these are fundamental to good human relations.

But knowledge and understanding, however great and however widely diffused, are not enough. Human action is even more powerfully affected by those moral fundamentals of good human relations which go into the making of character—honesty, toleration, respect for the pledged word, willingness to adjust differences on a mutually fair basis. The late Frederick Harrison, a profound English philosopher, once addressed this moving challenge to his countrymen:

"Nothing can save us but a high moral sense, a national creed of loyalty, discipline, and unselfish devotion to duty—in a word, a more efficient religion."

His words ring out just as true now, and his message is just as fitting in our country and in all other parts of the earth.

The youth of our country are entering the world of action at a time when, as seldom before in the whole gamut of human history, these qualities of character are desperately needed. The cataclysmic war of two decades ago and its tragic long-drawn-out aftermath have reduced the standards of international morality to a low level. The predatory instinct of national aggrandizement is again rampant and has already set armies marching in some parts of the earth. Solemn international agreements are being violated with a light heart. Apprehension, suspicion, and confusion rule the political relations among most nations. Search for narrowly exclusive advantage and utter disregard of the broad, constructive principles of fair dealing and of cooperative action to a great extent dominate international economic relations. In nearly every domain of life hostility prevails over friendliness and distrust over confidence and good faith.

If the world is not to be plunged into another cataclysm, friendliness and confidence, fair dealing and good faith must triumph once more in the relations among nations over hostility and distrust and suspicion and greed. This cannot come to pass unless the spirit underlying national policies undergoes a rebirth, unless individuals within nations, through their personal conduct, through their influence upon others, through their exercise of responsible citizenship, devote themselves to the cause of such rebirth. For, in the final analysis, no nation is better than the individuals who compose it.

To raise once more to their proper height the lowered standards of international morality is a task that confronts your generation and mine. I cannot believe that, stupendous and difficult though it be, this task is beyond our power.

This country of ours was built by men of vision, of determination, of hardihood, men eager and willing to grapple with the problems that confronted them on the basis of integrity, of vigorous initiative, of a profound sense of fairness and justice. They have carved a great and powerful Nation out of the wilderness of a New World, a Nation instinctive with individual freedom, under the protection of the wisest constitutional charter ever devised by the mind of man. They made mistakes. They failed in some of their undertakings. But through prosperity and adversity they never faltered in their quest for human happiness.

We are confronted today with new and grave political, social, and economic problems that spring out of the growing complexities of modern civilization. We can solve these problems if we have the same moral fortitude, the same qualities of character that our people invariably exhibited when crises arose in our national existence. We cannot, through supine moral decadence, let America decline from its spiritual and material greatness. It is within our power to will and to achieve for our Nation a new advance toward the exalted goal of our forefathers' unflinching endeavor.

More than that, by our example, by our determination to deal fairly and justly with everyone, we can exert a powerful influence in leading the distracted world of today toward a revitalization of basic moral and spiritual values which alone can appease its present turmoil and direct its energies away from suicidal strife toward creative peace.

There can be no worthier aim in our life, no more exalted conception of civic duty, than to dedicate ourselves, with the fervor of a flaming crusade, to this quest for a better world.

We who are active today in the affairs of our Nation are striving, to the best of our ability, to be guided by this inspiring vision. May it shine ever brighter to the youth of our land.

The alumni of this great university have been fortunate to have had the foundations of their citizenship laid within these walls. For almost 175 years, this superb institution of learning has been sending forth into the active ranks of our people men who have made their mark in every walk of life, who have done much to raise to ever loftier heights those ideas and ideals which have ennobled and perfected democracy within our land, and have made each of us ever more proud of the place which our country occupies in the family of nations. I need not attempt to name them. They are a part of our country's history. Some of them are here today. I know that Brown's latest graduates are going forth with the same faith, the same zeal, and the same determination.

Despite the setbacks which it suffers from time to time, despite the threatening clouds that today overhang the international horizon, I firmly believe that humanity is constantly going forward to higher and higher achievements in the onward march of its civilization. One cannot read history and not be inspired by the progress already attained over the ages. Nor can one fail to be strengthened in one's faith and hope that new and greater achievements lie ahead. Let me quote, in conclusion, these lines in which a poet has expressed the final thought I wish to leave with you:

"* * * I count him wise
Who loves so well man's noble memories,
He needs must love man's nobler hopes yet more."

NOMINATING ADDRESS BY JOHN HAMILTON

Mr. CAPPER. Mr. President, Hon. John Hamilton, Republican national committeeman from Kansas, and now the chairman of the Republican National Committee, delivered a noteworthy speech at the recent convention of the party at Cleveland nominating Gov. Alfred Mossman Landon, of Kansas, as the Republican candidate for President of the United States. The speech covered many questions which will be prominent before the people of the Nation in this year's campaign, and I believe citizens generally will be interested in it. I therefore send to the desk a copy of the speech, and ask unanimous consent to have it printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Today this Nation is faced with the unusual picture of a President of the United States, apparently without concern and at times seemingly by design, using the powers and prerogatives of his high office to undermine the American democracy. Under his administration we have seen the courts circumvented, indefensible waste and extravagance reflected in mounting deficits, the use for partisan purposes of authority and money granted by Congress supposedly to avert suffering and distress. His only fixed policies have fostered monopoly, threatened the Nation's credit, driven needed capital from the field of industrial enterprise, increased unemployment, and caused confidence in representative government to reach its ebb. From it all there has come a sense of insecurity, of uncertainty, and even of dread, precluding any hope of reestablishing individual security, of a moral reawakening of our people, or of a permanent rehabilitation of agriculture and industry.

Although we come as Republicans, we are here, in fact, representing every man and every woman who glories in the accomplishment of our Nation's past and has faith in our Nation's future. For this great group of our people, the Republican Party provides the sole rallying ground for united political action. We are therefore charged with the responsibility of carrying out our duties here with unquestioned good faith to party and to country, and we cannot be unconscious of the profound obligation that is ours. So grave are the issues, so serious the task confronting us, that we must in the fulfillment of that obligation entertain from this platform no suggestions of measures or of men unless brought to us freed from selfish motives and personal ambitions.

If we are to fulfill that obligation, we shall here nominate one whose personal history gives full assurance of a sympathetic understanding of the problems at hand and whose experience in private life and as a public official holds out the promise that these problems will be met with efficiency, honesty, and courage. Specifically, it means that he who carries the standard of Americanism in the weeks that are to follow must have a clear conception of the problems of those who labor, gained not from a detached theoretical viewpoint but because he has labored; that he must have a realization of the needs of those in distress, not from the information of others received in surroundings of luxury but from personal contact with those who have been in want; that he shall know the problems of those who cultivate the soil not through what he has learned from others who ponder these questions in academic halls but by having lived among them and having heard the story from their own lips. He must know something of the difficulties and intricacies of American business life, not from economists who have never known the necessity of meeting a pay roll but from his own experience in business. He needs must realize that the disbursement of public funds is a public trust and not a political revelry, and he is the more apt to have that realization if his own property has not been bestowed upon him but has been gained through his own efforts.

Fully conscious of the duties and obligations I conceive to be mine as a delegate to this convention and appreciating the character that we must require of our nominee, I give you the name of a Republican Governor from a Republican State—Alfred Mossman Landon, of Kansas.

The personal history of Governor Landon is a story of modern America. It is a tribute to individual opportunity and to individual character. Governor Landon was no more favored by for-

tune than millions of his fellow citizens. His education and upbringing were not those which great riches can purchase. His heritage did not include material wealth. But he did share with millions of the rest of us in the mighty fortune with which American principles of life and American opportunities for life have endowed us. Faith in America and confidence in themselves guided Governor Landon's parents while he was a boy, and that same faith has guided him in his activities as a man.

In common with the great majority of his fellow citizens, Governor Landon learned from the precept and example of his parents the abiding virtues of work, of honesty, of thrift, of modesty, and of tolerance, and he learned also the excellent and unanswerable reasons why these virtues remain with us while others less substantial fade away.

In common with all of his generation he shared the advantages of our great system of public education. In common with millions of us he was a member of the armed forces of the United States. But more important, because more characteristic of our Nation, Governor Landon has shared directly in the work of America. Huge as was the Army mobilized for war, it was nothing compared to the vast army of workers who have in every generation, by their own initiative and by their own cooperation with each other, built and rebuilt America.

Governor Landon knows what it means to labor, for under the burning sun of Oklahoma and Kansas he lived and worked in the oil fields with the grizzled veterans of the wire lines, the walking beams and the bull wheels. Governor Landon knows what agriculture means. His business has been with farmers. His customers have been farmers. His neighbors and his friends have been farmers. Governor Landon has known what it means to worry. You worry when the livelihood of yourself and those who work for you depends alone upon your judgment and ability. Governor Landon knows what it means to combat hidden powers working under any name. You have to fight when your independence and your very existence are threatened by great combinations of wealth. Governor Landon as a businessman kept his independence. He met his pay rolls. He made the business pay. He knows that no business which does not pay can long continue to meet the pay roll. He knows the various forces which affect the delicate adjustment of business and the balance of which is essential to our prosperity.

Governor Landon did not amass great wealth from his business, but he earned his living and he earned a reputation. A reputation for knowing how to work, a reputation for keeping his word, a reputation for being far too intelligent to be fooled and far too courageous to be frightened. It is not without effort that a man can earn his living and such a reputation; and such an achievement is sufficient for most men in their lifetime. But the tradition of this country is not only that its citizens should work, but that they should also govern themselves. Governor Landon did not wait to assume his responsibilities as a member of a self-governing community, a self-governing State, and a self-governing Nation. From the time he was old enough to assume the simplest duty of a citizen—the duty to vote—he informed himself, through contact and experience, of the workings of this machinery of self-government.

It is not, therefore, by chance that Governor Landon received that experience in both business and government which the party and the country recognize as an essential qualification for our leader. He learned the one as he learned the other from the ground up, not with the hope of furthering personal ambitions but with the purpose of fulfilling his full duty as a citizen of his country.

Governor Landon's initial political success was based upon the opinion his fellow citizens had formed of his knowledge, his reputation, and his character as shown in business and on the smaller stages of politics. No one could tell, when he was first elected Governor of Kansas, that that knowledge and that reputation and character would be sufficient to allow him to assume with credit the new responsibilities of high public office. That he did so, not only adequately but brilliantly, is a part of the history of my State. He did not change in character as Governor from the man who had run for Governor or from the successful businessman interested in local politics. Moreover, under the white light of merciless publicity that glares on every Presidential candidate, Governor Landon has remained unchanged, with the same sense of proportion which he has always had. He is still of the people, and in recent weeks the voice of acclaim arising from the rank and file of men that make up the American democracy has shown that these facts are widely appreciated.

In Kansas, Governor Landon has made State administration not complex but simple. He has not sought to give the impression that it is a task to be assumed only by supermen. It is my prediction that as the standard bearer of his party he will be elected to the Presidency and he will meet the multiple problems of that office in a similar spirit, which will create the same feeling among the citizens of the Nation; and the creation of that feeling will go far toward restoring the essential confidence of our citizens in themselves and in their Government, which is the Nation's greatest need today.

Through 3½ years we have heard much talk of emergency. Emergency has been advanced as an argument for the breaking of campaign pledges, for a reckless spending of public funds, for the creation of a bureaucracy, for the appointment of public officials for reasons of personal loyalty rather than merit, and for a bewildering succession of inconsistent and impracticable measures which have retarded recovery and created uncertainty. Yet Governor Landon was elected to his office at the same time that the New Deal administration was elected to power. He faced in his capacity as a State executive, emergencies of the same kind that confronted the national Executive. He faced also the same question of whether he should in that emergency break the pledges he had made in his campaign or whether he should keep those pledges. The answers given by the new President and the new governor were different and they were in character. For, as we have seen from the public record of the two of them, their characters were different.

There is nothing easier than to break a contract once you have convinced yourself that contracts can be broken. There is nothing easier than telling a half-truth to cover that broken contract once you have decided that truth is out of style. There is nothing easier than to promise all things to all men when your conscience is sufficiently elastic. There is nothing easier than to take any means at hand to secure votes once you have decided that you value votes more than your own self-respect. There is nothing easier than spending money you do not have to pay, and it is easy and amusing to indict and condemn the motives of your opponents when you have lost your sense of proportion and have become convinced that you, and you alone, are indispensable to the people.

Adopton of the policies that have ruled in Washington for the last 4 years would have been just as easy in Kansas—except for one thing, that Governor Landon had not seen fit to take the first steps toward unreliability. His answer to emergency was different. He decided that even if citizens were losing confidence in all else around them, at least they would not have cause to lose confidence in their new Governor.

He promised economy; he gave economy. He promised cooperation with the legislature; he cooperated with the legislature. He promised appointments on the basis of merit, and he made his appointments on that basis. He swore to uphold the Constitution, and he upheld it, for to him the Constitution was not an obstable to be circumvented but a tool to be rightly used. He avoided personal abuse in his campaign, he avoided it in his administration, and in that administration neither deceit nor malice have had a place. In his personality there is neither intolerance nor egotism. He has never been removed from the body of the common people, and I predict that no honor will ever so remove him. He has been and is, simply and plainly, one of the ordinary folk of this country, and his conception of his duty in any public place will be to be the servant of all and the master of none.

With this record and this character, Governor Landon stands before the Republican Party—representative as is no other man in public life today of the resurgence of a demand for individual opportunity and for real self-government in America. The people of our country look to him to lead them back from the deceptive shadows of uncertainty to the honest sunlight of reality.

We have met here as representatives of the Republican Party to adopt a platform and to nominate a candidate. We have adopted our platform. We have pledged ourselves to certain principles and to certain policies. I know that Governor Landon as the nominee of this party will, when elected, carry out its pledges. Months before this convention met he indicated to the party and to the country the position which he took upon the basic issues confronting us.

He has plainly expressed his concern in the problems of the farmer, for he knows it affects every phase of our social and economic life. He knows that the farmer is entitled to receive for his crop a fair price, comparable to the price of the commodity he buys, and that he should not have the value of his labor and his produce affected by artificial handicaps. He is determined that there shall be a solution of those problems, but not at the cost of the farmer's rights as an American citizen.

Governor Landon has made clear also the basic policies which should be adopted by the Government in order that we may realize a business recovery which is permanent. He has made fully clear that the first essential must be the restoration of confidence. Confidence in the currency, confidence in the credit of the Government, and above all confidence in the honesty and efficiency of the Federal administration. As essentials for creating this confidence he has proposed a sound and stable monetary system, a more effective Budget making by the Executive, and a policy of reasonable economy in the expenditures of public funds. He has given his opinion that work for those who want it will come and only come from the assurance of business and industry; that they may plan wisely for the future without fear that their plans may be dislocated at any time by a multitude of wildcat schemes.

No friend of monopoly in any business, Governor Landon has announced without equivocation that we must attack the evils of monopoly frankly and resolutely, and must insist that Government keep in force at all times a fair competitive system.

His position on other issues is based upon this same determination to preserve equality—equality of justice under law, and equality for the wage earner in his negotiation with the wage payer. Months ago he urged us as Republicans to make it clear to the needy everywhere that the changes we pledge in the administration of relief will in no wise jeopardize the aid which the needy must receive, but will entirely be directed toward bringing order out of chaos by purging the Federal relief administration of partisan waste and incompetence.

Governor Landon, a product of modern America, is aware of the changes which modern American appliances and machine-minded civilization have brought about. He knows that the duty of government is to protect those handicapped by conditions over which they have no control. And in his own words "we have begun to

protect childhood but the obligation to protect old age lies straight before us." He has condemned the present administration's debauching of the civil service and has contended that the merit system in Government employment must be restored, improved, expanded, and extended to include the opening up of the higher positions.

Governor Landon's attitude on these questions springs from patriotism and not partisanship. Accordingly he has made his appeal far beyond party lines to those citizens—Republicans, Democrats, and independents alike—who want the Government to play its proper part in meeting the problems of our times, but who wish it to do so without wasting the substance of the people or endangering their future. He believes that these moderate people want neither radicalism on the one hand nor reaction on the other; that they want performance and not promises; that they want the elimination of the hysterical tone from the Government; that they are tired of epithets, evasions, and sophistries; that they want no flouting of the Constitution, whether by Executive evasion, loose legislation, or pernicious propaganda; that they condemn attempts to create class divisions in a country that knows no classes; and that they propose to solve their problems in accordance with the American system. This great group of moderate-thinking people make up the vast majority of this Nation. It is this group to which Governor Landon has appealed. It is this group which he represents.

The policies of division, despair, and defeat may be effective in the building up of a political machine, but they will never bring a permanent recovery of employment. They will never bring about a permanent restoration of confidence, and they will never help to build the kind of future to which Americans have a right to think their country is entitled and toward which our history and our destiny most surely point.

Governor Landon has dared to voice above the welter of cynicism and despair, created and approved by men in the highest places in the land, a few of the essential facts and essential beliefs by which mankind has been surely guided in past centuries in its slowly succeeding struggle toward material progress and spiritual growth. He has had the courage not to attempt to compete in promises and panaceas with the false prophets who for three and a half years have misled and deluded the public. He has not been afraid to recall our minds to the truth inherent in such supposedly out-worn phrases as the ones which say "there is no substitute for courage" and "his word is as good as his bond." He has been willing to run the risk of being termed old-fashioned in order to reassert his opinion that phrases such as these imply a sense of values we cannot afford to lose.

We have been through bitter times, and they have left their mark. Our generation has seen the collapse of the financial chicanery that was to make us millionaires, and the collapse of the political chicanery that was to make us kings. Grimly we know that neither can achieve its promise, that the result of one is poverty and of the other loss of our liberties.

From its inception, through its darkest hours, in its worst crises, the United States has—and I say it with all knowledge of its meaning—held in its hands the hope of the future progress of the world. Here, then, is our responsibility. Here is the crisis which we must meet and here is the choice which we must make. Here is a record of a modern American—unpretentious, unassuming, willing to serve—but not eager to dictate. Here is a homely record, if you will, and here are homely virtues and common sense answers. Here is no gilt and here no theatrical dramatics, no overwhelming egotism, no self-righteousness, no pretense of supremacy. Here is a man who is the product of our own country and our own time, who has made his way as we have had to make ours, and who has assumed at each turn of his life the obligations imposed on him and who has fulfilled those obligations in each instance with credit. Here is a man of typical prairie State who has retained within his heart the spirit and the inspirations of those who came before him and of whom Whittier wrote:

"They crossed the prairies as of old
The Pilgrims crossed the sea,
To make the West as they the East
The homestead of the free."

Here is a man, Governor of a great State, with an enviable record in that high office, proving that administration may have vision and yet be honest and efficient.

Here are the policies for which he stands and the methods which he proposes, and here is something more besides—the undefinable qualities evidenced in his character and record which meet the needs of the people of this Nation.

Behind Governor Landon, as standard bearer of the Republican Party, will rally a united party, for he has a genius for creating unity. Behind Governor Landon will rally that great group of citizens without regard to party label, who wish to see performance and not propaganda, confidence and not confusion. Behind Governor Landon, carrying the standard of young America, will rally that great section of the people who wish to repudiate the alien philosophies and out-worn theories and who, without regard to their own age, are young enough to have faith that we can build a greater country by carrying forward the dynamic American doctrines of hope, of tolerance, and of effort. With Governor Landon's leadership, we can assure a Republican victory in the coming election, and under Governor Landon's leadership as President of the United States we can gain a national victory over the forces of depression and despair.

Here and today the Republican Party makes a choice for itself and for America. Let us then reflect the worthiest traditions of a mighty past and make certain of a mightier future by meeting our obligations for that choice with the one man who can rally to a glorious cause the rank and file of all America, and that man is Alfred Mossman Landon.

CONSTITUTIONALITY OF ACT PROHIBITING INTERSTATE TRANSPORTATION OF PRISON-MADE GOODS

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD the opinion of the United States Circuit Court of Appeals for the Sixth Circuit sustaining the constitutionality of the act of Congress of July 24, 1935 (49 Stat. 494), the so-called Ashurst-Sumners Act, which prohibits the interstate transportation of prison-made products.

The case reached the circuit court of appeals upon appeal from the District Court of the United States for the Western District of Kentucky.

The law firm of Hawes & Walsh, of Washington, D. C., and Mr. Bon Geaslin, of that firm, successfully handled the litigation involving the sustaining of this law. I also ask that the letter addressed to me by Mr. W. C. Roberts, chairman of the legislative committee of the American Federation of Labor, be printed in the RECORD.

There being no objection, the opinion of the circuit court of appeals and the letter were ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., June 11, 1936.

Hon. HENRY F. ASHURST,
Chairman, Judiciary Committee of the Senate,
Senate Office Building, Washington, D. C.

DEAR SENATOR ASHURST: As you were one of the sponsors of the Ashurst-Sumners Act, I thought you would be pleased to read the decision of the United States Circuit Court of Appeals of the Sixth Circuit sustaining the constitutionality of the law. Therefore, I am enclosing a copy.

Besides, it has some bearing on the amendment to the Ashurst-Sumners Act providing that all articles within a container shall be marked "prison made."

Very truly yours,

W. C. ROBERTS,
Chairman, Legislative Committee,
American Federation of Labor.

United States Circuit Court of Appeals, Sixth Circuit
No. 7235

KENTUCKY WHIP & COLLAR CO., APPELLANT, *v.* ILLINOIS CENTRAL RAILROAD CO., APPELLEE. APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE WESTERN DISTRICT OF KENTUCKY

Decided June 1, 1936

Before Moorman, Hicks, and Simons, circuit judges.

Moorman, circuit judge. The appellant employs convict labor in the manufacture of horse collars and strap goods, including harness, in a State penitentiary at Eddyville, Ky. It tendered to the appellee, a common carrier, at its station at Eddyville 25 packages of collars and harness manufactured by it for shipment to customers in States other than Kentucky. Some of the packages were consigned to customers in States whose laws prohibit the sale within their borders of any goods or merchandise manufactured or produced by convict labor other than by convicts or prisoners on parole or probation; others were consigned to customers residing in States whose laws do not prohibit the sale therein of convict-made goods but require that any such goods exposed or offered for sale shall be plainly marked so as to indicate that they are convict made; and others to customers residing in States whose laws impose no restrictions upon the sale or possession of convict-made goods within their borders. The appellee refused to accept the packages for shipment, giving as its reasons therefor the prohibitions and requirements of the act of Congress of July 24, 1935 (49 Stat. 494), the Ashurst-Sumners Act, which declares: (1) That it shall be unlawful to transport or cause to be transported any goods, wares, or merchandise manufactured or produced by convicts or prisoners, except convicts or prisoners on parole or probation, from one State or Territory to another State or Territory in the United States, where such goods, wares, or merchandise are intended by any person interested therein to be received, possessed, or sold, either in the original package or otherwise, in violation of any law of such State or Territory; and (2) that all packages containing any goods, wares, or merchandise manufactured or produced by convicts or prisoners, except convicts or prisoners on parole or probation, when shipped or transported in interstate commerce, shall be plainly and clearly marked so that the name and address of the shipper, the name and address of the consignee, the nature of the contents, and the name and location of the penal or reformatory institution where produced may be readily ascertained on an inspection of the outside of such package. Following the

refusal, the appellant brought this action against the appellee seeking a mandatory injunction requiring the appellee to accept the goods for shipment when retendered to it and for a decree declaring the Ashurst-Sumners Act an illegal exercise of the legislative power of Congress in violation of the fifth and tenth amendments to the Constitution. The trial court found as a fact that the appellant had not labeled any of the packages so as to indicate that the articles therein contained were convict made, and dismissed the bill.

The decree is attacked on the ground that it gives effect to a statute which the Congress had no power, under the commerce clause of the Constitution, to enact. It is alleged in the bill that the articles tendered to the appellee were not "in any particular whatever harmful to health, or to the peace, good order, or general welfare of the communities into which they are shipped or in which they are used." The lower court found, without hearing evidence, that they "are useful articles of commerce, and are not in themselves in any particular harmful to the health, peace, or good order of the communities into which they are shipped or in which they are used." It is upon the theory that the goods are innocuous in their character that the appellant insists that the act in question is invalid. We think a proper analysis of the argument is to be made in the light of the effect of the sale of the goods in competition with goods manufactured by free labor. In this view it is pertinent to consider that a "preponderant number" of the States have enacted statutes either prohibiting the sale of convict-made goods within their borders or requiring such goods, before being offered for sale therein, to be plainly marked so as to indicate the source of their manufacture. "All such legislation", as said in *Whitfield* v. *State of Ohio*, — U. S. — (decided Mar. 2, 1936), proceeds upon the view that free labor, properly compensated, "cannot compete successfully with the enforced and unpaid or underpaid convict labor of the prison." It was also said in that case that there is "ample support in fact" for the view that the sale of convict-made goods in competition with the products of free labor is an evil. From these pronouncements it is obvious that the legislation of the States designed to prohibit this evil must be deemed to have been enacted pursuant to a sound public policy; indeed, it was so held in the case just referred to in sustaining such legislation in Ohio. The question for decision therefore is whether Congress, in aid of the enforcement of a valid public policy of the States, may pass a law excluding convict-made articles from interstate commerce, or requiring the packages containing such articles to be labeled to indicate that the contents are convict made before permitting them to be shipped in interstate commerce.

The act in question is the culminating step in a course of Federal legislation dealing with convict-made goods similar to that enacted by Congress with reference to the transportation of intoxicating liquors. In January of 1929 the Congress passed the Hawes-Cooper Act (45 Stat. 1084), which provided that all goods, wares, and merchandise manufactured, produced, or mined by convicts or prisoners, except convicts or prisoners on parole or probation or in any penal or reformatory institution, except commodities manufactured in Federal penal and correctional institutions for use by the Federal Government, transported into any State or Territory of the United States for use, consumption, or sale, should, upon arrival and delivery in such State or Territory, be subject to the operation and effect of the laws of such State or Territory to the same extent and in the same manner as though such goods, wares, and merchandise had been manufactured, produced, or mined in such State or Territory, and should not be exempt therefrom by reason of their being introduced in the original package or otherwise. The act is almost identical with the language of the Wilson Act (26 Stat. 313), which dealt with intoxicating liquors, and which was upheld against the contention that it was a delegation of Federal power to the States. *In re Rahrer* (140 U. S. 545); *Rhodes* v. *Iowa* (170 U. S. 412). The Hawes-Cooper Act was upheld in *Whitfield* v. *State of Ohio*, supra. Finding that the Wilson Act was not effectual in preserving to the States their freedom to establish and pursue their own public policy affecting the manufacture and sale of intoxicating liquors within their borders, the Congress enacted the Webb-Kenyon law (37 Stat. 699), which prohibited the shipment of intoxicating liquors from one State or Territory into another State or Territory intended by any person interested therein to be received, possessed, sold, or used, either in the original package or otherwise, in violation of any law of such State or Territory. That act bore the same relation to the Wilson Act as the act here in controversy bears to the Hawes-Cooper Act. It was upheld in *Clark Distilling Co.* v. *Western Ry. Co.* (242 U. S. 311).

The appellant contends, however, that the decision in the Clark Distilling Co. case and the cases sustaining acts closing the channels of interstate commerce to lottery tickets, impure foods and drugs, stolen automobiles, and the transportation of women for immoral purposes are inapplicable, because the Congress was dealing in those acts with subjects inherently harmful, and its products are useful and harmless. A sufficient answer to this contention, it seems to us, is that the evils which legislation of this character seeks to remedy are not only those inherent in the nature of the article but also those resulting from its employment and disposition. It further contends that the right to exclude its products is controlled by the *Child Labor cases* (247 U. S. 251 and 259 U. S. 20), holding invalid an act of Congress forbidding the transportation in interstate commerce of goods made by children of certain ages. The Court was of opinion and held in those cases that the act was an attempt by Congress to impress its views of a desirable State public policy upon the States, and that Congress could not interfere with the purely internal affairs of the States by enacting legislation fixing a minimum age at which children should be permitted to work, a subject reserved to the States under the Constitution. The cases, in our opinion, are inapplicable, for in the act here under consideration there is no attempt to foist or impose a policy on the States. The act is a regulation of commerce among the States, but does not invade or interfere with the power of the States to regulate their own internal affairs. It was enacted in aid of the maintenance and enforcement of State laws, as was the Webb-Kenyon Act, which was held to be a legitimate exertion of the power to regulate commerce and not to be a delegation of congressional power to the States. The child labor acts, too, did not attempt to preserve to the States their freedom to establish and pursue their own policy within their borders, but attempted to use the powers of Congress over interstate commerce to impose a policy upon the States in their internal affairs, to which the Federal authority does not extend.

Since Congress has the power to prohibit the shipment of convict-made goods into States having laws prohibiting the sale or possession of such goods or their exposure for sale without labeling them, it would seem necessarily to follow that in aid of the enforcement of such prohibitions it may require a labeling of all packages containing convict-made goods shipped or transported in interstate commerce regardless of their destination.

The decree is affirmed.

MEASURES INTRODUCED BY SENATOR ASHURST WHICH HAVE BECOME LAWS

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD a list of bills and resolutions introduced by myself which became laws in the Seventy-third and Seventy-fourth Congresses, respectively.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

BILLS INTRODUCED BY SENATOR ASHURST THAT BECAME LAWS IN THE SEVENTY-THIRD CONGRESS

S. 157, to amend the act of March 4, 1915, relative to desert-land entry.

Approved February 14, 1934. Public Law No. 89.

S. 2377, for the relief of A. E. Sholley.

Approved June 11, 1934. Private Law No. 227.

S. 2379, to provide for the selection of certain lands in the State of Arizona for the use of the University of Arizona.

Approved May 21, 1934. Public Law No. 239.

S. 1582, providing that no indictment shall be insufficient because of formal defects or because of presence of clerks or stenographers.

Approved May 18, 1933. Public Law No. 16.

S. 2080, to provide punishment for killing or assaulting Federal officers.

Approved May 18, 1934. Public Law No. 230.

S. 2460, to limit the operation of the statutes of limitations in certain criminal cases.

Approved May 10, 1934. Public Law No. 217.

S. 2461, to amend the act giving the Supreme Court authority to prescribe rules with respect to proceedings in criminal cases after verdict.

Approved March 8, 1934. Public Law No. 117.

S. 2575, to punish smuggling contraband articles into penal institutions, inciting riots therein, etc.

Approved May 18, 1934. Public Law No. 234.

S. 2841, to punish certain offenses committed against banks organized or operating under laws of the United States or any member of the Federal Reserve System.

Approved May 18, 1934. Public Law No. 235.

S. 2845, to extend the provisions of the National Motor Vehicle Theft Act to other stolen property.

Approved May 22, 1934. Public Law No. 246.

S. 3040, giving Supreme Court authority to make and publish rules in civil actions at law.

Approved June 19, 1934. Public Law No. 415.

S. 3209, permitting employment of certain counsel in case of United States against Weirton Steel Co.

Approved April 14, 1934. Public Law No. 162.

S. 3436, permitting employment of certain counsel in cases of United States against Electro Metallurgical Co., New-Kanawha Power Co., and Union Carbide & Carbon Co.

Approved May 25, 1934. Public Law No. 253.

S. 3646, vesting courts with discretion relative to the forfeiture of vessels and aircraft seized for violations of law.

Approved June 19, 1934. Public Law No. 420.

BILLS INTRODUCED BY SENATOR ASHURST THAT BECAME LAWS IN THE SEVENTY-FOURTH CONGRESS

S. 1572. To amend an act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States courts", approved March 3, 1893, as amended.

Approved April 24, 1935. Public Law No. 41.

S. 2904. To prohibit the interstate transportation of prison-made products in certain cases.

Approved July 24, 1935. Public Law No. 215.

S. 3059. To authorize the acquisition of land on McNeil Island.

Approved August 2, 1935. Public Law No. 226.

S. J. Res. 59. Providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a commission to be known as the Sesquicentennial Constitution Commission.

Approved August 23, 1935. Public Resolution No. 53.

S. 3058. To amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, and for other purposes.

Approved August 20, 1935. Public Law No. 289.

S. 3336. To repeal titles I and II of the National Prohibition Act, to reenact certain provisions of title II thereof, to amend or repeal various liquor laws, and for other purposes.

Approved August 27, 1935. Public Law No. 347.

S. 3433. Limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

Approved August 29, 1935. Public Law No. 394.

S. 2421. To amend the act entitled "An act forbidding the transportation of any person in interstate or foreign commerce, kidnaped, or otherwise unlawfully detained, and making such act a felony", as amended.

Approved January 24, 1936. Public Law No. 424.

S. 3120, to authorize and direct the Secretary of the Treasury to transfer certain moneys to "Funds of Federal prisoners."

Approved January 27, 1936. Public Law No. 379.

S. 3328, to provide an official seal for the United States Veterans' Administration, and for other purposes.

Approved January 27, 1936. Public Law No. 430.

S. 2603, to authorize the Attorney General to determine and pay certain claims against the Government for damage to person or property in sum not exceeding $500 in any one case.

Approved March 20, 1936. Public Law No. 481.

S. 1379, to amend section 103 of the Code of Criminal Procedure for the Canal Zone and section 542 of the Code of Civil Procedure for the Canal Zone.

Approved May 13, 1936. Public Law No. 578.

S. Con. Res. 28 and S. Con. Res. 35, to print additional copies of the revised annotated Constitution, and further to revise same.

Approved May 14, 1936.

S. 4594, to supplement the act of June 25, 1929 (ch. 41, 46 Stat. L. 41), which authorized and directed the Attorney General to institute suit against the Northern Pacific Railway Co. and others.

Approved May 22, 1936. Public Law No. 610.

ADDRESSES DELIVERED BY THE PRESIDENT IN TEXAS

Mr. SHEPPARD. Mr. President, I ask unanimous consent to have printed in the RECORD the memorable speeches and addresses delivered in Texas by President Roosevelt during the course of his recent trip.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

ADDRESS BY PRESIDENT OF THE UNITED STATES, FRANKLIN DELANO ROOSEVELT, AT SAN JACINTO BATTLEFIELD, HOUSTON, TEX., JUNE 11, 1936

There are but few spots in the United States which have witnessed events equal in significance to that which took place at San Jacinto.

Here a century ago was a great frontier of our civilization. On the 21st day of April 1836, General Houston and the small body of less than 800 men under his command held in large measure in their keeping the future of our country as it is constituted today.

The patriots whose memories we are honoring today were victorious in the same spirit that fired the Colonists of 1776. I like to think of General Houston sending Deaf Smith back to destroy Vince's bridge, over which he had brought his army, so that neither reinforcements nor retreat were a possibility.

Most of these men had come across the Alleghenies or from the settlements of Kentucky and Tennessee and Missouri into that vast virgin territory over which our now friendly neighbors south of the Rio Grande then held sway. The spirit of independence lived in the air. Veterans of Concord and Lexington, or Saratoga and of Yorktown still lived; the acquisition of the Louisiana territory and the second war for independence were events of recent history; and, be it not forgotten, the people of Mexico themselves had won their independence from Spain but 15 years before.

Venturous spirits were willing to meet the difficulties and dangers that came with carrying the civilization of the East into the farther West—the land of unlimited promise. They were willing to comply with all the conditions required by the Mexican Government when it gave to Stephen F. Austin permission to settle colonies in Texas and to grant to each settler a tract of land.

They rebelled, however, when their civil liberties were restricted, when trial by jury and public education for their children were taken away, but they did this, I am glad to say, only after a prolonged effort on their part to have Mexico modify this decision had failed. These efforts included two conventions, one in 1832 and one in 1833, and another trip by Stephen Austin to the Mexican capital to plead the cause of the Texas colonists. I am glad also that participating in these conventions and in these pleas were Mexicans living in this territory; the first convention, indeed, appointed Rafael Manchola, a Mexican of Goliad, as a delegate to carry its petitions to Saltillo.

And so, when all else failed, the Texas declaration of independence, signed at Washington-on-the-Brazos, March 2, 1836, was as natural and inevitable a consequence as the earlier Declaration at Philadelphia on July 4, 1776.

Such action could mean nothing short of a resort to arms, and the fall of the Alamo and the massacre at Goliad soon followed. Those were discouraging days for the Texans. The Army of Independence, under General Houston, could not immediately engage General Santa Anna, with his superiority in numbers and equipment. Delay and retreat were necessary, and Houston's sagacity in biding his time, notwithstanding criticism and opposition in his own camp, was rewarded at last here at San Jacinto. The story of the conflict on this field has often been told. When the day was ended victory was overwhelming—Texas had won.

The vast territory first set up as the Lone Star Republic, and later admitted to the Union as the Lone Star State, has contributed generously in its sons and in its resources to the development of our Nation in these hundred years. San Jacinto opened another gateway for the westward sweep of the American people across the plains and the mountains to the shores of the Pacific.

It is easy, therefore, to share with you the pride which you take in San Jacinto—to share with you the fine thought of dedicating this field as one of the historic shrines of America.

We as a nation desire no further expansion. The establishment of Texas, made possible at this spot by Sam Houston's men, seems to have been justified by the natural colonization of later years. But these heroes gave us more than territory—they set an example which in itself is a glorious heritage, a just cause for State and National commemoration.

It is a great personal satisfaction to me to come here, and it is a special pleasure to meet Mr. Andrew Jackson Houston.

What a splendid combination of names. Though you are many, many years my senior, I am proud to know that my father knew your father. I shall always remember, when I was a boy, how my father used often to tell me that, when he was a very young man, he was sent to Washington by his law office to carry papers to Senator Houston. He told me how, on arriving in Washington, he was ushered into a huge, high-ceilinged room in one of the Capital's balconied hotels on Pennsylvania Avenue. There, propped up in a great bed, nightgown and nightcap, though it was past the noon hour, lay that splendid old man, who had been Governor of Tennessee, liberator of Texas, President of the Republic, Governor of Texas, and Senator from his State. There he was, holding a levee, transacting public and private business, and preparing for the session of the Senate, which, in those days, did not commence until the late afternoon. His office and his home was his hotel room. It would seem that the manners and customs of the Senators of the United States, like other manners and customs, have undergone a great change.

This and the eastern part of your great State, through which I came this morning, can truly be called the cradle of Texas liberty. I have been glad to revisit your beautiful city of Houston. Typical of American enterprise, you have brought the commerce of the world to your door by the ship canal through which I have recently passed.

And, too, I have seen a glimpse of the future, for I have in my office at the White House a model of the beautiful memorial you are to erect here as an everlasting reminder of the bravery of Sam Houston and his men.

Men fought here for principles they loved more dearly than their own lives. Liberty-loving people will always do battle for principles they believe to be right. Civilization, alas, has not yet made it unnecessary for men to die in battle to sustain principles. It is, however, my hope that in this generation the United States, by its own example, can maintain and help to maintain principles by means of peace rather than by means of war.

The pioneers and the liberators of Texas, looking down on us today, would, I am certain, say amen to that.

ADDRESS BY PRESIDENT OF THE UNITED STATES, FRANKLIN D. ROOSEVELT, AT THE ALAMO, SAN ANTONIO, TEX., JUNE 11, 1936

Fate has been kind to me today. In my many travels a visit to the Alamo has hitherto been impossible. I therefore welcome the opportunity in visiting this shrine to pay my small tribute to the heroes who laid down their lives a hundred years ago in order that Texas might become, first, an independent nation, and later a mighty State in our Union.

We are not lacking in many monuments of noble deeds, but the Alamo stands out in high relief as our noblest exemplification of sacrifice, heroic and pure.

Travis and Bowie and Crockett and Bonham, and the hundred and seventy-eight who were their comrades, by their supreme sacrifice, made Texas live.

Without the inspiration of the cry, "Remember the Alamo", the great Southwest might never have become a part of the Nation.

Without the tradition of the Alamo, every community throughout the land, every young man and young woman about to enter upon the duties of citizenship would have lacked one of our noblest symbols of the American spirit.

I cannot help but feel that the brave men who died here saw on the distant horizon some forecast of the century beyond. I hope they know that we have not discarded or lost the virility and the ideals of the pioneer. I hope they know that the overwhelming majority of the Americans of 1936 are once more meeting new problems with new courage—that we, too, are ready and

willing to stand up and fight for truth against falsehood, for freedom of the individual against license by the few.

Unlike them, we do not need to take up arms; we are not called upon to die; we can carry on a national war for the cause of humanity without shedding blood. The heroes of the Alamo fought not solely for their individual homes or their individual communities. They knew their families and their immediate neighbors could not survive if the great Southwest fell. United action alone could win. So we, in this latter day, are thinking and acting in terms of the whole Nation, understanding deeply that our firesides, our villages, our cities and our States cannot long endure if the Nation fails.

Travis' message, "I shall never surrender or retreat", is a good watchword for each and every one of us today.

It is with a feeling of deep reverence and humble veneration that I place a wreath on this shrine where the blood of a hundred and eighty-two Americans was shed—but not in vain.

ADDRESS BY PRESIDENT OF THE UNITED STATES, FRANKLIN DELANO ROOSEVELT, AT AUSTIN, TEX., JUNE 11, 1936

It is a great regret to me that I cannot make a longer stop in Austin in order to receive the hospitality of the citizens as well as of your Governor in the capital of the State.

As San Jacinto and the Alamo represent to me the struggle for independence and the earlier days of the Republic, so this capital city represents the later days of the Republic, and these long years of statehood since Texas became the twenty-eighth star in the national flag.

I have recalled the amazing lives of General Houston, of Stephen F. Austin, of those who founded the German colony of Baron Von Bastrop, of that far-seeing son of Georgia, Mirabeau B. Lamar.

Texas has always had men who had a zest for life, for peace, for progress—men who have won honors at home and abroad. They have sat in this your capital city. They have served in the halls of the National Legislature and in Cabinets of Presidents.

The fine tradition continues. You know, I am sure, that I lean heavily on men and women from the Lone Star State, who are rendering such fine service to the Government of the United States. To one of them not only I but the whole Nation owes a special debt—one who began his long and distinguished public career as a member of your legislature here in Austin, one whom I proudly and affectionately call my helpmate—the Vice President of the United States, John N. Garner.

ADDRESS BY PRESIDENT OF THE UNITED STATES, FRANKLIN DELANO ROOSEVELT, AT DALLAS, TEX., JUNE 12, 1936

I have come here to bear the tribute of the Nation to you on your hundredth birthday; you are a hundred years young.

I am here also because I conceive it to be one of the duties and the privileges of the Presidency to visit, from time to time, every part of the United States.

When I was appointed Assistant Secretary of the Navy by President Wilson in 1913, I had visited, as I recall, only about 20 States, but during the next few years I had the fortunate opportunity of going into all the others.

Seeing things at first hand is a good habit. I have been fortunate, indeed, for as a result of personal contacts with every part of the United States during many years past I have tried honestly to visualize the problems of every part of the land in their relationships to every other part and to the unity of the whole.

This great centennial exposition is not for Texans alone—it is for the people of all the other 47 States as well. I hope that they will take full advantage of it.

During the past 3 years, with the return of confidence and the great increase in prosperity, the excellent custom of getting acquainted with the United States has asserted itself. We see a great tide of travel by rail, by plane, by ship, and by automobile. We are indeed seeing things at first hand—may the habit spread.

Coincident with the return of better days, we have witnessed three great expositions—the Century of Progress in Chicago, so popular that it was kept open for a second year; the California International Exposition in San Diego, which is open today in its second successful year; and the third is this fine exposition commemorating the centenary of the independence of Texas. May you have all the good luck you so well deserve.

It is not mere acres that count in this world—it is, rather, the character of the people who dwell upon them. You, the people of Texas, have been tried by fire in these hundred years. You have commenced a war for independence. You have been apparently defeated, and then you have won out. You have gone through the difficult days of the War between the States and the trials of reconstruction. You have had to fight against oppressors from within and without.

Your farmers were among the first to rebel against exploitation by the railroads. In a period of monopoly, combinations, overcapitalization, high rates, poor service, and discrimination against the small shipper, you established a landmark in the regulation of public utilities for the good of their users.

Later, when industrial development came to Texas, you were confronted by corporations that got out of hand. Here again you called into play the old Texas spirit of freedom for the individuals, and out of it came your antitrust laws, preceded by only one other State in the Union.

It is, as I recall my history, a fact that during this period there were many prophets of evil who foretold the ruin of Texas by the enactment of legislation to curb these abuses. Yet it is a matter of record that several years later an authoritative survey reported this: "No part of the Union is more prosperous, no other State has so systematically pursued a policy of corporation regulation, and no other State is so free from the domination of special interests."

Why did the people of Texas do this more than a generation ago? They believed in democracy in government, but they discovered that democracy in government could not exist unless, at the same time, there was democracy in opportunity.

You found that certain forms of monopoly—the combinations of public utilities and other businesses which sought their own ends—were undemocratic because they were bearing down heavily on their smaller competitors and on the people they served. Because of this they were taking away opportunity.

Today we have restored democracy in government.

We are in the process of restoring democracy in opportunity.

In our national life, public and private, the very nature of free government demands that there must be a line of defense held by the yeomanry of business and industry and agriculture. Not the generalissimos but the small men; the average men in business and industry and agriculture—those who have an ownership in their business and a responsibility which gives them stability. Any elemental policy, economic or political, which tends to eliminate these dependable defenders of democratc institutions, and to concentrate control in the hands of a few small powerful groups, is directly opposed to the stability of government and to democratic government itself.

If the tendency in the dozen years following the World War had been permitted to continue, the inevitable consequence would have been the destruction of the base of our form of government. For its splendid structure there would have been substituted as a natural result an autocratic form of government.

I have spoken of the prophets of evil who plagued your great reforms in Texas. They were blood brothers of some who seek to operate on a national scale. After you in Texas had done so much to restore democracy in opportunity, you found, as we in other States found, that the evils we had sought to eradicate had merely jumped over the boundary into some other State. The old abuses of the railroads were finally curbed only after teeth were put into the interstate-commerce law and a Nation-wide regulation was made effective. Banking reforms were tried in many States, but here again reform became effective only when the Federal Government was enabled to operate throughout the Union, first by the Federal Reserve Act and finally by means of the splendid legislation of the past 3 years. Individual States attempted courageously to regulate the sale of securities or the control of exchanges, but you and I know that from the point of view of the Nation as a whole the effective curbing of abuses was made possible only when the Congress of the United States took a hand by passing the Securities Act and the Stock Exchange Act.

So it goes with the constructive reform of many other abuses which, in the past, have limited or prevented democracy in opportunity. The more progressive of the States may do their share, but unless the action of the States is substantially uniform and simultaneous, the effectiveness of reform is nullified—crippled by the chiselers, who, like many other evildoers, are, alas, still with us.

The net result of monopoly, the net result of economic and financial control in the hands of the few, has meant the ownership of labor as a commodity. If labor is to be a commodity in the United States, in the final analysis it means that we shall become a Nation of boarding houses instead of a Nation of homes. If our people ever submit to that, they will have said good-bye to their historic freedom. Men do not fight for boarding houses. They will fight for their homes.

I have spoken of the interest which all the country should take in this great exposition. I mean this is a symbol for the concern which every locality should have in every other locality in every other State. The prosperity which has come to Texas through the products of its farms and ranches, the products of its mines, the products of its oil fields, and the products of its factories has been made possible chiefly because other parts of the Nation were in possession of the buying power, the consuming power, to use what you have produced.

On the other side of the picture thousands of factories and thousands of farms in the North and in the East have been enabled more greatly to sell their wares, because of the prosperity of you, the people of Texas. I have spoken not once but a dozen times of the necessity of interdependence of each State on every other State. It is a lesson which cannot be driven home or preached too often.

I have taken great happiness in these past 3 years in the lessening of sectionalism which is apparent on every hand. More and more we have been thinking nationally. That in itself is good, but it would not have been good if at the same time we had not come to understand more deeply that the national good-neighbor policy must extend also to those neighbors who lie outside of our national boundaries. You in Texas whose boundaries extend for hundreds of miles along those of our sister Republic of Mexico can well understand what the good-neighbor policy means throughout the Americas. We seek to banish war in this hemisphere; we seek to extend those practices of good will and closer friendship upon which peace itself is based.

I salute the empire of Texas.

THE MONEY PLANK IN THE REPUBLICAN PLATFORM

Mr. McGILL. Mr. President, on the 15th of the present month there appeared in the Philadelphia Record of Philadelphia, Pa., a very interesting and informative editorial entitled "Sold on Gold." I ask unanimous consent to have this editorial printed in its entirety in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Philadelphia (Pa.) Record]

SOLD ON GOLD

Alf M. Landon rides off to the G. O. P. "holy crusade" against the New Deal—astride the golden calf.

The Republican platform plank on money is a meaningless straddle.

Landon at least deserves credit for having nerve enough to admit that he wants to go back to the old free-gold standard, to the monetary chaos which plunged this Nation into the economic abyss from which President Roosevelt rescued it.

Landon states plainly that he favors "a currency expressed in terms of gold and convertible into gold."

Wall Street could have asked no more. He has kept the faith—with the money changers.

Not a word in either the G. O. P. platform or Landon's statement about assuring the Nation a dollar of steady purchasing power, a dollar which today and in the future would assure justice as between debtor and creditor.

Yet that's the only kind of sound money, the only honest dollar.

You, the voter, sitting by your fireside, may wonder just how important it is to you what either Landon or the G. O. P. platform may say about money.

Take a dollar from your pocket. Analyze it.

It is a share in the Nation's purchasing power.

It is mighty important to you whether the purchasing power of that dollar is controlled in your interests or in the interest of the selfish few.

It is mighty important to you whether dollars are scarce or plentiful—because your standard of living is directly affected.

Money is the lifeblood of commerce, of the business in which you earn your living.

The control of money is the most important of all issues to you. And the best possible evidence of that is the persistence with which private interests fight, through the G. O. P., to regain control of the money system.

You know as well as we do men wouldn't fight like that for a trifle. It's big time. Big game. The biggest game to be won in politics.

Now, in the light of the dollar's importance to you, read Landon's statement and the G. O. P. money plank.

No assurance in either of stable money, of justice between debtor and creditor, now or in the future.

What good will it do the American wage earner to know that his dollar will buy so many ounces of gold—if he never can be sure whether it will buy 2 pounds of meat or 2 ounces of meat; whether he will have to work 1 hour, 2 hours, or 3 hours to earn a dollar to pay his debts?

What good will it do the American merchant to know that a dollar can be converted into so much gold—if he cannot tell from one day to the next approximately how much it will purchase in goods; how much business he will have to transact to meet his overhead?

Gold is neither a food for wage earners nor stock in trade for business.

Landon is concerned chiefly with how much gold you could buy with a dollar—if you wanted to buy gold.

But in your old age, if the dollar you saved would buy an ounce of gold and only an ounce of food—what good would that do you?

In the event of your death, if the dollar paid on your insurance would buy your family 2 ounces of gold and only a half-ounce of food—what good would that do them?

Neither you, nor your neighbors, nor your heirs can live on gold.

Why, then, is Landon sold on gold?

Because the old free-gold standard was only a screen behind which private interests managed the monetary system of the Nation.

The only difference between the managed currency the Republicans oppose and the gold standard is that under the old free-gold standard private interests did the managing—while, under the present system, Government does the managing.

That's the nub of the fight.

It's not a fight over whether the Nation's currency is to be managed. It's a fight over who's going to manage it—private interests or the people, through their Government.

The G. O. P. wants to "go back", as Senator BORAH predicted. And the old free-gold standard is the open sesame for the "old dealers."

That's why Landon is sold on gold.

The course for the Democratic Party is clear.

The New Deal plank on money must be as frank as the "old deal" plank is evasive; as clearly dedicated to keeping control of the monetary system in the hands of the people as the G. O. P. plank is dedicated to turning it back to the money changers.

Let the Democratic platform embody, in one form or another, the broad principles suggested in the following plank:

"We pledge continuance of sound money, with steady purchasing power of the dollar, which will do justice not only as between present debtor and creditor but also as between all who make commitments for the future in terms of the dollar.

"Since most present-day business is accomplished through transfer of bank credit, constant purchasing power of the dollar can be assured only by Federal regulation of national credit reserves as already provided by the Banking Act of 1935.

"To return to the old free-gold standard would be to surrender control of dollar purchasing power to the private interests which allowed it to fluctuate so disastrously as to close all banks in 1933. To return to the old free-gold standard is to invite monetary chaos and national disaster.

"Gold serves as a convenient medium for settling temporary balances between nations, but to place entire reliance upon it as a steadying influence is to ignore the lessons of the past, to be blind to present conditions throughout the world, and to abrogate power to regulate the value of money expressly granted the Federal Government by the Constitution."

These suggestions are advanced as a summary of liberal monetary principles, as highway markers by which every citizen may recognize the road leading, first, to a stable dollar, thence to stable purchasing power, and thence to the lasting prosperity of American business.

MR. TUGWELL'S POSITION IN THE NEW DEAL

Mr. TOWNSEND. Mr. President, I ask unanimous consent to have printed in the RECORD an article by David Lawrence entitled "Tugwell's Domination of Councils of the New Deal Seen in Tax Measure", published in the New York Sun of May 11, 1936.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Sun of May 11, 1936]

TODAY IN WASHINGTON—TUGWELL'S DOMINATION OF COUNCILS OF THE NEW DEAL SEEN IN TAX MEASURE

By David Lawrence

WASHINGTON, May 11.—From time to time it is reported that Prof. Rex Tugwell isn't in as high repute as he used to be with President Roosevelt, that he is "on the way out", and that the inner circle of the administration advisers are eager to oust him, at least for the duration of the campaign.

But the truth of the matter appears to be that Professor Tugwell comes and goes at the White House frequently, and while he scrupulously avoids the limelight, the Tugwell philosophy is more dominant today than at any time since the New Deal began. As a matter of fact, Dr. Tugwell knows more about what the New Deal's true purposes and objectives are and has more brains than anybody else in the New Deal, without exception.

Take, for instance, the tax on undistributed corporate surpluses, with which the Senate is now struggling and which it will modify somewhat for this year only as a sop to conservative opinion during the campaign.

To understand the meaning of the proposed tax on undistributed surpluses in relation to other reforms yet to come, as, for instance, the "allocation of capital", it is necessary to go to the foundation of the New Deal concept, described so effectively by Dr. Tugwell in his book Industrial Discipline, published in 1933 by the Columbia University Press, and followed since then by many legislative acts that have brought the doctrines into actual operation. It will be noted that some form of organization of industry into codes, as tried under the N. R. A. and as shortly to be revived under other legislation now pending, is an integral part of "planning" as the word is so often used by New Dealers. Dr. Tugwell writes:

"Capital allocation would depend upon knowledge, from some planning agency, of how much for a measured future period ought to be put to one use rather than to another. Given this information, the first step in control would be to limit self-allocation. This is the first great problem in this field.

"Assuming, however, that each industry had its various firms either combined or sufficiently closely associated for practical action, how, then, would the problem be attacked? In general the principle invoked would be to drive corporate surpluses into the open investment market; for most of the trouble comes from self-allocation occurring strictly within a single organization. It is overoptimistic internal expansion and the use of funds, earned in the past, to commit the concern to increased activity which cause the problems of surplus which yearly grow more acute.

"To meet this problem, it is frequently suggested that a tax be imposed on funds, over and above replacement, which are kept for expansion purposes. If taxation forced these funds into distribution as dividends, they would have to seek reinvestment through the regular channels, and a concern's plans for expansion would be subject to check in the investment market.

"Once all funds were forced into the investment market, however, some other means of supervising their uses would be needed. This might be done through the Federal incorporation of businesses. For new capital issues, then, revision of original charters would be necessary. An alternative to this sometimes suggested is a tax on unused capacity which those who argue for it believe would achieve many of these same results."

Now, since Dr. Tugwell wrote his book, the Federal Government has assumed the right to control the issuance of new capital securities; and, judging by the way the S. E. C. construes its powers and functions, the Government could very easily embark upon a program of telling each industry or business how much capital or capacity it might or should use. But, to continue the Tugwell doctrine, in the light of what is happening today with the bill for a tax on undistributed surplus:

"If funds were thus forced into the open investment market, and if there were control of new capital issues, the problem would be as adequately met as seems necessary to the advocate of the general idea.

"It will be seen, then, that the control of investment is not so complex a matter, at least in principle, as it might at first seem. The principles involved would be only two: The forcing of all investment funds into an open market and the regulating of new capital issues.

"Neither of these seems impossible, if we grant (1) the substitution of Federal for State incorporation, and (2) the correctness of using the taxing power to force surpluses into the market."

Dr. Tugwell's idea of using the taxing power to force the distribution of surpluses may have seemed to him in 1933 to involve perhaps some doubt as to constitutionality; but since that time the New Deal has determined to legislate first and litigate afterward anyway, so legal obstacles are no longer terrifying to the planners. Indeed, a bill to compel Federal incorporation of businesses has been introduced in both Houses and has the backing of the American Federation of Labor, which no doubt feels that its opportunity to force higher wages would be increased because of its political leverage upon anything the Federal Government controls directly or indirectly. Dr Tugwell's viewpoint on Federal incorporation is thus expressed:

"If industrials were to be controlled, incorporation of business enterprises would need, in effect, to be transferred from the States to the Nation, though some subterfuge might need to be employed; the flow of new capital into different uses would need to be supervised; prices would have to be controlled, and some vital interests, now partly or wholly neglected, would need to be protected. These last would include the weaker businesses, consumers, workers, farmers, and technicians, all of which suffer now from disadvantages and discriminations which are too obvious to be denied.

"All these seem, from the present point of vantage, necessary elements of a scheme which would give the Federal Government powers commensurate with the responsibilities widely laid at its doorstep."

There is something forthright about the Tugwell writings. Read now in the light of what has happened, the only criticism that might come from Tugwellites is that the New Deal has compromised, halted, wavered, and floundered instead of crashing through with every one of the fundamental precepts of economic planning, which in German and Italian fascism, has had at least the benefit of a consistent evolution of all parts of the program at the same time.

For political reasons the New Deal will not venture to do it, but the man who can write the best platform for the New Deal party to be adopted at the Philadelphia convention is the young professor of economics, who is the true author of most of the New Deal principles of the last 3 years.

MOTHER OF MOTHER'S DAY

Mr. NEELY. Mr. President, by request, I ask unanimous consent to have printed in the RECORD excerpts from an article entitled "Mother of Mother's Day", which recently appeared in the Country Gentleman.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the Country Gentleman]

MOTHER OF MOTHER'S DAY

Many great things have come from the heart with an unselfish and sympathetic desire to serve humanity.

This is true of the Mother's Day work originated by Mrs. Anna Reeves Jarvis, known as the world mother of Mother's Day.

Mother's Day itself was founded and established by Anna Jarvis, of Philadelphia, to extend and perpetuate her mother's life work of the home, community, and church.

Other movements have annual drives, conventions, or events to emphasize their work.

The Mother's Day movement is emphasized through its annual Mother's Day celebrations the second Sunday in May.

ALL-NATIONS MOTHER'S DAY MOVEMENT

World achievements of the Mother's Day movement have been due to the tireless zeal of Anna Jarvis, the founder.

It is not always easy to introduce to the public mind a new cause, which Miss Jarvis learned to her great sorrow, humiliation, and loss.

But with no money to support her world work, excepting her own limited funds, with no paid staff of organized helpers to back her, she kept her ideals of the inspiration of her mother's life and work.

But more and more men and women everywhere are realizing the sincerity and burdens of Mother's Day work of the founder and give her loyal encouragement.

INTERNATIONAL FLOWER

The floral emblem of Mother's Day through the universal language and beauty of a flower, the carnation, expresses throughout the world the name of "Mother."

A floral symbol of motherhood was selected for this purpose because of Mrs. Jarvis' love for and use of flowers in her life work.

MOTHER'S DAY LETTER

The letter, like flowers, was one of the pre-Civil War features of the work of the mother of Mother's Day.

All during her life Mrs. Jarvis had sought to help the helpless and to write letters for anxious, distressed persons seeking their friends, lost through war or otherwise.

Her appeal for reunions was, "Write and come home", and it has echoed down the years until now millions of letters go around the world for Mother's Day and pilgrimages are made to homes, friends, and colleges.

From far-off Army posts in strange and isolated lands, from great gray battleships nosing their way through foreign seas, from grim prison cells, haunts of dire poverty, and homes of high and low degree are sent Mother's Day letters.

Many a parent's broken tie with son or daughter has been mended through the simple sending of a Mother's Day letter.

MOTHER'S DAY—WORLD FLAG DAY

After long effort Anna Jarvis succeeded in having passed by the United States Congress a joint resolution for the annual display of the American flag on Mother's Day [second Sunday of May]; she was a proud woman in the House gallery when this legislation was passed. She has official Government documents, including the President's signature pen and scores of letters pertaining to her resolution, which was the second Federal statute for the display of the American flag.

For 22 years, through this statute, Old Glory has been displayed on Mother's Day, from our National Capitol, every American consulate, and from homes and churches.

America is the only country that has such a Flag Day honoring its homes.

Old Glory was adopted by the United States Congress in Philadelphia, and it is singular that generations later a Philadelphia woman's efforts resulted in Federal legislation for the display of the flag.

FOREIGN LANDS JOIN IN

In foreign lands Mother's Day is revered through government and church decrees, ceremonial and memorial features of officials and citizens, and festivals of honor and joy by mother-loving sons and daughters.

MANY CAUSES ADVANCED

The Mother's Day movement and celebrations have been benefactors to many persons and things.

Representatives of the United States and foreign armies and navies commend and cooperate with Miss Jarvis to make Mother's Day a medium to strengthen the morale and home ties of the military personnel.

Organizations—women's suffrage and progress, temperance, prisons, old-age pensions, mothers' pensions, social security and allied work, hospitals, institutions, colleges, and other things have been beneficiaries of the work of Anna Jarvis and her mother through Mother's Day.

FIRST MOTHER'S DAY MEMORY TREE

Memory trees, carnations, letters, and home pilgrimages have become distinct features of Mother's Day.

The first Mother's Day memory tree honored the mother of Mother's Day—Mrs. Anna Reeves Jarvis, of Philadelphia.

From land to land, from heart to heart, have traveled the ideas born from the unselfish work of just one mother.

Little did Mrs. Anna Reeves Jarvis, mothering all who came to her, realize that she herself would prove the inspiration of an earth-wide movement—that she herself would one day be known to a grateful world as its "Mother of Mother's Day."

TRIBUTES

I would rather be the accepted author of Mother's Day than to be the King of England. (Hon. John Wanamaker, ex-Postmaster General.)

Miss Anna Jarvis, of Philadelphia, founded Mother's Day in our own United States. (Mrs. Alice M. French, founder, American War Mothers' Association.)

Mother's Day is a contribution of friendship around the world. Our 50 federated countries celebrate without commercialism. (Dr. Ella A. Boole, world president, W. C. T. U.)

Miss Anna Jarvis, founder of Mother's Day, has been honored by being selected both at the State and the national convention of the F. I. D. A. C. unit of the American Legion auxiliary as the outstanding character of West Virginia. (Convention, 1933.)

No honor anyone could have thrust upon him could compare with that which you have attained as founder of Mother's Day. (National President R. H. Pritchard, of National Editorial Association.)

POINT PLEASANT-GALLIPOLIS—SILVER BRIDGE CITIES

Mr. NEELY. Mr. President, by request, I ask unanimous consent to have printed in the RECORD an article which appeared in the State Gazette, of Point Pleasant, W. Va., on the 28th day of last May.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the State Gazette, Point Pleasant, W. Va., May 28, 1936]

POINT PLEASANT-GALLIPOLIS TO ISSUE FOLDERS—EXPECT TO PUBLISH 200,000 PIECES PUBLICITY ABOUT SILVER BRIDGE CITIES

An avalanche of publicity designed to appeal to tourists and build up a pride among Ohioans and West Virginians for this section will be issued very soon. The publicity in the form of folders are being designed at this time, and materials pointing out the places of historical interest are being compiled on both sides of the beautiful Ohio.

The folders are more elaborate than any ever before issued here. They will contain pictures, sketches, and a map of the region with places of unusual interest properly marked. Between 200,000 and 1,000,000 folders are expected to be issued in the next few months. Not only will the folders be placed for distribution but are also to be mailed over the United States. They will be made so that they can be mailed simply by placing an address and stamp on the front cover.

Dr. Charles E. Holer, of Gallipolis, the original and chief starter and accelerator of the idea, is enthusiastic about the results in tourist traffic found in such a campaign of publicity in other sections of the United States.

THEORY AND PROGRESS OF RECOVERY PROGRAM—ADDRESS BY HON. M. S. ECCLES

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD an address on the Theory and Progress of the Recovery Program, delivered by Hon. Marriner S. Eccles, Chairman, Board of Governors of the Federal Reserve System, at the Conference on Debt Taxation and Inflation, held at the Waldorf-Astoria in New York City on May 8, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PROBLEM IN 1933

As one who has followed with keen interest the comprehensive program adopted 3 years ago to bring about recovery, I should like to attempt to explain my understanding of developments since it was adopted and how, in my view, it may achieve and maintain the complete restoration which we all desire.

Let me first direct your attention to the conditions prevailing in 1932 and early 1933, and to that most fundamental of all economic data, the national income. The national income, which was estimated at more than eighty billions in 1929, had shrunk to half that amount by 1932. The annual buying power and debt-paying capacity of the community, therefore, had been reduced by more than forty billions. The problem of recovery was to raise that national income to above its 1929 level, which could only be brought about by the Government undertaking activities and expenditures which private enterprise was not in a position to undertake. How could it be accomplished?

Leaving aside plans which involved fundamental and far-reaching changes in our whole economic organization, the solutions offered to the country in 1933 were of two main types. On the one hand there were those who contended that all that was needed was the restoration of confidence. They insisted that it was essential to balance the Budget; that the gold standard must be retained at all costs; that no legislation disturbing to business should be enacted. On the other hand there were those who, like myself, felt that recovery in the present situation could only be achieved by bold and aggressive intervention by the Government, largely through underpinning the entire private credit structure, which had collapsed, and undertaking to restore purchasing power through relief, public expenditures, and other measures.

I think the hope of success by the former method rested on faith rather than logic. After all, a budgetary surplus did not prevent the downturn in 1929; a balanced Budget in 1930 did not prevent an acceleration of the decline. Not only were we on the gold standard in those years but gold was flowing in steadily. Efforts to balance the Budget in 1931 and 1932, maintenance of the gold standard, and the absence of reform legislation did not prevent us from descending to lower and yet lower economic depths. What reason was there for thinking that factors which failed to prevent or check the downturn would in themselves lead to an upturn?

THE QUESTION OF CONFIDENCE

Looking at this question of confidence a little more closely, let us try to see exactly what conditions are necessary for its establishment. With the national buying power cut in half, the demand for goods of all kinds was reduced accordingly. Industry as a whole possessed more than enough equipment to satisfy the current demand. What does confidence mean in conditions such as these? Does it not mean confidence that increased expenditure on plant, equipment, and inventory will be profitable? What businessman would have added to his plant, when he already possessed a great amount of excess capacity, merely because he read that the Budget had been balanced? It is difficult to understand why people would be expected to invest money in new enterprise when existing investments were becoming less profitable every day. It should not require any great insight to understand that a reduction of Government expenditures, while everybody else as a matter of self-protection was being forced to reduce expenditures, could only accentuate the processes of deflation by reducing buying power. An increase in tax rates at such a time would have had a deflationary effect to the extent that they reduced expenditures that otherwise would be made, and would consequently have yielded little, if any, additional revenue.

A belief that industry would have voluntarily entered upon capital expenditures in 1933 if the Government had restricted its expenditures and raised taxes is unrealistic to the highest degree. It displays an utter miscomprehension of the considerations that influence a businessman in planning expenditures. There must be a reason to believe that capital expenditures can be profitably made before they are undertaken. This profitable outlook existed at the bottom of the depression in but few industries, such as brewing, distilling, and gold mining. In these industries plant expenditures actually occurred and an abundance of capital was readily available. Why? Because there was confidence—that is, an expectation that funds could be profitably invested in these industries—which had been renewed by repeal of prohibition and the premium on gold.

What was the opportunity generaly throughout the country for profitable investment in new enterprises? Throughout industry there was excess capacity in relations to consumer buying power, nor was there any inducement for residential construction so long as it was cheaper to rent or buy than it was to build.

THE THEORY OF THE RECOVERY PROGRAM

Obviously, what was needed to absorb excess capacity generally was an increased demand arising from increased consumer buying power. And here, it seems to me, is the crux of the matter. Increased demand could come about only as a result of increased incomes; and increased incomes depended upon increased disbursements by industry or by Government or by both. As far as industry was concerned, it was being forced, in self-preservation, to reduce wages and expenditures of all kinds, thus rapidly increasing the number of unemployed, further shrinking consumer buying power and accelerating the deflationary forces which threatened complete collapse of the entire credit structure.

The only alternative under the circumstances was intervention by Government. Only in this way was it possible to arrest the forces of deflation by bringing about an increase in incomes, and hence an increase in the demand for goods and services of all kinds through increasing disbursements financed initially by borrowings rather than by taxes. Those of us who advocated this course believed that an increase in incomes brought about in this way would lead to an increase in the demand for goods. Industry would pay out more in wages and materials in making these goods. These payments would result in further increased demands until finally the stage would be reached when here and there individual businessmen would see some point in taking up deferred maintenance, in adding to plant, or venturing to establish a new type of service or industry. Here and there it would become profitable to build new houses as the demand for houses, and consequently rents, rose. As this process proceeded, we anticipated that tax revenues would increase as incomes increased, and the gap between expenditures and receipts would gradually close. A little later the whole burden of the recovery movement could rest on increasing business and individual expenditures, and the Federal Government could not only balance the Budget but could begin to retire the debt built up in the depression. The expenditures of the Federal Government can be fully justified solely on humanitarian grounds—on the urgent necessity of relieving the home owners and the farmers, who were about to lose their homes and their farms, and aiding the great army of unemployed who were destitute and helpless through no fault of their own. However, I feel that the expenditures are fully justified as a means of achieving business recovery.

Mr. Charles H. Franklin, in a recent article in the New York Sun, gives figures which show that emergency expenditures under the Roosevelt administration exceed taxes paid to the Federal Government in a number of Southern and Western States. He implies that expenditures have been made in these States for political reasons and that the people of the industrial States, which receive less in benefits than they pay in taxes, are being victimized.

In the first place, this argument overlooks the generally recognized principles that taxation should be in accordance with ability to pay and that the extension of Government benefits should be in accordance with need. It is implied by our form of government that these principles should have Nation-wide applicability. It follows that tax collections are heaviest in States where incomes are highest and relief expenditures are highest in States where incomes are lowest. Any attempt to restrict the workings of these principles to an area smaller than the Nation as a whole is likely to produce the same absurd results as the "block-aid" charitable campaign in New York City a few years ago, in which Mr. J. P. Morgan was invited to contribute just enough to support the necessitous persons who lived in his block, while the tenement dwellers of the East Side made contributions which were also in proportion to the need of their neighbors.

Figures are cited by Mr. Franklin purporting to show the per capita wealth of some of these agricultural and mining States is greater than that of New York. These figures are arrived at by dividing the total mineral and industrial wealth of the State by its population. For instance, in Arizona and Nevada the value of rich ore deposits, owned by a handful of corporations whose stockholders live on the eastern seaboard, is divided by the small population of

those States. As measures of the economic condition of the people living in these States, the results are obviously worthless. The most nearly accurate measure of economic need is income. For the distribution of income by States the only figures we have are those derived from income-tax returns. In 1933, 1.6 percent of the population in the 25 States cited by Mr. Franklin filed income-tax returns as against 3.7 percent in the remaining 23 States. This is itself a rough measure of the income level of these States. The net income subject to income tax was $400 per capita in the 25 favored States as against $1,174 in the other States.

The administration is not only spending the proceeds of taxation; it is also borrowing. Moreover, the expenditures are part of a broad program to restore incomes throughout the country as a whole. The money that the Government is spending is largely money that is borrowed from the banks, insurance companies, and wealthy individuals. It is newly created money or money that was lying idle awaiting investment. If the Government did not spend it, nobody would spend it.

In this program it is essential that incomes in agricultural areas be increased as well as income in industrial areas. Industry cannot be prosperous with the purchasing power of one-third of the Nation's population at depression levels. If these expenditures had not been made, the farmers would have been without money to buy the products of industrial areas, the market for manufactured goods would never have expanded from depression levels, and unemployment among factory workers would have continued to increase. To take one striking example, since 1933 employment in the agricultural implement industry has more than tripled. Workers have returned to their jobs in the factories of Illinois and Michigan because rental and benefit payments were made to farmers in Texas and Montana.

Not all the benefits which the Federal Government confers on particular areas take the form of cash payments made directly by the Treasury. Perhaps the most important of these invisible benefits is tariff protection. For many years the people living in the agricultural areas of the United States have paid more for manufactured goods than would have been necessary if they had been able to buy these products from foreign countries. The localities and the industries whose growth has been facilitated by tariff protection do not pay higher taxes than localities and industries which have not received similar favors.

For these and other reasons it is impossible to measure the benefits received from the Federal Government against taxes paid by a State, a community, or an individual, and to say that New York pays more than it receives or Arkansas receives more than it pays. Particularly is this true where the expenditures are part of a program to restore the natural income to the high level consistent with our vast resources of manpower and productive equipment. In such a program it is natural that the increase in income should be participated in by those areas where it is most badly needed and by those groups which suffered the heaviest losses in the depression. But it is not only these groups which have benefited. Increased income for the farmer means better business for the manufacturer and more employment for the people who work in factories. In helping to finance the administration's program, the industrial areas are not only contributing to the relief of distress—they are helping to finance their own recovery.

HAS THE PROGRAM BEEN SUCCESSFUL TO DATE?

Has the economic philosophy of the past 3 years, which I have attempted to outline, fulfilled reasonable expectations?

The answer is to be found by looking without bias at the results to date. On the debit side we should put the gross increase in the Federal debt from $20,935,000,000 on February 28, 1933, to $31,459,000,000 on March 31, 1936, and the continuing large number of unemployed, many of whom are dependent on relief. Neither of these adverse factors is as unfavorable as most of the business and financial community have been led to believe. Against the increase in the debt must be offset the increase in the Treasury's cash balance from $221,000,000 to $2,866,000,000 in the same period (exclusive of the stabilization fund), and an increase in the recoverable assets of Government agencies from an estimated $2,400,000,000 to $4,300,000,000, largely in the Reconstruction Finance Corporation, which was used very largely to support directly the banking and private credit structure. So that this leaves a net increase in the national debt of $5,979,000,000, which is less than a month's national income in 1928–29. The annual interest charge on the Federal debt as computed at the end of March 1936 increased by only 8 percent over the end of March 1933. This may be compared with an increase in the gross debt of 50 percent in the same period. The total carrying charges amount to a little over 1 percent of our current national income; not, I think you will admit, an excessive burden.

In considering the continuing heavy volume of unemployment, it should be remembered that there were 2,000,000 to 2,500,000 of unemployed prior to the depression, and that the number of people seeking work has increased since then by 3,500,000 to 4,000,000, due to the increase in the number of those reaching employment age. The lack of employment in many cases of the principal breadwinner of the family is also responsible for other members of the family, who would not ordinarily be employed, seeking employment. More important than these considerations, however, is the fact that millions of workers who were formerly working only 1 or 2 days a week, and yet were listed as employed, are now working 4 and 5. The increase in man-hours worked, in other words, has been much greater than the increase in the number of men working. The introduction of labor-saving machinery has doubtless also played its part. I am not saying that the employment situation is at all satisfactory. I am merely saying that the progress has been far more substantial than appears at first sight. Because of the various factors I have just mentioned, the burden of relief has not diminished correspondingly with the increase in employment. As recovery proceeds we can, of course, expect relief expenditures to diminish.

INCOME, PRODUCTION, AND RESTORATION OF MONEY SUPPLY

On the favorable side of the recovery program to date I would stress particularly the rise in the national income and production, the restoration of the supply of money, increasing tax revenues, and the rise in building activity.

Although current direct estimates are not available, it would appear from other evidence that the national income is running currently about sixty billions a year as contrasted with approximately forty billions in 1932. The index of production has risen from 58 percent to 94 percent of its 1923–25 level. The supply of deposits of all commercial banks rose from $27,000,000,000 on June 30, 1933, to $37,000,000,000 on December 31, 1935, or about the predepression level, so that the contraction in the money supply which occurred as a result of deflation has been largely offset. This replenishing of bank deposits is chiefly attributable to the increase in bank holdings of Government securities and to the inflow of gold. It is directly attributable, in other words, to the relief and recovery expenditures of the Government and indirectly attributable to the revaluation of gold, which was a necessary condition for the reversal of the international flow of capital. In the absence of Government borrowing and the revaluation of gold no progress would have been made toward a restoration of the community's supply of purchasing power, since private loans and investments of banks continued to decline until 1935. It is encouraging to note that recovery is bringing about some increase in the demand for an extension of private credit by the banking system.

PROGRESS TOWARD A BALANCED BUDGET

Turning to Government revenues, the trend is most reassuring. In the calendar year 1932 they amounted to $1,880,000,000. In 1935, despite the nonpayment of part of the processing taxes, they amounted to $3,857,000,000, an increase of nearly $2,000,000,000. With bonus payments met and a revision in taxes enacted, this favorable trend should be accelerated so that we would have every reason to expect a balanced Budget within a reasonable period. Balancing the Budget through increasing taxes or decreasing expenditures, or both, as the national income is restored, is an absolutely indispensable element in the eventual and complete success of a program of recovery requiring Government intervention which entails large deficit financing.

ORDERLY CHARACTER OF THE RECOVERY MOVEMENT

Finally, I would stress the increasing activity in the heavy industries and in building construction. During 1934 and 1935 it was constantly said that the deficit-financing experiment had been a failure because heavy industry and building construction had not picked up substantially. Such criticism displayed a misconception of the necessary sequence of events. First, the process of forced liquidation, caused by deflation, had to be stemmed. Second, the demand for consumer goods had to be greatly increased before there could possibly be any inducement for corporations or individuals to add to productive capital facilities to provide more goods and services. Third, long-term interest rates had to be brought down to encourage and make profitable the use of capital for new enterprise, and to adjust, through refunding, a substantial portion of the existing debt structure on a supportable basis.

In the real-estate field liquidation had to be stopped and rents had to rise, this, together with lowered interest rates, bringing about a reopening of the mortgage market. All of these necessary steps took time. They could not have been accomplished in a much shorter space of time, considering the depth of the depression and the immensity of the problems thus created. For more than a year the improvement of underlying conditions has become increasingly steady and orderly in character. The ground has been well prepared. The national income has been increased by some 50 percent. Industry and finance have been enabled by the recovery program to improve greatly their financial position through increased earnings, adjustment and reduction of debts, and refunding on more favorable terms. Favorable long-term interest rates are available for financing in practically every field of activity. Rents have risen, hence real-estate values have increased, making it again profitable to increase building construction. Excess capacity in nearly every field of production is rapidly diminishing. The index of commodity prices has remained steady for more than a year.

THE PRESENT PHASE OF THE RECOVERY MOVEMENT

The present phase of the recovery movement is a most important one. Will the disbursements of private business and individuals increase sufficiently to warrant a lessening of the Government's contribution to the growth in the national income? It is encouraging to note that activity in the housing field is rapidly increasing; capital financing is gradually being undertaken for new enterprise; an expansion of private credit on the part of the banking system is in evidence; activity in the machine tool, industrial equipment, and heavy industries reflects substantial improvement.

Barring unforeseen contingencies, the present improvement should continue. The outlook at the moment is very encouraging.

CONCLUSION

The Federal Government cannot and should not decrease its expenditures on recovery faster than private industry is able profitably to take over the load. To do so would reduce consumer buying power and thus retard, if not reverse, the progress of recovery.

The flow of money must be maintained and increased in an expanding economy. If private capital fails to maintain and expand the flow and widespread unemployment exists or develops, Government must act as a compensatory factor.

Purchasing power can only be maintained by private business as a whole disbursing its income, or, insofar as it fails to do so, by Government expenditure either on the basis of deficit financing or by taxing in such a way as to insure the flow of funds that individuals and corporations otherwise would accumulate and maintain in idle balances, so that socially beneficial work will be provided for those who are able and willing to work but for whom private enterprise fails to provide.

I am sure that we will all agree that our objective should be the maintenance of long-term prosperity and the avoidance of the twin evils of inflation and deflation. The attainment of this objective depends not only upon the effective coordination of monetary and fiscal policies but also upon an enlightened body of public opinion.

PLATFORM OF FARMER-LABOR PARTY OF MINNESOTA

Mr. BENSON. Mr. President, I ask leave to have printed in the RECORD the platform of the Farmer-Labor Party of Minnesota.

There being no objection, the platform was ordered to be printed in the RECORD, as follows:

PLATFORM FOR AN ECONOMIC ORDER OF ABUNDANCE—THE PLATFORM OF THE FARMER-LABOR PARTY OF MINNESOTA

The Farmer-Labor Association in convention in March 1936 hereby renews its pledge to use its every effort to bring about an economic system in both State and Nation that will function for the general welfare of the entire people, enabling all to be assured of the fullest opportunity to provide for their material needs during their working years and to enjoy adequate protection in sickness and old age as a right—not as charity.

The Farmer-Labor Association of Minnesota recognizes that the United States has the most wonderful resources, great factories, and machinery of production and power, with millions of capable workers and farmers ready and able to produce food, clothing, and shelter in great abundance for all. At this time, when all could live in prosperity and happiness, we find that there are millions of working men and women in poverty, want, and degradation and hundreds of thousands of farmers, businessmen, and professional people who have become poverty-stricken and bankrupt.

We favor reforms in taxation and finance in order that the cost of Government be borne by those best able to pay. Production control and work relief can do but little in alleviating present distress and are only justified as temporary expedients to meet an emergency. The program of the present system constitutes a planned poverty; we advocate and demand a system of planned plenty. To effect a cure for economic ills changes must be fundamental.

Natural resources and monopolized industries essential to our national life and well-being must ultimately be collectively owned and democratically controlled and operated, to the end that democracy shall prevail in our industrial as well as in our political life.

No lasting recovery from the depression and no permanent prosperity can be achieved unless the homes and property of the farmers, the wage earners, the professional people, and small-business men are fully protected, and the opportunity to own homes and property is restored to the masses by production of plenty.

To achieve these ends we propose and recommend:

AMENDMENTS TO UNITED STATES CONSTITUTION

1. An amendment to the Constitution of the United States empowering the Congress to pass laws eliminating child labor, regulating working conditions in industry, regulating agricultural and industrial production, providing security against old age, unemployment, and sickness, and providing for Government ownership of monopolistic industries and banking, except independent banks which stock is locally owned and who are financing independent merchants and farmers.

2. An amendment to the Constitution of the United States reducing the term of office of Federal judges from life to a term of not more than 10 years.

LEGISLATION BY CONGRESS

I. Financial assistance

Insuring individual ownership of farms and farm homes by refinancing the farmer at a low rate of interest. (Frazier-Lemke bill.)

Extending Government credit to farmer, worker, and consumer cooperatives for the purchase of plants for the processing and sale of their products at a fair price based upon the cost of production.

II. Production for use

Providing for the governmental operation of idle productive industrial units by the unemployed for the production of goods for the use of the unemployed.

III. Neutrality policy

Insuring the neutrality of the United States in any foreign war by prohibiting the sale and delivery of goods or the making of loans to nations engaged in any foreign war.

IV. Prevent discriminatory rebates

Making illegal the granting of price rebates and advertising credits by manufacturers to chain stores in discrimination against independent merchants and asking for further appropriations for the investigation of these and other unfair trade practices against independent merchants.

V. Education of youth

Providing adequate funds for a youth program designed to give our youth an opportunity for education and work. (Benson-Amlie bill.)

VI. Government to own munitions plants

Providing for Government ownership and operation of plants for the manufacture of armament and munitions of war.

VII. Conscription of wealth in war

As a further means of preventing war we demand the conscription of wealth in the event of war.

VIII. Pensions for widows and orphans of war veterans

Providing pensions for the widows and orphans of war veterans.

IX. St. Lawrence waterway

Ratifying a treaty with Canada for the building of the St. Lawrence-Great Lakes Waterway.

X. Farm market

Giving the American market to the American farmer.

XI. Adequate housing

We favor the immediate establishment by the Federal or State Government, or both, of a housing program providing adequate and helpful housing at reasonable rents and employing building-trades men at trade-union rates.

XII. Banking

That Congress exercise the exclusive and constitutional power to coin money and regulate the value thereof.

XIII. Social insurance

That we fight for the passage of the Frazier-Lundeen social-security bill.

XIV. Civil rights

The Farmer-Labor Association being strongly opposed to dictatorship, calls upon the people of the United States to fight against the activities of those who advocate the establishment of a despotic dictatorship and tyranny in the United States, and it is the duty of the people to protect and fight for our democratic form of government and for the freedom of speech, freedom of the press, and lawful assemblage.

LEGISLATION BY STATE

I. Conservation

We advocate conservation of soil and forests; reforestation of depleted reserves; conservation of water supplies.

II. Banking

We advocate a reduction of the legal and contract rate of interest.

III. Agriculture

We advocate an adequate and effective license tax on oleomargarine and all butter substitutes sold and used in the State of Minnesota.

We advocate an extension of the mortgage-moratorium law.

IV. Old-age pensions

We advocate a generous old-age-pension law.

V. Labor

We advocate an amendment of the State constitution giving the State the right to establish minimum wages in industry and maximum hours of employment.

We advocate a law providing for State fund workmen's compensation.

We advocate substantial increased benefits under the Workmen's Compensation Act for permanent partial disability.

We pledge our support to all workers in their struggle for higher wages and better working conditions. We are against importation or use of thugs and strikebreakers in labor disputes.

VI. Education

We reaffirm our belief in equality of educational opportunity, and therefore propose the use of income taxes to decrease local school levies, payment of all special State aid in full, uniform budgetary procedure as opposed to strait-jacket expenditure-control legislation, creation of a more extensive program for youth between the ages of 16 and 21.

We oppose compulsory military training at all educational institutions supported wholly or in part by State funds.

VII. Party designation

We recommend that all candidates for the State legislature be elected by party designation.

VIII. Taxation

We oppose the adoption of proposed constitutional amendment no. 2.

We are unalterably opposed to a general sales tax.

We advocate an improved chain-store tax for the benefit of the independent merchant and the consumer.

We advocate amending the corporate excess-tax law to a flat 20-mill rate on all corporate excess.

We advocate an increase of money and credits tax to 5 mills.

We advocate an increase of the gross-earnings tax on large telephone companies, farmers' cooperative lines excepted.

We advocate an increase of the railroads gross earnings tax, of the occupation and royalty taxes on iron ore.

We advocate an increase on graduated net income taxes and on inheritance and gift taxes in the higher brackets, all of which would bring an addition of millions of dollars into the State treasury to relieve the unfair tax burden now carried by property.

IX. Cooperation

We advocate the formation of consumers' cooperatives, credit unions, cooperative banking and service organizations, including cooperative enterprises for health, housing, and rural electrification.

X. Civil Service

We advocate a civil-service law.

XI. Rural electrification

Realizing the importance of power in modern industry and home-life, we advocate the adoption of the power plan of the State planning board, providing for the creation of a State advisory power commission to make a survey of the actual and potential power capacity and need of the State; determining the cost of generation and distribution of power, setting up economic power districts into which municipally owned plants and rural electric cooperatives may form into leagues of municipalities for the generation and distribution of power and urging the removal of all legislative restrictions to the formation of such leagues of municipalities and cooperatives.

XII. Collective bargaining

We pledge our full support to the right of labor to organize and to bargain collectively.

XIII. Unemployed

We recognize the duty of the State to the unemployed and pledge the full resources and power of the State to the end that suffering and destitution among the unemployed and needy shall be eliminated.

THE FARMER-LABOR PARTY OF MINNESOTA

Mr. BENSON. Mr. President, I ask consent to have printed in the RECORD an article entitled "Story of the Growth of the Farmer-Labor Party of Minnesota", by Henry G. Teigan.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STORY OF THE GROWTH OF THE FARMER-LABOR PARTY OF MINNESOTA

By Henry G. Teigan

The Farmer-Labor Party, like other political parties and organizations, is the direct reflex of economic interests. It did not originate as the result of plotting or planning on the part of a politician or group of politicians.

More specifically, the party is the political expression of the farmers and workers of the State—the real producers of wealth—and of their economic needs.

To give definite expression to the needs, hopes, and program of the farmers, workers, and other oppressed elements, the more active spirits of the Farmer-Labor movement have associated themselves in the Farmer-Labor Association.

DECLARATION OF PRINCIPLES

In its declaration of principles the Farmer-Labor Association sets forth its objective as being that of seeking "to unite into a political organization all persons engaged in agriculture and other useful industry and those in sympathy with their interests for the purpose of securing legislation that will protect and promote the economic welfare of the wealth producers."

Moreover, the declaration sets forth that—

"It is based on the principle that every person is entitled to an opportunity to earn a living and should be secure in the enjoyment of the fruits of his or her toil; that it is the prime function of government to guarantee and safeguard this fundamental right to every citizen."

OUTGROWTH OF LEAGUE

Chronologically speaking, the Farmer-Labor Association is the direct outgrowth of the National Nonpartisan League, launched in North Dakota in 1915. The league, though partisan in principle, was nonpartisan in its political tactics, making use of the old Republican Party in North Dakota to win political power.

After capturing the Republican nominations in the June primary of 1916, work of organization was started in Minnesota and in adjoining States in the following July. The same tactics used with success in North Dakota were resorted to in Minnesota.

In 1918 Charles A. Lindbergh, former Sixth District Congressman, was selected as the candidate for Governor. He and his Nonpartisan League associates in that primary election met defeat at the hands of the regular G. O. P. organization after a campaign marked with bitterness, war hysteria, and violence.

Finding it impossible to support either of the old party slates at the general election, independent candidates were placed in the field under the designation "Farmer-Labor." Again defeat was the result, but a new political party was created which in later campaigns was made use of and served to divorce the farmers and workers from any further attempt to use so-called nonpartisan methods in seeking victory at the polls.

By 1923 the Farmer-Laborites had won two United States Senators and two Members of the House of Representatives. Dr. HENRIK SHIPSTEAD was elected United States Senator in the election of 1922, defeating Frank B. Kellogg, Republican incumbent. At the same election O. J. Kvale and Knud Wefald, Farmer-Laborites, were successful in defeating their Republican opponents in the Seventh and Ninth Congressional Districts. At a special election for United States Senator in July 1923, caused by the death of Senator Knute Nelson, Magnus Johnson, Farmer-Laborite, was elected by a large majority over his Republican opponent, Gov. J. A. O. Preus.

GROUPS COOPERATE

The successes mentioned above were not achieved because of the personal popularity of the Farmer-Labor nominees. The victories were won because of rather unusual organization, both among the farmers and the workers. The old Townley organization, the Nonpartisan League, was unquestionably the most effective of its kind ever developed in this country. Its counterpart among the workers, the Working People's Nonpartisan Political League, launched at the 1919 New Ulm convention of the Minnesota State Federation of Labor, was an almost equally efficient organization among the industrial workers. The two cooperated splendidly, though somewhat cumbersomely.

FARMER-LABOR CONFERENCE HELD

To bring about a better understanding between the farmers and workers and to improve the efficiency of the movement as a whole, a State-wide conference was called by William Mahoney, president of the Working People's Nonpartisan Political League, and Henry G. Teigan, secretary of the Farmers National Nonpartisan League, to meet in Minneapolis in September 1923.

The Farmer-Labor Federation was formed at this conference. "Its purpose shall be to unite the members of farmer and labor organizations into a political federation", according to the minutes of that conference.

The campaign of 1924 was carried on under the auspices of the Farmer-Labor Federation. The odds, however, due to the Coolidge landslide and the bitter fight made on Robert M. La Follette, candidate for President, were such as to bring about defeat of the entire Farmer-Labor slate except in the case of the two Farmer-Labor Congressmen who were reelected. William L. Carss, former Democratic Congressman from the Eighth District, was also elected—this time as a Farmer-Laborite, thereby increasing the Farmer-Labor representation in the Lower House of Congress to three Members.

NAME IS CHANGED

The next step in the development of Farmer-Labor organization was the formation of the Farmer-Labor Association. To those who have not followed the growth of the movement closely, it may seem a bit surprising that the Farmer-Labor Federation launched in September 1923 should have been discarded for a new organization. It may, however, be stated that there was no actual change in the organization, but the name was changed because of prejudices aroused against it on account of the activities of certain elements in the movement.

CONSTITUTION UNCHANGED

The constitution adopted at that conference has remained practically unchanged up to the present time. The declaration of principles, too, has suffered small modification.

The Minnesota Leader, official organ of the Farmer-Labor Association, was founded in 1930. It was first called the Farmer-Labor Leader. The only State-wide paper in Minnesota, it has a circulation in excess of 40,000. A circulation campaign, which is now in progress, aims at a circulation of 100,000 by the first of next year.

MAJOR PARTY IN STATE

The Minnesota Farmer-Labor Party is today the major political party in the State. It is represented at the Nation's Capital by two United States Senators—HENRIK SHIPSTEAD, of Minneapolis; and ELMER A. BENSON, of Appleton; and by three Representatives in the House—ERNEST LUNDEEN, of Minneapolis; PAUL J. KVALE, of Benson; and R. T. BUCKLER, of Crookston.

Floyd B. Olson, Governor; Hjalmar Petersen, Lieutenant Governor; Harry H. Peterson, attorney general; Knud Wefald and Charles Munn, members of the railroad and warehouse commission, testify to the confidence of Minnesota voters in this rank and file political movement.

The Farmer-Labor Party has not been successful in gaining control of the legislature. The reason may be attributed in the main to the fact that Minnesota chooses legislators on a nonpartisan basis. No party designation is permitted under the law by candidates for legislative offices. The result is that the voters are confused as to who's who in such contests. The candidates receiving the greatest amount of publicity enjoy a great advantage over those not receiving such publicity. Inasmuch as the press is overwhelmingly conservative the candidates affiliated with the forces of reaction get the major support from the newspapers of the State and come out victorious in many of the districts giving Farmer-Labor-designated candidates pluralities.

LEGISLATIVE DRIVE

In the present campaign, special effort will be made to elect Farmer-Labor legislators. If successful in winning control of the house, the Farmer-Labor-endorsed members of that body will fight to secure the enactment of a law again placing legislative candidates upon a party basis.

There is a full slate of Farmer-Labor candidates for State and congressional offices in the present campaign. Candidates endorsed by the recent Farmer-Labor convention are as follows:

United States Senator: Floyd B. Olson.
Governor: Elmer A. Benson.
Lieutenant Governor: Gottfrid Lindsten.
Secretary of state: Dr. Paul Hartig.
Attorney general: Harry H. Peterson.
State treasurer: A. C. Halverson.
Railroad and warehouse commissioner: Hjalmar Petersen.
Representatives in Congress:
First District—(No official endorsement has been made in this district, but Chester Watson, an active Farmer-Laborite, has filed for the Farmer-Labor nomination.)
Second district: Henry Arens.
Third district: Ernest Lundeen.
Fourth district: Howard Y. Williams.
Fifth district: Dewey W. Johnson.
Sixth district: John T. Galarneault.
Seventh district: Paul John Kvale.
Eighth district John T. Bernard.
Ninth district: R. T. Buckler.

The outlook for victory in the November election could not be brighter. The record of the present Farmer-Labor administration through its consistent battling for measures in behalf of the farmers, workers, and small-business men, has made thousands of friends for the cause. Notwithstanding these favorable conditions, the leadership of the party is not underestimating the resources of the Republican opposition. Only by persistent effort on the part of the workers in every locality can victory be made a certainty.

TERMS OF COURT, MIDDLE DISTRICT OF GEORGIA

Mr. GEORGE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 11614, which merely provides for an additional division of the Federal court in the middle district of Georgia. The bill is recommended by the Attorney General.

Mr. McNARY. Mr. President, is the bill now on the calendar?

Mr. GEORGE. It was reported for the calendar today.

Mr. McNARY. What is the emergency which causes the Senator to make his request?

Mr. GEORGE. I am asking it, Mr. President, for the reason that the term of court to be held at this particular division point immediately follows this week's session of the Senate.

Mr. McNARY. Does the bill simply provide for the term of the court?

Mr. GEORGE. Yes.

Mr. McNARY. I thought the Senator referred to the appointment of a judge.

Mr. GEORGE. No, Mr. President. The bill simply provides for an additional term of court for the middle district. It does not create a new judgeship.

Mr. ASHURST. The bill involves no additional expense to the Government.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 11614) to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsections (d) and (e) of section 77 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 150), is amended as follows:

"(d) The middle district shall include seven divisions, constituted as follows: The Athens division, which shall include the territory embraced on January 1, 1925, in the counties of Clark, Elbert, Franklin, Greene, Hart, Madison, Morgan, Oconee, Oglethorpe, and Walton; the Macon division, which shall include the territory embraced on such date in the counties of Baldwin, Bibb, Bleckley, Butts, Crawford, Hancock, Houston, Jasper, Jones, Lamar, Monroe, Peach, Pulaski, Putnam, Twiggs, Upson, Washington, and Wilkinson; the Columbus division, which shall include the territory embraced on such date in the counties of Chattahoochee, Clay, Harris, Marion, Meriwether, Muscogee, Quitman, Randolph, Stewart, Talbot, and Taylor; the Americus division, which shall include the territory embraced on such date in the counties of Crisp, Dooly, Lee, Macon, Schley, Sumter, Terrell, Webster, and Wilcox; the Albany division, which shall include the territory embraced on such date in the counties of Baker, Calhoun, Dougherty, Early, Miller, Mitchell, Turner, and Worth; the Valdosta division, which shall include the territory embraced on such date in the counties of Berrien, Cook, Echols, Irwin, Lanier, Lowndes, and Tift; and the Thomasville division, which shall include the territory embraced on such date in the counties of Thomas, Brooks, Colquitt, Grady, Decatur, and Seminole.

"(e) The terms of the district court for the Athens division shall be held at Athens on the first Mondays in June and December; for the Macon division at Macon on the first Mondays in May and November; for the Columbus division at Columbus on the first Mondays in March and September; for the Americus division at Americus on the second Mondays in February and June: *Provided*, That suitable rooms and accommodations are furnished for holding court at Americus free of cost to the Government until a public building shall have been erected or put into proper condition for such purpose in said city; for the Albany division at Albany on the first Mondays in April and October; for the Valdosta division at Valdosta on the third Mondays in March and September; and for the Thomasville division on the third Mondays in May and November: *Provided*, That suitable rooms and accommodations are furnished for holding court thereat free of cost to the Government at Thomasville."

REPUBLICAN PLATFORM AND CANDIDATES

Mr. CLARK. Mr. President, I desire to detain the Senate for just a few moments with a brief discussion of the musical repertoire of the Republican Party in this campaign.

All who have observed the course of the Landon preconvention campaign and have perused the remarkable platform of contradictions adopted by the Republican National Convention at Cleveland must have been struck by the singular appropriateness of the selection of the theme song O! Susanna, which was the marching song of the Landon hosts. Nothing could better typify the contradictions and inconsistencies of the appeals made on behalf of Mr. Landon to the widely divergent, discordant, and jangling elements of the Republican Party. The logic of the song is impressed upon the Cleveland platform and upon every paragraph of it. Both in method of thought and literary style in the employment of rhetorical figure the similarity between the song and the platform shows with what assiduous devotion its draftsmen have studied and copied the spirit of the song. No figure of the song is more inconsistent than the platform.

Let me illustrate by recalling once more to your minds the lines of O! Susanna:

> I come from Alabama wid my banjo on my knee,
> I'se gwine to Lou'siana—my true lub for to see;
> It rain'd all night de day I left, de wedder it was dry;

How utterly consistent, Mr. President, is that statement of the song—

> It rain'd all night de day I left, de wedder it was dry.

With the widely divergent pleas made on behalf of Governor Landon by such arch-reactionaries as William Randolph Hearst, Ogden Mills, and Walter Edge at one extreme, and William Allen White and the Kansas City Star at the other extreme.

> The sun so hot I froze to def—Susanna, don't you cry.

How fair an example of consistency, only to be matched by that of the Republican candidate himself, who, in 1933, permitted his representative at a Governors' conference at Des Moines, Iowa, to make a demand on the President of the United States for the payment of the Fourth Liberty Loan by the issuance of greenbacks, and then sends a gold telegram to the Cleveland convention. How clearly in accord with the statement of facts contained in the sentence—

> The sun so hot I froze to def.

How thoroughly consistent with that sentiment was the conduct of the Landon managers at the Cleveland convention, who assured the distinguished Senator from Idaho [Mr. BORAH] that they would write a platform in conformity with his views, and that, if it did not meet his views, they would urge him and invite him to come before the convention and himself advocate his views and subject the convention to his splendid logic and matchless powers of oratory. And then, having agreed to the plank which the distinguished Senator from Idaho had urged, and having known that he had boarded a train and started back to Washington with full confidence in the assertion that a money plank had been adopted in the Cleveland platform which would be satisfactory to him, the plank was reversed by the simple process of having the candidate, after his

nomination was assured, send a telegram to the convention which was the complete opposite of the Borah plank to which the Landon managers had agreed.

Let me continue the lines of the old song:

I jump'd aboard de telegraph and trabbled down de ribber
De 'lectrick fluid magnified and kill'd 500 nigga.
De buljine bust, and de hoss ran off,
I really thought I'd die.
I shut my eyes to hold my bref—
Susanna, don't you cry.

CHORUS

Oh! Susanna, do not cry for me;
I come from Alabama, wid my banjo on my knee.

Note the effect of this theme song upon the platform:

It rain'd all night de day I left; the wedder it was dry.

Here we have the model and the pattern for the Republican farm plank. With what exquisite precision did Chairman Langworthy and his associates follow the spirit and form of the song in their promises to agriculture.

The sun so hot I froze to def.

Here is plainly the inspiration as well as the factual source and the model for style of the Cleveland plank on the tariff with its naive promise to restore our lost foreign markets by the further raising of prohibitive tariff walls.

I jump'd aboard de telegraph and trabbled down de ribber.

Here is a statement of fact upon a par for accuracy with the declarations of the Cleveland platform upon the relief situation.

De 'lectrick fluid magnified and kill'd 500 nigga.

How hauntingly reminiscent of the Cleveland plank on the currency questions.

De buljine bust and de hoss ran off,
I really thought I'd die.
I shut my eyes to hold my bref.

Undoubtedly the man who wrote the social-security plank at Cleveland had these words in his mind and heart. The method of shutting one's eyes to hold one's breath is of the same high standard of statesmanship as the belated recommendations of the Republican Party on social security, a subject upon which during 12 long weary years it had wholly failed and refused to take any action.

If it be true that imitation is the sincerest flattery, then the shade of Stephen Foster should be immensely gratified at the slavish devotion with which both the logic and the style of the Landon theme song were copied by the platform committee at Cleveland.

But, Mr. President, this typical and fitting song is by no means the whole of the Republican repertoire of musical versatility. Some of the brethren and sistern at Cleveland evidently felt the need for a greater musical range than was afforded by O Susanna alone. With a peculiar and fatal sense of appropriateness they selected Three Blind Mice—a term suggestive indeed and completely symbolic of the vision and statesmanship by which Mr. Hoover and his predecessors and associates plunged our Nation into the miry pit from which we have been for 3 long years painfully and toilsomely and slowly but nevertheless surely and steadily and courageously climbing back under the leadership of President Roosevelt and the Democratic administration.

Three Blind Mice. How descriptive indeed of the policy of bitter and stupid opposition which has led the leadership of the Republican Party to oppose every suggestion and measure for recovery during these 3 long years.

Three long years. Yes; 3 long years. And they have been long years. But they have been all too short, and the 4 long years for which Roosevelt and Garner will be given a further mandate by the people in November will not be too long for correcting the abuses of the 12 long years during which, under the leadership of the Hoovers and the Hardings, the Mellons, Falls, and Daughertys, the country marched toward calamity. If the Republicans want a new theme song, they ought to get up one based on 12 long years; 12 long, weary, tragic years when the Republican policy of pandering to special privilege at long last reached its full fruition. This song should be a heroic lay with praise and tears for bygone years when Uncle Andrew Mellon was the fiscal dictator of the Nation, when special privilege arrogantly ruled the policies of the country, not even bothering to hide its ugly face. This song should chant of the days of brave Harry Daugherty and venerable Albert Fall, when corruption stalked the land, and men who sat at the President's very Cabinet table were guilty of crimes so treasonable that they would have brought the blush of shame to the brow of Judas Iscariot or Benedict Arnold.

Twelve long, weary, tragic years. This song should sing of Coolidge, Mellon, and Hoover ballyhooing the stock market, permitting inflation to run rampant, deluding the American people into the belief that the era of depressions or panics had passed, that this country had reached a permanently high level of prosperity, and that any inflation of value was justified. This song should sing of Mr. Hoover's campaign of bunkum when he actually promised the American people that if elected President he would actually bring about the absolute abolition of poverty; when he promised that if elected he would bring about a condition in which there would be a "radio in every home, a chicken in every pot, and two cars in every garage."

Twelve long years. Twelve long, weary years while the great disaster was in the making under the leadership of Republican statesmanship. This song should sing of the halcyon days of Hoover prosperity when we had 3-cent postage and 3-cent cotton, 5-cent corn, and two-bit wheat, when there was starvation in the midst of plenty, when the more food there was produced in the United States the more people were hungry within our borders, when, with the biggest gold supply in the world, our financial structure became more seriously impaired day by day and week by week.

Twelve long, weary, tragic years. And then the song should sing of the end of the 12 long years, of that bitter day in March 1933 when the Nation finally freed itself of the incubus of Republican misrule and started back uphill. It should tell of the results of the 12 long years which Franklin D. Roosevelt found upon his induction into office—13,000,000 Americans willing and eager to work, walking the streets and highways unable to find jobs to support themselves and their dependents; agriculture prostrate; industry shut down and bankrupt; every bank in the United States closed; hoarding become an inevitable national vice; our people reduced to a state of despair which was closely akin to desperation.

And then, Mr. President, we can sing of 3 long years of substantial and constant progress toward recovery. We can sing of the savings of the people in the form of bank deposits being made secure and public confidence restored. We can sing of the savings of the people in the form of securities being safeguarded by the strictest regulation and information under the Securities Commission, to the end that such an orgy of speculation and fraud as marked the 12 long years may never again occur. We can sing of the agricultural income of the Nation increased two and a half fold. We can sing of millions restored to employment. We can sing of industrial conditions improved to the point where one of the largest manufacturers in the country, controlled by the most virulent traducers of the President recently reported the best month in its entire history. We can sing of the rights of labor to bargain collectively and to take steps for its own security, adequately protected for the first time in our history.

And then, Mr. President, let us sing of the 4 long years ahead of us, the 4 long years of the second term of Franklin D. Roosevelt, 4 years to continue the march toward complete recovery, 4 years of safeguarding the Nation against repetitions of the Hoover depression. Four years which will allow the American people—if not to forget, which God forbid—the 12 long years at least to regard it without the pain and bitterness of the present. Four years in which to pave the way for a succession of beneficial and progressive administrations.

I cannot refrain from congratulating my distinguished friend the Senator from Michigan [Mr. VANDENBERG] on both the perspicacity and the perspicuity which he exhibited in

his resolute declination of the Republican nomination for Vice President. I can only believe that he was actuated by the same philosophy which led an eminent Democrat to say, when he had been passed over for the Presidential nomination and offered the second place, "Why in the devil should I take the back seat on a hearse? [Laughter.]

Mr. President, I cannot take my seat without, for the comfort of our two beloved colleagues, the great and distinguished Senator from Idaho [Mr. BORAH] and the very able Senator from Michigan [Mr. VANDENBERG], recalling to their minds the lines of a great American, which seem, Mr. President, to have been written with a prophetic vision of the Cleveland convention and its nominee in his mind.

Woodrow Wilson in his book on Congressional Government once said:

> A decisive career which gives a man a well-understood place in public estimation constitutes a positive disability for the Presidency; because candidacy must precede election, and the shoals of candidacy can be passed only by a light boat which carries little freight and can be turned readily about to suit the intricacies of the passage.

Mr. VANDENBERG. Mr. President, it hardly seems worth while to me, in the busy closing week of this session, to devote much time to sheer political discussions. Perhaps we shall be in session week after next. Certainly that will be the fact if some of the pending administration legislative atrocities are persisted in; and at that time there will be a more complete text available for comparative political debates. It remains yet to be disclosed precisely how the Democratic convention will square its administration with its platform of 1932 and squirm into plausible position for 1936.

I should not even think of rising at the present moment except for the very generous and solicitous reference which my dear friend from Missouri has made to me. He has quite misinterpreted the reason why I thought it was better that a far stronger man than I should be nominated for Vice President, as was the ultimate case. There were many reasons of a very thoroughgoing and essential nature prompting my own attitude which it is needless to canvass now. But I might say that there was at least one emotional reaction connected with it. I just could not stand it to come back here and look in dear old Jack Garner's face and think that I was to be the one to separate him from his job, as now seems so inevitable. [Laughter.]

WORLD WAR WIDOWS AND CHILDREN, ETC.

Mr. HARRISON. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that House bill 12869, being Calendar No. 2451, be taken up for immediate consideration.

Before the request is submitted by the Chair I desire to say that this bill, which has passed the House, broadens the provisions of existing law with reference to orphans and widows of disabled soldiers and restores their status to what it was before the act of 1934 was passed. The bill has been unanimously reported from the committee. It is on the calendar. I do not think there is any opposition at all to it. I hope I may secure immediate consideration for the bill and have it passed.

Mr. McNARY. Mr. President, was the bill reached yesterday on the call of the calendar?

Mr. HARRISON. I was not present yesterday. I do not think it was.

Mr. COUZENS. Mr. President, I do not recall that the bill was reached; but it is a very meritorious measure, and I remember that the Finance Committee gave it very careful consideration. I do not think there can be any opposition to it.

Mr. McNARY. If the bill was not reached on the call of the calendar yesterday, and was reported unanimously, I have no objection to taking it up at this time.

Mr. WAGNER. Mr. President, I have no objection to granting the request; but I desire to have it understood that the action proposed will not displace the unfinished business.

The PRESIDENT pro tempore. When a bill is taken up by unanimous consent, it does not displace the unfinished business.

Mr. HARRISON. And if the bill provokes any discussion, I shall withdraw the request.

The PRESIDENT pro tempore. The clerk will state the title of the bill.

The LEGISLATIVE CLERK. A bill (H. R. 12869) to liberalize the provisions of Public Law No. 494, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment striking out sections 404 and 405 in the following words:

> SEC. 404. The Administrator of Veterans' Affairs is hereby authorized to purchase uniforms and to furnish them to such nonprofessional personnel employed at field stations of the Veterans' Administration under such conditions as he may deem necessary and proper.
>
> SEC. 405. Payment may be made for official telephone service installed in the quarters provided for employees of the Veterans' Administration on Government reservations when authorized under regulations prescribed by the Administrator.

The amendment was agreed to.

Mr. BLACK. Mr. President, I have an amendment to the bill which I have sent for, and which I wish to offer when it arrives. It is a measure which this body has already passed unanimously. I can explain the amendment very briefly. It provides that veterans who have insurance policies on which suits are to be filed shall not longer be penalized by having their cases dismissed unless they file suits within 2 days of the time their claims are denied in Washington. The measure came up on the floor of the Senate 2 weeks ago, and passed unanimously.

I now have the amendment. I send it to the desk and ask that it be stated.

Mr. McNARY. Mr. President, may I ask the Senator from Alabama whether his amendment was considered by the committee when it had the bill before it?

Mr. HARRISON. The amendment was considered by the Finance Committee and reported favorably.

Mr. BLACK. Unanimously.

Mr. McNARY. I ask to have the amendment stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill, it is proposed to add the following:

> That in addition to the suspension of the limitation for the period elapsing between the filing in the Veterans' Administration of the claim under a contract of insurance and the denial thereof by the Administrator of Veterans' Affairs or someone acting in his name, the claimant shall have 90 days from the date of the mailing of notice of such denial within which to file suit. This resolution is made effective as of July 3, 1930, and shall apply to all suits now pending against the United States under the provisions of section 19, World War Veterans' Act, 1924, as amended; and any suit which has been dismissed solely on the ground that the period for filing suit has elapsed but wherein the extension of the period for filing suit as prescribed herein would have permitted such suit to have been heard and determined may be reinstated within 90 days from the date of enactment of this resolution: *Provided*, That on and after the date of enactment of this resolution, notice of denial of the claim under a contract of insurance by the Administrator of Veterans' Affairs or someone acting in his name shall be by registered mail directed to the claimant's last address of record: *Provided further*, That the term "denial of the claim" means the denial of the claim after consideration of its merits.

Mr. NORRIS. Mr. President, the amendment the Senator from Alabama has offered uses the word "resolution." I suggest that wherever that word occurs it should be changed to "act."

Mr. BLACK. The Senator is correct. I sent the amendment up hurriedly. I ask the clerks to make the change.

The PRESIDENT pro tempore. Without objection, the change referred to will be made throughout the amendment. Wherever the word "resolution" appears the word "act" will be substituted.

The question is on agreeing to the amendment offered by the Senator from Alabama as modified.

The amendment as modified was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

F. W. ELMER

Mr. BILBO. Mr. President I ask unanimous consent for the present consideration of Senate bill 4490 being Calendar No. 2442 for the relief of F. W. Elmer. The bill has been unduly delayed of passage and was not reached on the calendar yesterday.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi?

There being no objection, the Senate proceeded to consider the bill (S. 4490) for the relief of F. W. Elmer, which had been reported from the Committee on Claims with an amendment, to insert at the end of the bill a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to F. W. Elmer, of Biloxi, Miss., in full settlement of all claims against the United States for legal services rendered to the United States in the case of the *State of Mississippi* v. *S. M. Taylor*, a Federal prohibition officer, who, in the performance of his official duty, shot and killed a citizen and who was acquitted on the charge of murder in the United States District Court for the Southern District of Mississippi: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THE REPUBLICAN MONEY PLANK

Mr. THOMAS of Oklahoma. Mr. President, pursuant to notice served on yesterday that I should use some time today in trying to give an analysis of the Republican money plank, I now take the floor to submit some remarks upon this particular declaration in the Cleveland Republican platform.

Mr. President, the Republican Party has just held its national convention. According to custom, the delegates met, listened to speeches, prepared and adopted a platform, nominated candidates for President and Vice President, and then adjourned.

The selection of candidates, for reasons best known to the delegates, presented little, if any, problem. The preparation of the platform caused delay and was the stumbling block in the convention. From press reports and radio announcements one plank of the platform was the cause of most of the delay and trouble. That plank had to do with money. As finally reported and adopted, the money declaration was as follows:

We advocate a sound currency, to be preserved at all hazards.

The first requisite to a sound and stable currency is a balanced Budget.

We oppose further devaluation of the dollar.

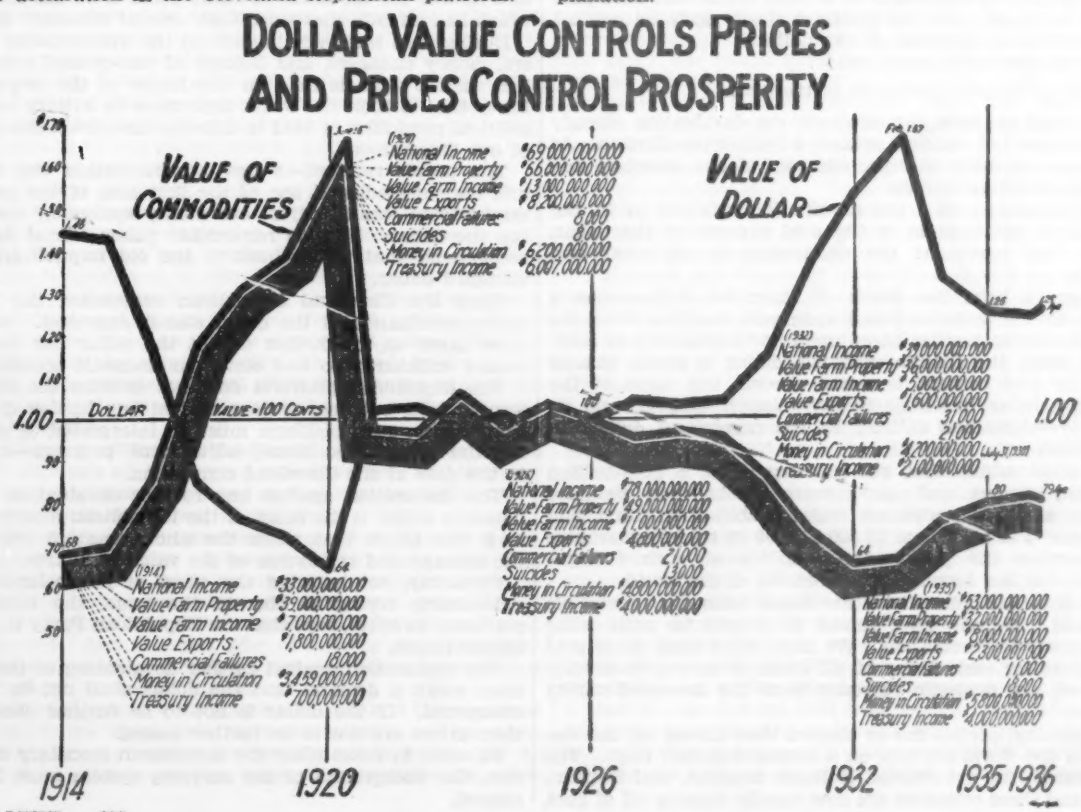
We will restore to the Congress the authority lodged with it by the Constitution to coin money and regulate the value thereof by repealing all the laws delegating this authority to the Executive.

We will cooperate with other countries toward stabilization of currencies as soon as we can do so with due regard for our national interests and as soon as other nations have sufficient stability to justify such action.

After the platform was adopted, and before the candidates were selected, the prospective Republican nominee sent a message to the delegates saying, among other things, the following:

The convention advocates a sound currency to be preserved at all hazards. I agree that the first requisite to a sound and stable currency is a balanced Budget. The second requisite, as I view it, is a currency expressed in terms of gold and convertible into gold. I recognize, however, that the second requisite must not be made until and unless it can be done without penalizing our domestic economy and without injury to our producers of agricultural products and other raw materials.

Thus we have the Republican money plank and the candidate's interpretation of and reaction thereto. A careful reading of this plank will convince anyone that the declaration—or at least one sentence thereof—needs interpretation. Likewise, it is obvious that the reaction submitted by the successful candidate needs both interpretation and explanation.



As the money issue is and will be foremost in the campaign it is proper that it should be clarified before the voters of the country.

First, the Republican platform declares for a "sound currency, to be preserved at all hazards." This language repeats the Democratic declaration made in the 1932 Chicago platform.

Now that the Republican Party has endorsed the Democratic 1932 monetary declaration, it may be assumed that all our people favor and demand—first, a sound currency, and, second, that such a currency shall be preserved at all hazards.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CONNALLY. I should like to ask the Senator whether it is not true, however, that the Republican platform in effect approved the devaluation of the gold dollar, that it merely declared for no further devaluation.

Mr. THOMAS of Oklahoma. The Senator is correct, and I will explain that statement in just a moment.

The 1936 Democratic national convention has not been held; hence, its platform has neither been prepared nor adopted; however, the Democratic money plank could well be stated as follows:

The Democratic Party is committed to sound currency backed by gold and silver. Currency to be sound must be adequate, available, and properly valued to best serve our domestic economy. This administration is engaged in providing such a currency; hence we assert that the American dollar is the soundest monetary unit in the world.

The Republican money plank declares in favor of "a balanced Budget." Let me observe that all parties and all peoples favor a balanced Budget.

The Democratic Party favors "a balanced Budget" and is taking the necessary steps to provide such a budget.

Even at this hour the Congress is working overtime in an effort to provide sufficient revenues to meet the regular and ordinary expense of our Government.

Republicans at Cleveland, or at least those who were permitted to speak, and the platform itself, declared against any "further devaluation of the dollar."

The platform declaration reads:

> We oppose further devaluation of the dollar.

The platform does not condemn the devaluation already accomplished but declares against a further devaluation. As Democrats we appreciate the approval of our monetary adjustment program to date.

It is presumed that the devaluation referred to in the Republican platform is in the gold content of the dollar, but in this particular the declaration is not clear and specific.

Today we have two kinds of American dollars—one a foreign-exchange dollar based upon gold, and the other the domestic dollar, neither based upon nor redeemable in gold; hence, while the foreign-exchange dollar is worth exactly what its gold content is worth abroad, the value of the domestic dollar has little if any relation to gold, and its value is determined entirely by the number of dollars in circulation.

All must admit that our country is on a gold-bullion standard abroad, and, as evidence of the fact, we have created a foreign-exchange dollar stabilization fund and have placed in such fund $2,000,000,000 in gold to guarantee and protect the parity and stability of such foreign-exchange dollar among the currencies of the world.

Our domestic dollar is neither based upon nor convertible into gold. We now have almost $2 of gold for each dollar of currency in circulation. We have more than $2 of gold and silver for each dollar of all kinds of money in circulation, yet our domestic currency is of the managed money variety.

In passing, permit me to observe that almost all the nations of the world are now on a managed-money basis. The only exceptions are France, Holland, Belgium, and Switzerland, and these countries are now rapidly slipping off of gold, and their currencies are probably headed for further devaluation.

The revaluation of the gold content of the dollar some 40 percent in 1933 and 1934 resulted in reducing the value of the foreign-exchange dollar instantaneously and positively some 40 percent, but no such reduction in value was accomplished in the domestic dollar.

To make the two American dollars—the foreign-exchange dollar and the domestic dollar—comparable in value, the domestic dollar must be devalued the full 40 percent, or reduced in buying or purchasing power from 167 cents—its value in 1933—to 100 cents. By making the computation it will be found that a 40-percent reduction of the 1933 valued dollar will leave such dollar with a buying or purchasing power of 100 cents.

Even though we have devalued the gold dollar 40 percent and have reduced the value of the domestic dollar, yet such domestic dollar still has a value or buying power of 128 cents. It is this domestic dollar which fixes prices within the States.

If the Republican platform declaration against further devaluation of the dollar means the devaluation of the foreign-exchange dollar, then, at this time, I take no exception to such declaration. But I might inquire what would be the position of the Republican Party in the event France should go off gold, devalue the franc, making necessary the further devaluation of the British pound and other European and world currencies?

Unless the new Presidential nominee knows more about money and its relation to business, taxes, prosperity, and our domestic economy, than the only living ex-President, he would not know that such a thing had happened until he had been voted out of office.

It was during this late lamented administration, when the value of gold was mounting higher and higher, causing prices to fall lower and lower, and the depression to hurt more and more, that a bright Republican Senator, at that time the senior Senator from Pennsylvania, Mr. Reed, introduced a proposal in the Senate seeking to raise our tariff duties as a remedy for the influx of cheap goods from the countries which had already cheapened their several monetary units.

During that same administration the international bankers, money changers, and holders of tax-exempt securities, had such a strangle hold on the leader of the Republican Party that it took the worst depression in history and the political revolution of 1932 to dislodge them from the control of our Government.

The people revolted—a new administration was elected and inaugurated, and one of the first acts of the new administration was to adjust our money system by cheapening the dollar. Now no responsible public official dares to recommend that we go back to the old Republican gold-standard dollar.

Since the Cleveland Republican convention the Democratic devaluation of the dollar stands approved. Now the issue arises as to whether or not the dollar has been devalued sufficiently to best serve our domestic economy.

The Republican platform does not criticize the devaluation to date, but does declare against any further devaluation; hence, such platform must be interpreted as approving the Democratic money-adjustment program—at least to the date of the Cleveland convention.

The declaration against any further devaluation of the domestic dollar is the heart of the Republican money plank. It is this plank that raises the whole question relative to the coinage and regulation of the value of money.

Obviously, not knowing the effect of its declaration, or deliberately trying to obscure the issue, the Republican platform, in effect, says that the Republican Party is against higher prices.

The declaration against further devaluation of the dollar must mean a demand that the dollar shall not be further cheapened. If the dollar is not to be further cheapened, then prices are not to be further raised.

In order to make clear the Republican monetary declaration, the background of our currency system must be considered.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Idaho?

Mr. THOMAS of Oklahoma. I yield.

Mr. BORAH. The Senator speaks about the dollar being cheapened. How was it cheapened?

Mr. THOMAS of Oklahoma. It is cheapened by placing more dollars in circulation. In 1914 we had three and one-half billion dollars in circulation. In 1920 we had six and one-half billion dollars in circulation. The amount of actual money, as I shall explain later—the kind we can see and carry in our pockets—was doubled from 1914 until 1920, and it is my contention that the placing of additional money in circulation tends to make money more plentiful, thereby making money cheaper. It was that cause which reduced the value of the dollar from 146 cents in 1914 to only 64 cents in 1920.

In 1929, when the value of the dollar began to rise, we find commodity prices began to fall.

In February 1933, when the dollar was worth $1.67, we find commodities at the lowest prices they have been for generations. It was at that time when wheat sold for 19 cents a bushel in my State. It was at that time when cotton sold for 5 cents per pound in my State. It was at that time when oats sold for 7 cents, corn for 15 cents, livestock for 3 cents, and other commodities in proportion.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. LEWIS. I call the attention of the Senator from Oklahoma to the query of the Senator from Idaho [Mr. BORAH]. When the remark was made that the dollar became cheaper the Senator, I think, meant to convey the thought that we did not have to give so much of products as previously in order to get a dollar. That the dollar was cheaper because it bought less.

Mr. THOMAS of Oklahoma. Exactly so. I shall make that statement in practically the same words later on in my address.

In 1929 the dollar started to go up in buying power and commodities started to fall in value. After March 4, 1933, we started to cheapen the dollar. As the value of the dollar became cheaper commodity prices started up. Further along in my remarks I shall explain just what I mean more fully.

From 1900 to 1933 the United States was on the single gold standard. This means that during that period all our money was based upon and redeemable in gold coin on the basis of 25.8 grains of gold, nine-tenths fine, to each dollar.

During that period all credit or deposit money could be converted into currency, and all currency could be converted into gold. When the depression came, holders of bank credits became alarmed and began to demand gold, and such demands resulted, first, in gold being withdrawn and hoarded; second, as the demand for gold increased, the scarcer and more valuable gold became; third, the demand for gold became so great, gold became so scarce and consequently so valuable, that the administration felt forced, in the public interest, to go off the gold and place an embargo against the convertibility of currency into gold at home, or the shipment of gold abroad.

On March 4, 1933, when the Republican Party surrendered power, although all banks were closed, we were still theoretically on the gold standard, and at that time the dollar had a value or purchasing power of 167 cents.

In America, as in all countries, we measure value by means of a system of statistics. It is conceded by all that gold fluctuates in value the same as other commodities; hence, so long as our money was expressed in definite quantities of gold, the value of our dollar varied exactly as the value of gold varied. And it is this kind of a dollar the Republican Presidential nominee promises to give us when he is elected President of the United States.

As stated, because of the scarcity of gold and the increased demand for the metal, gold increased in value, so that when this administration assumed power the people had to give up 167 cents of value in services, labor, or commodities, in order to secure a dollar with which to meet their taxes, interest, and debts.

The Budget had been and was unbalanced because of the high value of the dollar. Because of such high value, the dollar was not only dishonest but it was impossible to secure; hence, this administration undertook to cheapen the dollar in order to restore to the people an honest and a possible medium of exchange.

In our efforts to give the people a cheaper dollar and an honest and possible dollar, we have been opposed at every turn by the money changers, by international bankers, by the larger city banks, by the holders of tax-exempt bonds and mortgages, and by what is left of the so-called Old Guard leadership of the Republican Party.

Notwithstanding the reduction in the weight and gold content of the dollar, the domestic dollar has almost as much purchasing power today as it had before the cheapening process was undertaken. In terms of all our commodities, such domestic dollar is still worth approximately 128 cents. In other words, even now our people have to give up in services, labor, and commodities 128 cents in value to secure a dollar with which to meet their obligations.

It is very largely because of this fact that the Budget is not balanced; unemployment has not been materially reduced; industry is not yet on a paying basis, and the banks are not yet able to make commercial loans.

Mr. BORAH. Mr. President——

Mr. THOMAS of Oklahoma. I yield.

Mr. BORAH. Did the valuation of the dollar—I have forgotten the date on which it took effect, but I think the Senator has it——

Mr. THOMAS of Oklahoma. The order was issued in January 1934.

Mr. BORAH. What was the effect and what has been the effect of the devaluation upon the price of farm commodities?

Mr. THOMAS of Oklahoma. Answering the inquiry submitted by the Senator from Idaho, the effect of the devaluation of the dollar was instantaneous, and positive abroad, because the moment the dollar fell in terms of gold abroad foreigners could take whatever gold was necessary and exchange such gold for an American dollar. So after the order was issued providing for a 40-percent reduction, which reduced the content of the gold dollar from 25.8 grains to 15 5/21 grains, foreigners could take the 15 plus grains of gold to any of their exchange places and exchange such amount for an American dollar. So, automatically and positively, the devaluation of the dollar cheapened the foreign-exchange dollar. So it cheapened American products in terms of foreign exchange, and foreigners have been able to buy American products 40 percent cheaper from the date of such devaluation.

I contend that the order of devaluation did not affect the domestic dollar the full 40 percent, and here is my reasoning: When the Democrats came into power in 1933 the dollar had a value of 167 cents; in other words, it took 167 cents' worth of corn or cotton or livestock or labor to get a dollar.

We thought we were cheapening the dollar comparable to the 40-percent reduction in gold. If we had, it would have given us back a hundred-cent dollar or a dollar of the value of 1926. I do not know what was in the minds of those who issued the order, but evidently, from my reasoning, the Chief Executive must have thought that by reducing the gold content of the dollar 40 percent it would thereby reduce the value of the domestic dollar 40 percent. My reasoning is by analogy. Multiply 167 by 40 percent and you get 66.8. He must have thought that by cutting down the gold content of the dollar 40 percent he would reduce the value of the domestic dollar to 100 cents, or within two-tenths of a cent of that amount. Subtract 66.8 from 167 and that leaves 100.2. But it has not accomplished that purpose—and the reason is that we are not on gold here within the States. If we had gone back on gold, and made our currency convertible into gold, then the domestic dollar would have had the same value as the gold content of the dollar, but our money is not

on gold; it is not convertible into gold; we cannot get gold for our currency, hence for that reason the domestic dollar has little if any relation to gold.

Mr. CONNALLY. Mr. President——

Mr. THOMAS of Oklahoma. I yield to the Senator from Texas.

Mr. CONNALLY. The Senator from Idaho [Mr. BORAH] asked the Senator from Oklahoma what effect the devaluation of the dollar has had on farm prices. I do not desire to interrupt the Senator from Oklahoma unduly, but I make the observation that, as he has explained, it affected immediately the export prices of farm commodities. To the extent that the domestic market was influenced by the export prices, it did lift them. For instance, in the case of cotton, which is probably the most striking example, the price of cotton both domestically and in the foreign market responded almost instantaneously. During the time the President was raising the price of gold from day to day the cotton market followed almost instantaneously the price of gold. The reason for that was, of course, that we export such a large volume of cotton that the domestic price is substantially fixed by the foreign price. The Frenchman who was buying cotton for 6 cents in gold could continue to buy the same cotton at the same 6 cents in his gold, but, due to devaluation, that 6 cents had become 10 cents in the American market.

I am sure it did not affect wheat to the same extent, because we do not export as large a volume of wheat as we do of cotton, and the domestic price of wheat is not influenced or affected to the same extent as is cotton by the foreign price.

I thought the Senator from Idaho was entitled to know that as to cotton it was reflected almost 100 percent; the devaluation lifted the price of cotton almost to the level of the amount of the devaluation.

Mr. BORAH. I had supposed it affected favorably the price of both corn and wheat.

Mr. CONNALLY. I am sure it did, but perhaps not to the same extent, because the export market does not affect the domestic market to the same degree.

Mr. THOMAS of Oklahoma. Mr. President, I appreciate the explanation given by the Senator from Texas. I agree with what he said with regard to cotton. Cotton is a world commodity; the price of cotton today throughout the world is the same, in terms of gold, making allowance only for insurance and transportation. To the extent that wheat is a world commodity the price of wheat today is the same throughout the world in terms of gold. Some nations may have a tariff; some nations may have a fixed price as does France, where the fixed price is $1.42, I think, for their wheat. So in the case of both commodities the cheaper you make the dollar, in terms of gold, the higher you raise the price in terms of monetary units. That is the reason cotton went up instantaneously with the reduction of the value of the dollar. Every world commodity is measured in terms of gold, because that is the universal commodity in which nations settle their international balances, and for that reason world commodities are measured always in terms of gold.

Mr. NORRIS. Mr. President, may I ask the Senator a question there?

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. The devaluation of the gold dollar, as the Senator has explained, had a direct effect on cotton, for instance, which, as everybody recognizes, is a world product. Assuming, then, that at that time the United States was on a gold-dollar basis, it would have the same effect on the domestic price, would it not?

Mr. THOMAS of Oklahoma. If we had been on the gold-standard basis here at home, then the Senator would be correct.

Mr. NORRIS. If we had been on the gold-standard basis, it would have been just the same as applied to the domestic market as it was as applied to the world market.

Mr. THOMAS of Oklahoma. It is my contention that the domestic dollar here in the United States is worth more now in terms of commodities than if we were on a gold-standard basis with 15 5/21 grains of gold to the dollar, provided, of course, the gold we have should be placed in circulation. In other words, the dollar we have in our pockets—those of us who may be so fortunate to have dollars in our pockets—is worth more today in terms of commodities than if we would go back on the gold standard with the lesser amount of gold to the dollar. With 15 5/21 grains of gold in the foreign-exchange dollar the domestic dollar today is undervalued. That is the reason why during the past 2 years billions of dollars of foreign gold have come to America. Foreigners can take their gold, convert it into American dollars, and with those dollars they can buy more of certain commodities in America than they can buy any place else in the world.

Mr. NORRIS. Mr. President——

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. It all illustrates, it seems to me, what is bound to happen if the value is based on a commodity that fluctuates, as all commodities do fluctuate. I do not know whether it would interrupt the Senator at this time in his remarks——

Mr. THOMAS of Oklahoma. It is not at all an interruption.

Mr. NORRIS. But I should like to ask him what would be the effect if the value of the dollar was permanent and not based on a fluctuating commodity, so that the middle line, the 100-percent dollar on the Senator's diagram on the wall, would be approximately the same as the money red line and the price black line? Would that be a desirable condition and could it be accomplished if the dollar was based upon those seven-hundred-odd commodities?

Mr. THOMAS of Oklahoma. Let me answer the question by making one or two statements preliminarily. The red line on the diagram shows the fluctuation of gold in terms of commodities. For the entire length of that red line the dollar was a gold dollar; every dollar we had was based upon gold; each dollar had 25.8 grains of gold; the value of every dollar was constant in terms of gold. The crookedness of that red line shows the fluctuation of the gold dollar as measured by 782 commodities.

I have taken there the middle line as the starting point. That may not be the correct starting point; the dollar may be too high at that point or again the dollar may be too low. I am not arguing that point, but that is where the Bureau of Labor statistics starts, at the line of a hundred cents, and a good many people think if we can get back to the 1926 dollar, which is represented by that center line, we would be making substantial progress. As the crooked red line displays the fluctuation of the value of the dollar in terms of commodities, so the thick black line displays the fluctuation of the value of commodities in terms of gold. With the gold standard, everything else fluctuates as the value of gold fluctuates; and as the value of gold itself fluctuates, of course, the value of the dollar is not staple in terms of gold.

Mr. BORAH. Mr. President——

Mr. THOMAS of Oklahoma. I yield.

Mr. BORAH. I should like to ask the Senator, if it will not disturb him—and I do not think it will, because nothing seems to disturb the Senator—what part does gold play in the managed currency system of Great Britain at the present time?

Mr. THOMAS of Oklahoma. Mr. President, by common consent throughout the world the nations seem to want their balances settled in gold. Of course, in all countries most of the balances are settled in commodities, but if there be an international balance which cannot be settled in commodities, then such balance must be settled in something else; and as gold is generally accepted everywhere, so gold is today regarded as the best medium for the adjustment and settlement of such balances. Great Britain has something like $2,000,000,000 of gold at the present time. While the pound is not fixed in terms of gold, yet every day the pound is worth so much gold. The value of the pound in terms of gold is fixed and controlled from day to day by the managers of the British financial system.

Mr. BORAH. In other words, Great Britain buys or sells gold to suit the situation in the market?

Mr. THOMAS of Oklahoma. Yes; and they buy and sell gold currency, and through that means keep the pound at that value which best serves Great Britain's domestic economy. They do that by placing paper pounds in circulation and taking paper pounds out of circulation.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER (Mr. BURKE in the chair). Does the Senator from Oklahoma yield to the Senator from Maryland?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. May I ask the Senator if the British Government buys gold by issuing paper pounds and giving those paper pounds for the gold, or what medium does it use?

Mr. THOMAS of Oklahoma. In any way they see fit. Trading with nations permits Great Britain to have great volumes of balances and no doubt it is such balances which are used in the purchase of gold. Here in Washington our handling of the stabilization fund is kept secret and no doubt England keeps her exchange stabilization policies likewise secret.

Mr. VANDENBERG. Mr. Speaker, will the Senator yield?

Mr. THOMAS of Oklahoma. Certainly.

Mr. VANDENBERG. The Senator has stated that from day to day Great Britain puts paper pounds into circulation. Just what does the Senator mean by that? How do they put the paper pounds in circulation?

Mr. THOMAS of Oklahoma. I am not sure that I understand just what the Senator means. Does he inquire how they get the paper pounds out among the people?

Mr. VANDENBERG. Yes.

Mr. THOMAS of Oklahoma. I could not answer that question for Great Britain, but there are many ways of getting the paper money into circulation here in the States. In this country it takes some $25,000,000 each day to pay our current bills, to pay the salaries of the Government employees, to pay the soldiers, for example, and to pay for construction work. It is costing this year almost $1,000,000,000 a month to run the Government. If we saw fit to pay our bills with currency in the place of credit, we could place in circulation among hundreds of thousands of people approximately $1,000,000,000 per month. No doubt Great Britain can do the same thing.

The dollar bequeathed to us in 1933 had a value of 167 cents in all commodities save the one commodity of gold; hence, such dollar was unreasonable, impossible, and dishonest, and therefore such dollar was unsound.

Although we have eliminated from the domestic dollar some 40 cents of purchasing power, yet such dollar is still entirely too highly valued and must be still further cheapened by the removal therefrom of the remaining 28 cents of excessive value or purchasing power.

If the Republican platform declared against a further reduction of the gold content of the foreign-exchange dollar, then that is one interpretation; but if such platform declared against the elimination of all or any part of the present 28 cents of excessive value in the domestic dollar, then that is another interpretation, and with such latter interpretation we cannot agree.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. I know the Senator wants to be fair. I am sure that to what he has said I take no exception, but I think the Senator will concede that if a man has to produce more products to convert into a higher valued dollar than he would to convert into a cheap dollar, likewise that higher valued dollar would buy more products of the production of another man, so that in the end he would get back the same number of commodities that he sold, no matter what the standard may be.

Mr. THOMAS of Oklahoma. If it were not for the fact that we have an enormous tax burden, an enormous interest burden, and an enormous public and private debt burden, the position of the Senator would be exactly correct; but there is no way to remedy or to cheapen or to lighten the tax burden or the interest burden or the debt burden save through the cheapening of the dollar.

Mr. TYDINGS. I concede the tax equation alters to some extent the basic principle I laid down, but I did not think the Senator desired to leave himself in a position of stating that where a man would have to produce more to acquire a dollar, that when he got the dollar he could not acquire more with it than he could with a cheap dollar.

Mr. THOMAS of Oklahoma. The Senator is a very young man, but still he can remember back a few years after the World War, when the dollar had a buying power of only 64 cents and commodities were the highest we have ever seen, when cotton sold for 44 cents a pound, wheat for $2.50 a bushel, and livestock and other things in proportion. It was in those days when we had the cheapest dollar, that the forgotton man even had money. We have heard it said that in those days even the ditch digger and the bootblack wore silk shirts and enjoyed a degree of prosperity. They did not wear silk shirts under the dollar we had in 1932.

In 1932, when the bonus bill was before the Senate yonder galleries were filled with veterans of the World War. At that time many of those men did not have on any shirts at all. Many of them had to have their coats buttoned around their necks to shield and conceal the fact that underneath their coats they were naked. Yet in 1920, with plenty of money in circulation, everyone had a chance to enjoy and share in the good times of that era.

Mr. TYDINGS. I only rose to point out that no matter whether the dollar is cheap or high, it is no more than a medium of exchange as far as one product and another product are concerned. It is only a temporary storehouse where the seller translates what he has to sell for the moment into a warehouse receipt until he acquires something he wants to buy. In the end, he really exchanges commodities for commodities. The money is only an incident to the transaction, a warehouse receipt, a medium of exchange, a yardstick, or whatever one may wish to call it. If it takes more commodities to buy a high-priced dollar, once we have the dollar we can buy more commodities with it than we could with a low-priced dollar.

Mr. THOMAS of Oklahoma. The Senator is correct. For some years I have been arguing to get the value of the dollar down to that point where it would best serve our national domestic economy. My contention is that the value of the dollar is too high. It has been too high since 1929. I am trying to get the red line on the chart lowered to meet the center black line. If that is not the proper point, then we can determine that fact and adjust the value either up or down as at that time may seem best to properly serve the interests of our people.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. THOMAS of Oklahoma. Certainly.

Mr. TYDINGS. I think the significant thing about the Republican platform, to which the Senator has alluded, is the fact that it states that a sound currency must be preserved at all hazards and that the Republican Party is not in favor of any further devaluation of the dollar.

The Senator has already alluded to the fact that if France and other European countries should further devalue their currencies, he would like to know what the Republican candidate's position then would be. On the whole, from a citizen's standpoint, I am not displeased with the platform in that respect so far as it goes; but what I am sorry the Republican platform did not contain, in view of its very strong language that the party favored the stabilization of international currency, is a coupling of that matter with the declaration that they would not further devalue the dollar. If foreign currencies could be stabilized, then the position that the Republican Party would not further devalue the dollar would be sound; but if it should not be possible to stabilize international currencies, and other countries should devalue their currencies, I think the Republican candidate,

were he successful, might find he had said something which it would be very difficult to live up to.

Mr. BORAH. Mr. President, if the platform had left out the declaration as I thought it should, against further devaluation of the dollar, we should have been in a perfectly safe position, regardless of what France might do.

Mr. TYDINGS. That is correct. Will the Senator from Oklahoma yield further?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. I think the hiatus in the policy, if such it be, has been very well cleared up by the remark of the Senator from Idaho; but certainly there ought to be a move to stabilize international currencies on the part of those who do not believe in further devaluation of the dollar. In other words, if they take that rigid position, then it must follow that so long as the currencies and trade of the various nations are interdependent, those who announce as their policy that they do not desire any further devaluation of the dollar should follow it up by coming out for a conference to stabilize currencies so that further devaluation will not be necessary; and I think the Senator alluded to that in his opening remarks.

Mr. BORAH. Mr. President——

Mr. THOMAS of Oklahoma. I yield.

Mr. BORAH. I think the Senator is correct in saying that those who declare against devaluation ought to declare for international stabilization; but the difficulty with that policy is that the possibility of securing international stabilization is almost inconceivable. I do not think we are going to secure international stabilization within any reasonable time.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. I should not like to agree or disagree with what the Senator from Idaho has said. I realize that it would be very difficult to get international stabilization of currencies; but certainly in the world chaos which now exists any political party which says it is going to take a rigid position on money, without having in mind at least the possibility of a reorganization of the world's currencies on some sort of equitable lines, is walking out on very thin ice. If we are to have no further depreciation of our currency, it must follow that other countries will not greatly depreciate their currencies; otherwise we may be in a position where, in spite of that declaration, some other policy will be not only expedient but wise.

Mr. THOMAS of Oklahoma. Mr. President, I desire to make my position clear if I may. I am not at this time arguing in favor of further devaluation of the gold dollar. I am arguing in favor of reducing the value of the domestic dollar. According to statistics, it has a value of 128 cents. I want the 28 cents of excess value eliminated from the domestic dollar, and the dollar brought back to the 100-cent level, exactly where it was in the period from 1922 to 1929, as shown by the graph. When we get the value of the dollar to that point we can keep it there. We are now keeping the dollar rather stable. For the past 18 months the value of the dollar has not fluctuated more than 5 cents up or down. For a year and a half the American dollar, in terms of domestic commodities, has not fluctuated to exceed 5 cents; hence we know the dollar can be kept stable in terms of American prices and American commodities. If we could get the dollar down to the 100-cent level, it could be maintained there just as easily as maintaining it around the 125-cent level; so I am arguing in favor of a policy that will put the value of the domestic dollar down to 100 cents, and then keep it there until we are sure that such value is not in the interest of the people. If it is too high, we can further reduce it; if it is too low, we can raise it.

On the question of stabilization of currencies abroad, according to my viewpoint there are only three countries in the world that have sufficient financial influence to justify them in paying the expenses of a delegation to an international stabilization conference—and such nations are Great Britain, France, and the United States. The United States has the largest amount of gold and silver of any country in the world. We now have ten and a half billion dollars of gold. We now have over $2,000,000,000 of silver. That makes a total metallic base of gold and silver in your Treasury and mine of twelve and a half billion dollars of gold and silver. Great Britain has not so much gold, and has practically no silver; but Great Britain has one-half the peoples of the world tied up to the British pound—or a money system sometimes referred to as "sterlingaria." So Great Britain depends for her prestige and her power on the fact that she has half the peoples of the world depending upon what she does with regard to money.

France has the remaining gold-standard countries tied up to the French franc. There are only four or five of them—Switzerland, Belgium, Holland, perhaps Poland, and perhaps another. If the countries mentioned could get together, they can stabilize their currencies; and when they do so, they will stabilize the currencies of the world.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. I think the Senator's observation is very accurate. I should like to point out that with eleven and a half billion dollars of war debts owing to the United States Government, and about fourteen and a half billion dollars of foreign bonds held in this country by our citizens—a total of $26,000,000,000 owing either to our Government or to its people by foreign countries—in my humble judgment that large debt owing to us, almost equivalent to our national debt, is not going to be liquidated to any considerable extent until the currencies of the world are stabilized. Therefore it brings home all the more clearly the hiatus in the Republican platform, where they come out against any further depreciation of the dollar on the one hand, but take no position toward stabilizing currencies upon the other.

Mr. THOMAS of Oklahoma. I thank the Senator from Maryland.

Mr. President, the Republican platform raises the issue of prices, and the issue of prices, heretofore obscured, is due to come out into the open.

There is but one single point in the Republican money plank, and that is a declaration against any further rise in prices.

The issue raised by the Republican declaration against further devaluation of the dollar is of major importance to every man, woman, and child in America. We will probably hear much about the price level in the campaign now being organized. By price level I mean the prices which the people receive for their products, their commodities, and their services, as well as the prices they have to pay for things they have to buy.

As further evidence that prices are to be a major issue in the campaign, let me call attention to the following statements:

Ex-President Hoover, in his Fort Wayne speech, is reported to have said:

> Costs and prices must be reduced.

Mr. NEELY. Mr. President, does the able Senator from Oklahoma understand Mr. Hoover's reference to a reduction of costs and prices to include a reduction in the wages of labor and a reduction in the prices of farm commodities?

Mr. THOMAS of Oklahoma. Mr. President, he must mean that if he means anything. When he says "Costs and prices must be reduced", he must mean what he says. There seems to me to be no other explanation; but of course anyone can place his own interpretation on the statement. He says that cost and prices must come down, which means that wages must come down, that the price of cotton must fall, that the price of wheat must fall, that the prices of manufactured products and of everything else, because there is no exception in the statement, must likewise be reduced.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. VANDENBERG. Of course, I would not undertake to interpret what the former President may have had in mind in making his observation, but I should like to submit a

query to the able Senator from Oklahoma, who has made such a deep and careful study of this whole problem.

Is it not a fact that the great automobile industry of the United States has demonstrated that the way to put wages up, and the way to increase sales, and the way to make a major contribution to recovery, is to reduce prices, popularize sales as a result, and thus contribute to a larger and more profitable economy? In other words, is there not something to be said for that philosophy as demonstrated by this most spectacular single contribution now being made to recovery?

Mr. THOMAS of Oklahoma. Mr. President, it is true that, even though we have cheapened the dollar, the prices of automobiles should have reacted upward, but instead of automobiles having gone up in price, we can today get a better car for less money. That is due, in my opinion, very largely to the fact that we have devalued the gold dollar. A very large number of the automobiles made in the United States are sold abroad. I could not give the exact percentage.

Mr. VANDENBERG. Twenty percent.

Mr. THOMAS of Oklahoma. Twenty percent, I am advised. When we cut the size of the gold dollar that meant that foreigners outside of the United States could take 60 percent of the weight of an old gold dollar, and, with that 60 percent, they could buy a whole American dollar. In other words, foreigners, after we devalued the gold dollar, could take 15 grains of gold and buy a dollar, where the day before they had to give 25 grains of gold for a dollar. When we devalued the gold dollar the dollars abroad became 40 percent cheaper so that foreigners everywhere could take 60 cents of gold and buy a dollar, they could take $600 in gold and buy a thousand dollars of American currency, and with the thousand dollars they could buy a thousand-dollar automobile in the United States. So our devaluation of the dollar instantaneously and positively reduced the value of automobiles abroad 40 percent. That is the reason why there has been unparalleled prosperity in the automobile industry throughout our Nation.

Mr. VANDENBERG. Mr. President, will the Senator yield again?

Mr. THOMAS of Oklahoma. I yield.

Mr. VANDENBERG. What the Senator says about the encouragement of export sales is of course true. That is an axiom. In fact, the Senator is demonstrating the thing I myself have constantly claimed, that it is not the reciprocal treaties negotiated by Secretary Hull, but it is the precise thing about which the Senator is talking, plus the general resurgence of world trade, that has produced the increase in exports. But I ask the Senator again how he can explain that not only has the export sale substantially increased, but also the internal sale has increased tremendously, during a period when, at least in the opinion of those responsible for the operation, the successful effort to produce a better product at a lower price, and at the same time increasing wages, is responsible for what has happened. In other words, what I am asking the Senator is whether one can be dogmatic in respect to either phase of this price problem.

Mr. THOMAS of Oklahoma. Mr. President, I am arguing from a broad national standpoint. There may be exceptions in one line or there may be exceptions in regard to some commodity. An overproduction would of course mean lower prices; underproduction would mean higher prices. It is a fact that we have not cheapened the domestic dollar perceptibly. We have only taken the difference between 167 cents and 128 cents out of the domestic dollar, that is, approximately 40 cents. That has had the effect of raising prices here at home to a slight degree. But the main rise in prices has been due to an increase in the amount of money in circulation due to a wider use of silver. Also there has been a restriction of the production of cotton and livestock and wheat and other similar commodities, which has had some effect upon prices.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. Referring particularly to the automobile question, does not the Senator think that one of the things which enters into that, and which ought to be considered, is that the buying power of those who must purchase the automobiles, of the farmer, for instance, has been greatly increased? I do not pretend to say how much that accounts for the increase, but certainly it accounts for a large percentage of the increased sales of automobiles in this country.

Mr. THOMAS of Oklahoma. I think the Senator from Nebraska is exactly correct. The automobile industry, fortunately for itself, produces a thing which every person wants, not only at home, but abroad, and when through devaluation of the dollar we cut the price of the automobiles 40 percent abroad, that stimulated purchases abroad, and by increasing the buying power among our home people, the purchase of automobiles here at home was stimulated.

Mr. VANDENBERG. Mr. President, will the Senator yield further?

Mr. THOMAS of Oklahoma. I yield.

Mr. VANDENBERG. Of course, what the Senator from Nebraska has said is true and what the Senator from Oklahome now says is true. We had a parallel in the 10 years when we loaned billions of dollars to Europe and then let them buy our commodities and they had both the commodities and our money, and we got nothing out of it. During the last 2 or 3 years the large distribution of public funds, which somebody still has to pay for, unquestionably has created a buying power which is reflected in these orders. But may I ask the Senator this, if I am not diverting him——

Mr. THOMAS of Oklahoma. Go right ahead.

Mr. VANDENBERG. Dealing with the automobile industry and what I believe to be the secret of its success, namely, the development of a major product of maximum value at a minimum sales price, I believe that is the formula which is responsible for the great success of the automobile industry; if that be true, how would the Senator's theory of a directly managed currency operate upon an industry which was seeking to pursue this formula? In other words, if this industry believes that low prices produce prosperity for it, would not a managed currency of the sort the Senator describes tend immediately to offset that reduction in price by a compensating change in the value of the dollar, if the Senator sees what I am trying to bring out?

Mr. THOMAS of Oklahoma. I think I understand the question. What I am trying to demonstrate is that the dollar should be fixed at a stable point of buying power. Heretofore it has been based on gold, and that has not been satisfactory, as is evidenced by the crookedness of the money line on the chart on the wall. So a gold dollar is not a stable measure of value. On the other hand, if we can find some basis or some formula upon which we can fix the value of the dollar like it was, as shown on the graph, from 1922, say, to 1929, then we shall have a stable dollar in terms of commodities that everyone can depend upon. That is what I am striving for.

Apply this to the automobile industry. At the present time the farmers are getting 85 cents for their wheat on the exchange. They are getting about 75 cents for their wheat at the mill. If we can bring down the buying power of a dollar so that farmers who produce wheat can get $1.50 for their wheat in place of 75 cents, then they will have $1.50 where now they have only 75 cents, and the cost of production will be about the same. I submit that if we can get a dollar and a half for wheat, if we can get 20 cents for cotton, and if we can get comparable prices for other products, and we can put the farmers back to the 1926 level of prices, then we will thereby double the purchasing power of the 30,000,000 people who live on the farm. With such increased prices and purchasing power the automobile industry will receive increased patronage by the farmers of our country.

Before I was diverted I had just made the statement in the form of a quotation from former President Hoover, wherein in his Fort Wayne speech he said:

> Costs and prices must be reduced.

Financial journals and professional economists are seconding the demand for lower costs and prices.

President Roosevelt, in his New York speech, made the following statement:

> Higher wages for workers, more income for farmers, means more goods produced, more and better food eaten, fewer unemployed, and lower taxes.

Thus the issue is already joined between the ex-leader of the Republican Party and the present leader of the Democratic Party.

Mr. Hoover and his followers demand a lower price level, which means lower costs, lower wages, and lower prices for the things the people produce.

President Roosevelt has already raised the price level approximately 50 percent and is working for still higher wages for workers and higher prices for the commodities which the farmers produce.

The newly crowned leader of the Republican Party has interpreted the term "sound money" in the Cleveland platform as meaning a return as soon as possible to the old discredited gold standard. Likewise he is against any further devaluation of the dollar. This means that he is against any further increase in prices. A reasonable interpretation of his reaction to the Republican money plank would be that prices have been raised high enough and that he wants such prices to remain where they are today.

The present price level means 50- to 75-cent wheat to Kansas farmers and farmers of the West, and likewise means 10-cent cotton to the farmers of the South.

The Hoover administration championed and held to a low price level and was voted out of power in 1932. The present administration was elected on a platform demanding higher prices. On May 7, 1933, President Roosevelt, in an address to the people of the Nation, said:

> The administration has the definite objective of raising prices to such an extent that those who have borrowed money will, on the average, be able to repay that money in the same kind of dollar which they borrowed.

One of the first acts of the new administration was the passage of the law providing for the devaluation of the dollar. President Roosevelt acted under the law and reduced the size and weight of the gold dollar 40 percent. This act has had the effect of cheapening the foreign exchange dollar, and a substantial increase in the amount of money in circulation has had the effect of cheapening the domestic dollar.

To the extent that the domestic dollar has been cheapened, prices have been increased and in proportion that the general price level has been raised, prosperity has returned.

The price level controls the cost of living on the one hand and controls the amount of income on the other.

A high price level means high prices and a high income, and a low price level means low prices and a low income—if an income at all.

During and just after the World War the price level was high.

With a high price level, money was plentiful, prices of commodities and wages were high, and every person who had something to sell could find a buyer, and every person who wanted to work could find a job.

In 1932 the price level was the lowest in history.

With such low level, money was scarce and property had little, if any, value.

At that time, wheat sold for 25 cents per bushel, cotton sold for 5 cents per pound, oil sold for 30 cents per barrel, and hogs and cattle sold for less than $3 per hundredweight.

Prices for raw materials and basic American products, while higher than 3 years ago, still are too low to enable producers to pay costs of production and have left a reasonable margin of profit.

Until legitimate business shows a reasonable profit, governmental budgets cannot be balanced; public borrowing must continue; banks dare not expand their credit; industry must continue to seek Federal loans; and the unemployed must continue to be supported by the Government.

The general price level must be raised sufficiently to permit producers, wage earners, and industry to survive and make reasonable profits.

The price level must be raised in order that profits may be increased.

Personal-income and corporation taxes are levied against profits; hence, profits must be increased in order to make possible the collection of sufficient taxes to balance the Budget.

The price level must be raised in order to make it possible for banks to renew the policy and practice of making commercial loans.

The price level must be raised prior to any substantial reduction in public-relief spending and most certainly before we can stop such spending altogether.

The price level must be raised before we can possibly have a return of general and permanent prosperity.

If there be those who disagree with our demand for a higher general price level, then I would call attention to the following facts:

Today our total tax burden—National, State, county, and city is some $12,000,000,000 per year.

Our total massed interest burden is another $10,000,000,000 annually; and our total massed debt burden, public and private, is estimated to be $250,000,000,000.

It is now estimated that by 1937 our total Federal debt will reach $35,000,000,000.

As taxes, interest, and debts increase, the amount of money available to the people must likewise be increased.

As taxes, interest, and debts go up, the price level must likewise go up.

To be able to pay more taxes, interest, and debts, the people must be able to earn and secure more dollars.

Taxes, interest, and debts are fixed charges; hence higher prices, in effect, reduce such taxes, interest, and debts, while lower prices, in effect, increase such overhead charges.

In 1932 prices were so low that a farmer in Oklahoma having $100 taxes to pay had to raise and sell four bales of cotton or 400 bushels of wheat to settle with the tax gatherer.

Today, with higher prices, he can pay the same tax bill with less than two bales of cotton or with approximately 100 bushels of wheat.

When prices are increased to a reasonable level, farmers may pay $100 in taxes or interest or debts with one bale of cotton or with 75 bushels of wheat or with 100 bushels of corn.

With lower prices, as demanded by Mr. Hoover, or with a continuation of present prices as demanded by Mr. Landon and the financial economists, we will have a repetition of the 1929–32 economic conditions which were brought about by their management of our Government.

Those who refuse to recognize and acknowledge the validity of these principles of economics are courting defaults, repudiation, bankruptcy, and disaster.

In the light of history it is obvious that the prosperity of a people depends upon the fairness and stability of their domestic price level.

Progress and prosperity depend upon prices, prices depend upon the value of the dollar, and the extent of prosperity and the level of prices depend upon the amount of money in circulation.

By way of summary, let me again define money:

In times past, money was limited to gold, silver, or copper metal stamped in the form of coins. Later the term "money" was expanded to include not only metal coins but paper currency as well.

Today we define anything as money that has been, by law, declared to be legal tender for the payment of taxes, interest, duties, and debts.

Money exists by law and not by nature.

Money is not always of the same value.

The dollar, when based upon a given quantity of gold, is of the same value as such quantity of gold; hence, as gold changes in value, the dollar changes in value. When any country is on the gold standard no commodity has a stable

value, not even gold itself. Because of the unstability of the value of gold, all nations save some four or five have left the gold standard and these few remaining nations are now tottering prior to the fall.

Formerly by money we meant only gold, silver, and copper coins. Today by money we mean legal-tender currency, and by currency we mean gold coin, silver coin, nickel or copper coin, and paper money.

By currency I do not mean bank credit. Currency is money. Bank credit is only a substitute for money.

While bank credit serves as a medium of exchange and may be converted into money, bank credit is not money.

Currency, as herein defined, measures prices. Bank credit or substitute money does not measure prices. The number of currency dollars in circulation, in the main, controls the value of the dollar. An increase in the number of currency dollars in circulation means increasing the supply of price-measuring money units.

The same economic law which controls and governs the value of wheat and corn and cotton likewise controls and governs the value of money. When any commodity is plentiful, such commodity is cheap; likewise, when dollars are plentiful, dollars are cheap; and when dollars are cheap, prices are high.

On the other hand, when dollars are scarce dollars are high, and when dollars are high prices are cheap.

The value of money depends upon the number of dollars in circulation. Scarce money means high-valued dollars, and high-valued dollars mean unemployment, low wages, low prices, panic, and depression. Plentiful money means cheap money and cheap money means employment, high wages, high prices, progress, and prosperity.

If there be those who disagree with the economic principles just stated, then I must leave them to answer, not me but the master financial minds of the thousands of years of recorded history.

Let me call a few witnesses, famous monetary economists of the ancient and modern world, to sustain my position.

Ricardo says:

The value of money is determined by the amount existing.

Ruffner says:

Doubling the amount of money tends to double prices.

Again he says:

The price level will tend to rise in proportion to the increase in the money supply.

John Locke says:

The value of money in general is the quantity of all the money in the world in proportion to all the trade.

James Mills says:

And again, in whatever degree, therefore, the quantity of money is increased or diminished, other things remaining the same, in that same proportion the value of the whole, and of every part, is reciprocally diminished or increased.

Sir J. Graham says:

The value of money is in the inverse ratio of its quantity, the supply of commodities remaining the same.

John Stuart Mill says:

The value of money—other things being the same—varies inversely as its quantity, every increase of quantity lowering the value and every diminution raising it in a ratio exactly equivalent.

And again he says:

That an increase of the quantity of money raises prices, and a diminution lowers them, is the most elementary proposition in the theory of currency, and without it we should have no key to any of the others.

Modern economists have the following to say:

Taussig says:

Double the amount of money and, other things being equal, prices will be twice as high as before and the value of money one-half. Halve the quantity of money and, other things being equal, prices will be one-half what they were before and the value of money double.

Gustav Cassel, perhaps the greatest living authority on money, says that the value of money depends upon its supply and the demand therefor.

The Wall Street Journal, one of the leading financial publications of the country, in arguing against the payment of the soldiers' bonus with United States notes, used the following language:

The essential thing involved in the issue of more currency is that it increases the supply of price-measuring money units. Therein lies the fundamental difference between currency and bank credit. Both function as media of exchange but only one kind measures prices.

In harmony with these quotations, let me call your attention to the following facts:

In Andrew Jackson's day, money was plentiful, prices were high, and prosperity was enjoyed by all.

Following the Civil War, greenbacks, or United States notes, were plentiful, prices were high, prosperity returned, and reconstruction was quickly accomplished.

During and after the World War, money was plentiful, prices were high, work was plentiful, wages were good, and America became the leading creditor nation of the world.

History sustains the contention that plentiful money makes good prices, and good prices make good times and general prosperity. Likewise, scarce money makes low prices, and low prices make hard times, panics, and depressions.

In 1873, through the demonetization of silver, one-half the basic money of our country was struck down and discredited. The destruction of silver, by closing the mints for its coinage, brought about a scarcity of money, causing a fall in prices, deflation, and depression. The demand for more money and higher prices led to the Bryan free-silver campaign in 1896.

In 1921 prices were lowered by the process of taking money out of circulation. Beginning on March 4, 1921, and lasting for 18 months, the party in power deliberately made money scarce by taking out of circulation over $100,000,000 per month.

Thereafter in less than 2 years' time wheat fell in price from $2.50 to $1 per bushel, cotton fell from 40 to 20 cents per pound, and other prices were reduced in proportion. This deflation of our currency ruined agriculture first, then livestock, lumber, and mining industries followed the decline. Still later, smaller towns and cities suffered, and with one-half the people impoverished the 1929 crash came.

In 1930 to 1933 money was scarce—so scarce and so valuable that prices were the lowest in generations.

In 1933 the administration at Washington proceeded to raise prices by lowering the value of the dollar. The value of the dollar in foreign exchange was lowered by reducing the gold content of such dollar. The value of the domestic dollar was and is being reduced through a planned and orderly increase of Federal Reserve notes and a wider use of silver.

The contraction of the currency just after the World War reduced prices. The expansion of the currency now is increasing prices.

By expansion of the currency I mean a planned, orderly, and controlled increase in the number of currency dollars in circulation. Domestically, our currency dollars are neither based upon nor redeemable in gold; hence such dollars are commodity dollars. Not being based upon gold, the value of such dollars depends upon the number placed in circulation.

The money plank in the Republican platform demands that the Congress exercise its constitutional power "to coin money and to regulate the value thereof." The Congress has the right and power to increase or decrease the amount of money in circulation; hence has the right and power, at will, to increase or decrease the general price level, which includes commodity prices and wages.

This power is constitutional.

The section of the country from which I come, save only the Republican candidate for the Presidency, demands that prices and wages be increased through an absolutely safe and orderly expansion of the currency.

How may this be accomplished?

Under existing law the Federal Reserve System may expand the currency at will through the policy of open-market operations. Under this policy the Federal Reserve banks may enter the open market and purchase bonds and pay for

such bonds with Federal Reserve notes. This policy places new money in circulation and thereby directly expands the currency.

In 1932 the demand was general for higher prices. The bonus bill was pending, calling for payment in United States currency. All admitted that the passage of such a bill would result in higher prices. In order to combat the bonus bill and to raise prices the Hoover administration had the Federal Reserve Banks to inaugurate a policy of heavy purchases of United States Government bonds. During the time the Congress remained in session after this program was begun the banks purchased some $100,000,000 per month of such securities and through such program over eleven hundred million dollars were placed in circulation, and during this period, prices improved, times were better, and we were on our way out of the depression. Just as soon as the Congress adjourned the bond-purchasing program was terminated and immediately deflation was resumed and the 1932 November political revolution was inevitable.

Under existing law the President has the right and power to issue as much as $3,000,000,000 of United States notes and to pay such notes into circulation through the purchase of outstanding interest-bearing Government bonds and obligations.

Under existing law the President has the right and power to issue currency against all silver in the Treasury at the monetary value of such silver or at $1.29 per ounce.

Today our Government owns approximately 2,000,000,000 ounces of silver. This silver embraces silver bullion and coined dollars, halves, quarters, and dimes. The monetary value of such silver is almost $2,500,000,000. Out of this silver we have coined and have in circulation the sum of $367,000,000. Against the remainder we have issued and placed in circulation silver certificates in the sum of $1,114,000,000; hence we have surplus silver in our Treasury which we could coin or against which we could issue silver certificates in the sum of over $1,000,000,000.

Under existing law, the President has the right and power to purchase additional silver and to issue new currency against such metal to the extent of over $800,000,000.

In addition to our silver, we have in our Treasury some $10,485,000,000 in gold. Although we have this vast gold and silver hoard, we have issued currency of all kinds to the amount of only $5,888,000,000; hence we have ample gold and silver buried and guarded against which we could issue over $6,000,000,000 of new currency, and each new dollar would be backed by 100 cents of gold and silver.

It is not and cannot be denied that we have ample gold and silver to back and support additional currency, dollar for dollar, which could be placed in circulation through the payment of maturing obligations until the general price level is raised to that point which will permit the farmers to secure cost of production plus a reasonable profit and which will permit labor to secure a living wage through humane hours of toil.

Under existing law, our administrative officials have ample power to raise prices through a safe and orderly expansion of the currency. If this program should be inaugurated, and if money should become too plentiful and prices should rise too high, the Federal Reserve System now holds billions of bonds which could be sold, and thereby any amount of currency may be removed at will from circulation.

Economic laws are as immutable as are the laws of gravity. Expanding the currency will cheapen the value of the dollar. Cheaper dollars mean higher prices. Higher prices mean more profits, higher wages, and increased prosperity.

Prices for raw materials and basic American products, while higher than 3 years ago, still are too low to enable producers to pay costs of production and have left a reasonable margin of profit. Until legitimate business shows a reasonable profit, governmental budgets cannot be balanced, public borrowing must continue, banks dare not expand their credit, industry must continue to seek Federal loans, and the unemployed must continue to be supported by the Government.

The general price level must be raised sufficiently to permit producers, wage earners, and industry to survive and make reasonable profits. The price level must be raised in order that profits may be increased.

Personal-income and corporation taxes are levied against profits; hence, profits must be increased in order to make possible the collection of sufficient taxes to balance the Budget. The price level must be raised in order to make it possible for banks to renew the policy and practice of making commercial loans. The price level must be raised prior to any substantial reduction in public-relief spending and most certainly before we can stop such spending altogether. The price level must be raised before we can possibly have a return of general and permanent prosperity.

Based upon my analysis of the Republican money plank and the economic principles just stated—

I exhibit to the Senate a graph showing lines, notations, and figures, which I will undertake to explain. By means of the lines and notations I will try to show that the value of the dollar controls prices and prosperity.

The line across the center of the graph represents a dollar valued at 100 percent, or 100 cents as shown by the Bureau of Labor Statistics. The small top line shown on the graph in red represents the value of the dollar from year to year, as measured or valued by the Bureau of Labor Statistics.

When the small red line is shown above the center line across the graph, the dollar is valued at over 100 cents; and when such line is shown below the center line, the dollar is valued under 100 cents.

When the value of the dollar is high prices are low, and, conversely, when the value of the dollar is low prices of commodities are high. The value of the dollar affects and controls the value of commodities; also, the value of the dollar affects and controls, in a large manner, almost every public and private activity.

The graph displayed covers the time from 1914 to the present date. In 1914 the dollar had a value or buying power in the sum of 146 cents. By this statement I mean that in 1914 the citizen desiring to secure a dollar had to give up in services, or goods, or commodities, value to the extent of 146 cents. Likewise, I mean, that in 1920 the citizen desiring to secure a dollar had to give up only 64 cents in value to get a dollar.

From 1922 to 1929 the dollar had a value ranging from 96 cents to 104 cents, so that the amount of services, goods, and commodities necessary to be transferred for a dollar was rather uniform and stable during such years.

Then in 1929, with the coming of the depression, the demand for dollars became so great that the value of such dollars began to rise, and by February 1933 such dollars were valued, as measured by the Bureau of Labor Statistics, at 167 cents.

The present administration has reduced the value of the dollar from 167 cents in 1933 to the value of 128 cents, and such is the value of the dollar today.

Next let me point out to the Senate the effect of the changes of the value of the dollar on prices, national income, value of farm property, value of farm income, value of exports, Treasury income, and prosperity in general. The figures which I submit are taken from official sources.

In 1914, when the dollar was valued at 146 cents, the national income was thirty-three billion; the value of farm property was thirty-nine billion; the value of farm income was seven billion; the value of exports was one billion eight hundred million; commercial failures were eighteen thousand; the money in circulation was less than three and one-half billions, and the Treasury income was seven hundred million.

In 1920, when the value of the dollar was reduced to the low limit of 64 cents, prices of all kinds were greatly increased so that the national income was sixty-nine billion; the value of farm property was sixty-six billion; the value of farm income was thirteen billion; the value of exports was eight billion; commercial failures had fallen to eight thousand; the money in circulation had increased to six

billion two hundred million, and the Treasury income was over $6,000,000,000.

From 1922 to 1929, when the value of the dollar was fixed and kept fairly stable within a range of 96 to 104 cents, the national income was seventy-eight billion; the value of farm property was forty-nine billion; the value of farm income was eleven billion; the value of exports was four billion eight hundred million; commercial failures were twenty-one thousand; the money in circulation was less than $5,000,000,000, and the Treasury income was approximately $4,000,000,000.

Then in 1933, when the value of the dollar was increased to 167 cents, prices of all kinds were correspondingly decreased, and the national income was only thirty-nine billion; the value of farm property had fallen to thirty-six billion; the value of farm income was reduced to five billion; the value of exports had fallen to one billion, six hundred million; commercial failures had increased to thirty-one thousand; the money in circulation in July 1930 was only four billion, two hundred million, and the Treasury income in 1933 was only $2,100,000,000.

Since 1933 the dollar has been cheapened until, to date, it is worth some 128 cents and, as a result of the cheapening of the dollar, the following estimates are submitted:

For 1935 the national income was fifty-three billion, and the estimate for this year is fifty-nine billion.

For 1935 the value of farm property was thirty-two billion; the value of farm income was eight billion; the value of exports was two billion, three hundred million; the commercial failures were eleven thousand; the money in circulation at the present time is five billion, eight hundred million, and the estimated Treasury income for this year is $4,000,000,000.

The influence and control of the value of the dollar over prices, national income, and values of all kinds, are as instantaneous, positive, and complete as the laws of gravity. Every monetary authority who enjoys a reputation worth mentioning agrees to the position here taken.

The makers of the Constitution understood the importance of the value of the dollar and the effect of such value upon the economy of the Nation. The Constitution gave the Congress power to coin money and to regulate the value thereof. It is the constitutional duty of the Congress to provide an adequate supply of such dollars and to make such dollars reasonably available to the public.

This duty rests upon us here today.

If such agents as we have appointed to act for us in carrying out the mandate of the Constitution fail or refuse to act, then it is our solemn duty to act and to act at once.

Now, Mr. President, I wish to point out on the graph one or two further points.

Mr. STEIWER. Mr. President, if it does not disturb the trend of the Senator's argument, I should like to ask him a question about the estimates of national income.

Mr. THOMAS of Oklahoma. It does not disturb me at all.

Mr. STEIWER. I think I just heard the Senator from Oklahoma use the figure $59,000,000,000 as an estimate of national income for 1936. There has been some confusion upon that point, and it is a matter of some importance. Can the Senator tell us what it is that affords the basis for that opinion?

Mr. THOMAS of Oklahoma. I presume economists have different means of computing these statistics; but I have here a statement, taken I think from this morning's newspaper, suggesting that the income for 1935 would be $59,000,000,000. I read from this morning's Washington Post:

Nation's 1935 income put at $59,000,000,000.

It takes a long time after the year is over for the statisticians to acquire the figures upon which to base their conclusions, so, of course, they could not have an estimate for 1936. Now the figures are coming in, and I will read this statement:

BOSTON, MASS., June 15.—The national income has a long way to go to reach $81,000,000,000, the high in 1929. However, the increase since the low point of 1932 has been very steady. If improvements in the first quarter of 1936 are continued, it is estimated our national income this year will be close to $59,000,000,000.

That is the authority for my statement.

Mr. STEIWER. I am indebted to the Senator for that explanation. If he will permit me to make an observation, I should like to do so.

Mr. Eccles, of the Federal Reserve Board, recently estimated the national income for 1936 at $60,000,000,000. The President of the United States, in an address at New York not long ago, used an estimate of $65,000,000,000. I take it from what the Senator says that there is no accurate information concerning the national income for 1936, but that the figure of $59,000,000,000 is arrived at by computing the gains on the theory that they will continue to the extent that has been evidenced during the first quarter of the year. That is the explanation, is it not?

Mr. THOMAS of Oklahoma. I think the Senator has the matter correctly analyzed.

Mr. STEIWER. Does not the whole validity of the argument which the Senator from Oklahoma is now making depend on that being a substantially correct figure?

Mr. THOMAS of Oklahoma. I take the reports of great organizations that make it their business to deal in figures, assemble figures, analyze figures, and announce conclusions. I depend upon them for my information.

Mr. STEIWER. I am not quarreling at all with the figures. Has the Senator more accurate figures for the year 1935?

Mr. THOMAS of Oklahoma. No doubt I have them and could produce them, but I have not them here at the moment.

Mr. STEIWER. But no department of our Government has concluded its calculations for 1935. Is not that true?

Mr. THOMAS of Oklahoma. I rather suspect that is correct. The figures I have are largely estimates. This is the first estimate I have seen that gives anything more than the $53,000,000,000 to which I have referred, although I do have here numerous other figures that might be cited.

Mr. STEIWER. Has the Senator placed in the RECORD the national income for 1934?

Mr. THOMAS of Oklahoma. No; I did not do so. Of course, I have the figure, but I did not use it.

Mr. STEIWER. I shall not intrude further upon the Senator's time; but it occurs to me that if it is possible to get sound estimates of national income, they would aid us all in our consideration of all these economic questions.

Mr. THOMAS of Oklahoma. I am giving the latest figures I can find. I have here a report, marked "Crops and markets." It is a Federal publication. Table no. 1 gives the gross income from farm production, 1909 to 1934, and the total value of farm property from 1919 to 1935. From this report the gross income for 1935 is lacking. The farm income for 1934 is fixed at $7,300,000,000; for 1933, $6,406,000,000, according to this report; and for 1932, $5,337,000,000.

The value of farm property in 1934 was $37,000,000,000, and in 1935, $32,000,000,000. So as the dollar becomes cheaper the value of farm property is reflected by a larger sum.

Mr. President, in addition to the figures on the graph, we can take anything, I do not care what it is, in either public or private ownership, and we find that the value of the dollar is reflected in the value of the thing we might have in mind.

For example, let us take industrial production. In 1929, with the dollar down to the point shown on the map, worth approximately a hundred cents, the industrial production was 119. That is, of course, an average. When the dollar had gone up in buying power from a hundred cents to 167 cents, industrial production had fallen to 64. Then as the dollar fell in buying power, we find that by April 1935 industrial production had gone back to 97. So, as the dollar goes up we find industrial production coming down, and as the dollar has come down industrial production has gone up.

The same thing is true of factory employment. In 1929 there was what might be termed stable employment. The

figure here is 104.8. By 1932, with the high-valued dollar, the factory employment had fallen to 64. Then, as the dollar came down in value we find factory employment going up, and by April 1935 it was back to 86 again.

The same thing is reflected in pay rolls. In 1929 pay rolls were figured at 109, with a stable dollar worth around 100 cents. By 1932, with the high-valued dollar, the payroll figure had fallen to 45. Then, as the dollar was brought down in buying power, and prices increased, and times improved, the pay roll in April 1936 was at 78.

Let us take freight loadings. In 1929, with stable conditions, the freight-loading figure was 106. As the dollar went up in buying power, prices went down, and times became bad, the freight-loading figure fell from 106 to 56. Since 1932, with the cheapening of the dollar and higher prices, we find the freight-loading figure has gone from 56 up to 67.

Take department-store sales. In 1929, with the stable dollar, valued at 100 cents, the average is given here as 111. By 1932, with the high-valued dollar, lower prices, and the depression, we find department-store sales have fallen to 69. With an improvement in conditions through the cheapened dollar we find that department-store sales went up from 69 to 86.

Let us take building contracts. In 1929, with the rather stable dollar worth around 100 cents, we find the index figure of building contracts at 117. By 1932, with the high-valued dollar and bad times, the figure had fallen to 28. Since 1932, with the cheaper dollar, we find building contracts have increased, as per the index number, from 28 to 48.

I have here another sheet. Let us take the figures showing the number of passengers carried on the railroads. In 1920, when there was a cheap dollar and when prices were high, when everybody was at work, the passengers carried by the railroads numbered 1,234,000,000. By 1932, with the high-valued dollar and low prices, the number of passengers carried was only 478,000,000, a loss of a billion passengers per annum on the railroads from 1920 to 1932.

Take freight tonnage. In 1920 the freight tonnage carried by the railroads, with the low-valued dollar and high-priced materials and commodities, was 2,259,000,000 tons. In 1929, with the high-valued dollar and low prices, the railroads carried only 1,168,000,000 tons, showing a loss of over 1,000,000,000 tons. From 1932 to 1935 the freight tonnage increased from 1,168,000,000 in 1932 to 1,422,000,000 in 1935.

The gross-revenue figures likewise reflected the change. In 1920, with the low-valued dollar and high prices, the gross revenue of the railroads amounted to $6,178,000,000. By 1932, with the high-valued dollar and low commodity prices, the gross revenue had fallen from $6,178,000,000 to only $3,126,000,000. With the slight increase in the uptrend of business and the cheapening of the dollar from 1932 to 1935 the gross revenue increased to $3,450,000,000.

Let us consider the wage payments on railroads in 1920. In that year, with low-valued money and high prices, the annual wage payments to railroad employees amounted to $3,681,000,000. As the change came, and the dollar increased in buying power, and prices fell, until 1932, the annual wages paid to railroad employees had fallen from $3,681,000,000 to $1,500,000,000, or more than one-half.

One further observation: In 1920, with low-valued money and high-valued products, the average wage to railroad employees was $1,820 per annum. In 1932, with high-valued money and low-valued commodities, the average wage to railroad employees had fallen to $1,466 per annum. There has been some improvement since 1932. In 1935, with the cheaper dollar and higher-priced commodities, we find the average wage has increased from $1,466 per annum to $1,623 per annum.

Just one additional observation: I desire to place in the RECORD a statement showing the effect of the value of the dollar upon stocks, both common and preferred. In June 1930, less than a year after the depression struck, with the dollar still having a buying power of approximately 100 cents, stocks listed on the New York Stock Exchange were valued, in current prices at that time, at $66,000,000,000. As the dollar went up along with commodity values, the values of stocks likewise correspondingly fell, so that in 1932 the values of common stocks had fallen from sixty-six billion in 1930 to the low point of $13,000,000,000 in 1932.

Preferred stocks in 1930 were worth $8,000,000,000. By June 1932 preferred stocks had fallen from that figure of $8,000,000,000 to $3,000,000,000.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Oklahoma yield to the Senator from Arizona?

Mr. THOMAS of Oklahoma. I yield.

Mr. ASHURST. This afternoon I have listened to nearly all of the address of the able Senator, and I congratulate him and the Senate upon his speech.

Mr. President, when one begins to study the money question, it is like studying the beginning of time and the end of space—the mind reels before it. I have always felt that all of our financial woes and ills could be solved by an act of Congress which would permit the free and unlimited coinage of silver possibly at the ratio of 28 or 29 to 1. I have held that view for 40 years as one of the few opinions upon which I have never given ground or never relaxed. I began my public career with the belief that the free coinage of silver would cure all our financial woes and ills, and I believe it now.

Let me ask the able Senator, What would be the result in this country if we should pass a law providing for the free and unlimited coinage of silver, say, at the ratio of 25 or 28 to 1? I ask the Senator because he and one other Senator, whom I shall not name, have a knowledge on this subject, and they know more about the money question when they are asleep than I do when I am awake, and I am seeking enlightenment on that subject.

Mr. THOMAS of Oklahoma. Mr. President, when we had the old gold dollar of a weight of 25.8 grains of gold, and when we had the silver dollar, which we still have, but when we had that dollar which was a legal tender prior to 1873, the ratio between those two coins was 16 to 1, approximately. That meant that the silver dollar was 16 times as heavy as the gold dollar. It meant that silver was worth one-sixteenth as much in terms of money as gold. In other words, it takes 16 ounces of silver to be worth 1 ounce of gold.

When silver was demonetized in 1873, the money characteristic was taken from silver and silver became a legal tender for only the sum of $10, and the mints were closed to the free coinage of silver. When that happened silver ceased to be a basic primary money and became only a token money, no more valuable than brass or copper or bronze, excepting silver is more rare than those metals, and for that reason is more valuable as a commodity.

Mr. ASHURST. Mr. President, what would happen if we did open the mints to the free coinage of silver?

Mr. THOMAS of Oklahoma. Mr. President, if the mints had been opened to the free coinage of silver when the 1933 law was passed, the depression would, in my opinion, have long since been a thing of the past.

Mr. ASHURST. Mr. President, I am probably as happy now as I shall be any time during the rest of this day, because I believe the Senator is a financial expert, and he reinforces me in my opinion, which is 40 years old, that all the country needs is the free and unlimited coinage of silver.

Of course, I hesitate to say this because it is a sour note in the Senator's able speech; I desire to add—with a high protective tariff. With a high tariff and free silver coinage America's prosperity will be restored.

Mr. THOMAS of Oklahoma. Mr. President, I am talking only about the money question; not the tariff.

Mr. ASHURST. I know, but I hope the Senator will pardon me for including that in which I so profoundly believe.

Mr. THOMAS of Oklahoma. Mr. President, I have had a zinc plate made of this graph entitled:

Dollar value controls prices and prices control prosperity.

I tender that zinc plate. It is suitable for printing in the RECORD. I ask unanimous consent that it be referred to the Joint Committee on Printing; and, if the rules will permit, I ask that the plate be printed in the RECORD at an appropriate place in connection with my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The graph referred to appears on p. 9539 of today's RECORD.)

Mr. LEWIS. Mr. President, may I ask the Senator from Oklahoma a question? What he said was extremely important. He said that we had one-half of the available gold of the world in this country. Did the able Senator include the gold which is sent to us from foreign countries which is reposing in our vaults, sometimes earmarked, or does he mean the gold that we could utilize in money uses for ourselves? I am interested in having his viewpoint.

Mr. THOMAS of Oklahoma. Mr. President, all gold that comes to American shores immediately becomes the property of the Treasury of the United States. The banks in making international settlements receive gold, and the moment the banks receive gold they must, under the law, turn that gold over to the Treasury. Of course, they take a credit for it, but the gold is in the possession of the Treasury, and title to the gold is actually in the United States.

TAXATION OF INTOXICATING LIQUOR

During the delivery of the speech of Mr. THOMAS of Oklahoma, the following business was transacted:

The PRESIDING OFFICER (Mr. BURKE in the chair) laid before the Senate the following action of the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
June 15, 1936.

Resolved, That the House recede from its disagreement to the amendment of the Senate no. 95 to the bill (H. R. 9185) to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes, and concur therein; and

That the House recede from its disagreement to the amendment of the Senate no. 136 to said bill and concur therein with the following amendment:

In lieu of the matter proposed to be inserted by said amendment insert:

TITLE V

SECTION 501. (a) The Federal Alcohol Administration created as a division in the Treasury Department by section 2 (a) of the Federal Alcohol Administration Act, approved August 29, 1935 (Public, No. 401, 74th Cong.), is hereby made an independent establishment of the Government. The office of Administrator of the Federal Alcohol Administration is abolished, and hereafter the Federal Alcohol Administration shall be composed of three members, appointed as provided in section 502 of this title.

(b) All rights, privileges, powers, and duties conferred or imposed upon the Administrator of the Federal Alcohol Administration are conferred and imposed upon the Federal Alcohol Administration. All papers, records, and property of the Administrator and the Federal Alcohol Administration, as a division of the Treasury Department, are transferred to the Federal Alcohol Administration as an independent establishment of the Government.

(c) The Federal Alcohol Administration is authorized, without regard to the civil-service laws, to appoint such attorneys and experts, and, subject to the civil-service laws, to appoint such other officers and employees, as it deems necessary to carry out its powers and duties; and the compensation of all such attorneys, experts, and other officers and employees shall be fixed in accordance with the Classification Act of 1923, as amended. All officers and employees appointed by the Administrator and engaged in carrying out his powers and duties shall be officers and employees of the Federal Alcohol Administration: *Provided*, That no such officer or employee who does not already possess a competitive classified civil-service status shall thereby acquire such status, except upon recommendation by the Federal Alcohol Administration to the Civil Service Commission, subject to such noncompetitive tests of fitness as the Commission may prescribe; and no such officer or employee, except attorneys and experts, may be retained in the Federal Alcohol Administration without appropriate civil-service status for a period longer than 60 days from the effective date of this section.

(d) All provisions of law applicable to the Administrator shall be applicable in the same manner and to the same extent to the Federal Alcohol Administration.

SEC. 502. (a) The members of the Federal Alcohol Administration shall be appointed by the President, by and with the advice and consent of the Senate. Not more than two members of the Administration shall be members of the same political party. The terms of office of the members first taking office shall expire, as designated by the President at the time of nomination, one at the end of the first year, one at the end of the second year, and one at the end of the third year after the date of the enactment of this act. A successor shall have a term of office expiring 3 years from the date of expiration of the term for which his predecessor was appointed, except that a person appointed to fill a vacancy occurring prior to the expiration of such term shall be appointed for the remainder of such term. No person shall be eligible for appointment or continue in office as a member if he is engaged or financially interested in or is an officer or director of or employed by a company engaged in the production or sale or other distribution of alcoholic beverages or the financing thereof. Each member shall for his services receive compensation at the rate of $10,000 per annum, together with actual and necessary traveling and subsistence expenses while engaged in the performance of his duties as member outside the District of Columbia.

(b) One of the members shall be designated by the President annually at the beginning of the calendar year as chairman and shall be the chief executive officer of the Administration; one of the members shall be designated by the President annually at the beginning of the calendar year as vice chairman of the Administration and shall perform the functions and duties of the chairman in his absence or in the event of his incapacity caused by illness; and one of the members, who shall be a lawyer, shall be designated by the President as general counsel of the Administration. The Administration may function notwithstanding vacancies, and a majority of the members in office shall constitute a quorum. The Administration shall meet at the call of the chairman or a majority of its members. The Administration is authorized to adopt an official seal, which shall be judicially noticed. The Administration shall be entitled to free use of the United States mails in the same manner as the executive departments.

(c) The Administration is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its powers and duties.

SEC. 503. (a) Sections 2 (b), 2 (c), and 2 (d) of the Federal Alcohol Administration Act are hereby repealed. All rules, regulations, orders, permits, and certificates, prescribed or issued by the Administrator and in full force and effect on the effective date of this section shall continue in full force and effect until duly modified, superseded, or revoked.

(b) All proceedings, hearings, investigations, or other matters pending before, or being carried on by, the Administrator shall be continued and brought to determination by the Administration.

(c) No suit, action, or other proceeding lawfully commenced by or against any agency or officer of the United States shall abate by reason of the transfer of rights, privileges, powers, and duties, or the abolition of the office of Administrator, under the provisions of this title.

SEC. 504. The unexpended balances of appropriations available for salaries and expenses of the Federal Alcohol Administration, as a division of the Treasury Department, shall be available for salaries and expenses of the Federal Alcohol Administration, as an independent establishment of the Government, including the salaries and expenses of the members of the Federal Alcohol Administration.

SEC. 505. The third paragraph of section 5 (e) of the Federal Alcohol Administration Act is hereby amended to read as follows:

"In order to prevent the sale or shipment or other introduction of distilled spirits, wine, or malt beverages in interstate or foreign commerce if bottled, packaged, or labeled in violation of the requirements of this subsection, (1) no bottler of distilled spirits, no producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, and no brewer or wholesaler of malt beverages shall bottle, and (2) no person shall remove from customs custody, in bottles, for sale or any other commercial purpose, distilled spirits, wine, or malt beverages, respectively, after such date as the Administrator fixes as the earliest practicable date for the application of the provisions of this subsection to any class of such persons (but not later than August 15, 1936, in the case of distilled spirits, and December 15, 1936, in the case of wine and malt beverages, and only after 30 days' public notice), unless, upon application to the Administrator, he has obtained and has in his possession a certificate of label approval covering the distilled spirits, wine, or malt beverages, issued by the Administrator in such manner and form as he shall by regulations prescribe: *Provided*, That any such bottler of distilled spirits, or producer, blender, or wholesaler of wine, or proprietor of a bonded wine storeroom, or brewer or wholesaler of malt beverages shall be exempt from the requirements of this subsection if, upon application to the Administrator, he shows to the satisfaction of the Administrator that the distilled spirits, wine, or malt beverages to be bottled by the applicant are not to be sold, or offered for sale, or shipped or delivered for shipment, or otherwise introduced, in interstate or foreign commerce. Officers of internal revenue are authorized and directed to withhold the release of distilled spirits from the bottling plant unless such certificates have been obtained, or unless the application of the bottler for exemption has been granted by the Administrator; and customs officers are authorized and directed to withhold the release from customs custody of distilled spirits, wine, and malt beverages, unless such certificates have been obtained. The District Courts of the United States, the Supreme Court of the District of Columbia, and the United States court for any Territory shall have jurisdiction of suits to enjoin, annul, or suspend in whole or in part any final action by the Administrator upon any application under this subsection; or".

SEC. 506. The second proviso of section 5 (e) of the Federal Alcohol Administration Act is amended to read as follows: "*Provided further*, That nothing herein nor any decision, ruling, regulation or other action of any department of the Government or official thereof shall deny the right of any person to use wholly or in part the wine names or brands port, sherry, Burgundy, sauterne, Haut Sauterne, Rhine (Hock), Moselle, Chianti, Chablis, Tokay, Malaga, Madeira, Marsala, claret, vermouth, barbera, cabernet, Saint Julien, Riesling, Zinfandel, Medoc, or cognac, or any other geographic name of foreign origin (except champagne), upon any of the foregoing produced in the United States if of the same type and the use of such name or brand is qualified by the name of the State or other locality in the United States in which the product is produced, and, in the case of the use of such name or brand on any label or in any advertisement, if such qualification is as conspicuous as such name or brand: *And provided further*, That except as herein expressly provided as to said names or brands, nothing in this section shall be held in any wise to affect or abridge any of the powers granted to the Federal Alcohol Administration to provide standards of identity, quality, labeling, or other regulations."

SEC. 507. Section 9 of the Federal Alcohol Administration Act (U. S. C., 1934 ed., supp. I, title 27, sec. 209) is amended by adding at the end thereof the following new subsection:

"(e) Nothing in this section shall affect the authority of the Secretary of the Treasury, under the customs or internal-revenue laws, to remit or mitigate the forfeiture, or alleged forfeiture, of such distilled spirits, wines, or malt beverages, or the authority of the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to compromise any civil or criminal case in respect of such distilled spirits, wines, or malt beverages prior to commencement of suit thereon, or the authority of the Secretary of the Treasury to compromise any claim under the customs laws in respect of such distilled spirits, wines, or malt beverages."

SEC. 508. This title, except sections 502, 505, and 507, shall take effect when a majority of the members of the Federal Alcohol Administration first appointed under the provisions of section 502 qualify and take office.

Mr. KING. I move that the Senate concur in the amendment of the House to Senate amendment numbered 136.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had receded from its disagreement to the amendments of the Senate numbered 2, 3, 4, 6, 8, 9, 10, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 25, 29, 31, 32, 36, 40, 41, 43, 45, 46, 47, 48, 55, 59, 60, 61, 62, 63, 67, 68, 69, 70, 71, 72, 73, 74, 76, 77, 80, 81, 82, 83, and 87 to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, and concurred therein; that the House had receded from its disagreement to the amendments of the Senate numbered 1, 54, 56, and 57 to the bill and concurred therein severally with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its disagreement to the amendments of the Senate numbered 5, 7, 11, 16, 17, 24, 26, 27, 28, 30, 33, 34, 35, 37, 38, 39, 42, 44, 49, 50, 51, 52, 53, 58, 64, 65, 66, 75, 78, 79, 84, 85, and 86 to the bill and requested a further conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. BLANTON, Mr. CANNON of Missouri, Mr. JACOBSEN, Mr. JOHNSON of West Virginia, and Mr. TABER were appointed managers on the part of the House at the further conference.

CONVEYANCE OF LANDS TO MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

The PRESIDING OFFICER (Mr. TRUMAN in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 4105) authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission, of Maryland, for park, parkway, and playground purposes, which was to strike out all after the enacting clause and insert:

That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey, by a good and sufficient deed, to the Maryland-National Capital Park and Planning Commission, a public agency created by the General Assembly of Maryland, chapter 448 of laws of the 1927 session of said assembly, all of that piece or parcel of land situate, lying, and being in Montgomery County, in the State of Maryland, being a part of the area comprising the Bethesda Experimental Station of the Bureau of Animal Industry, designed and described as the east 18 acres. This land is to be used exclusively for public park, parkway, or playground purposes; and if the said Maryland-National Capital Park and Planning Commission fails to use such lands for the purposes herein provided, or at any time discontinue the use of such lands for the purposes herein provided, or attempts to alienate such lands, title thereto shall revert to the United States of America. The control and supervision of this land shall remain in the Secretary of Agriculture until such time, after approval of this act, as will enable the Department of Agriculture to complete the transfer of the animal experiment station now located on the lands heretofore described to the new site at Beltsville, and to complete the emergency research studies now being conducted. The Secretary of Agriculture is further authorized, in his discretion, to issue to the Maryland-National Capital Park and Planning Commission a revocable permit for the remaining 32 acres of the Bethesda Experimental Station of the Bureau of Animal Industry. The plans for development of these lands for park, parkway, or playground purposes shall be approved by the National Capital Park and Planning Commission.

Mr. TYDINGS. Mr. President, I move that the Senate concur in the House amendment. The amendment has to do with a piece of land which the Department of Agriculture has for experimental purposes, and which it is desired to incorporate in the greater parking area of Washington as a part of the Park and Planning Commission grounds.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maryland.

The motion was agreed to.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT

Mr. THOMAS of Oklahoma submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such district for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference, have been unable to agree.

ELMER THOMAS,
CARTER GLASS,
GERALD P. NYE,
HENRY W. KEYES,
Managers on the part of the Senate.

THOMAS L. BLANTON,
B. M. JACOBSEN,
GEO. W. JOHNSON,
Managers on the part of the House.

The report was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, I ask the Chair to lay before the Senate the action of the House of Representatives on the District of Columbia appropriation bill.

The PRESIDING OFFICER laid before the Senate the following action of the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
June 15, 1936.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 6, 8, 9, 10, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 25, 29, 31, 32, 36, 40, 41, 43, 45, 46, 47, 48, 55, 59, 60, 61, 62, 63, 67, 68, 69, 70, 71, 72, 73, 74, 76, 77, 80, 81, 82, 83, and 87 to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 1 to said bill, and concur therein with the following amendment: In lieu of the sum proposed to be inserted by said amendment insert "$4,200,000";

That the House recede from its disagreement to the amendment of the Senate numbered 54 to said bill, and concur therein with the following amendment: In lieu of the sum proposed to be inserted by said amendment insert "$3,330,450";

That the House recede from its disagreement to the amendment of the Senate numbered 56 to said bill, and concur therein with the following amendment: In lieu of the sum proposed to be inserted by said amendment insert "$68,250";

That the House recede from its disagreement to the amendment of the Senate numbered 57 to said bill, and concur therein with the following amendment: In lieu of the sum proposed to be inserted by said amendment insert "$47,500"; and

That the House insist upon its disagreement to the amendments of the Senate numbered 5, 7, 11, 16, 17, 24, 26, 27, 28, 30, 33, 34, 35, 37, 38, 39, 42, 44, 49, 50, 51, 52, 53, 58, 64, 65, 66, 75, 78, 79, 84, 85, and 86 to said bill, and request a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. THOMAS of Oklahoma. I move that the Senate disagree to House amendments to Senate amendments nos. 1, 54, 56, and 57; that the Senate further insist upon its amendments numbered 5, 7, 11, 16, 17, 24, 26, 27, 28, 30, 33, 34, 35, 37, 38, 39, 42, 44, 49, 53, 58, 64, 65, 66, 75, 78, 79, 84, 85, and 86, and agree to the further conference asked by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. THOMAS of Oklahoma, Mr. GLASS, Mr. COPELAND, Mr. KING, Mr. NYE, and Mr. KEYES conferees on the part of the Senate.

LOW-COST HOUSING PROGRAM

After the conclusion of the speech of Mr. THOMAS of Oklahoma,

The Senate resumed consideration of the bill (S. 4424) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. VANDENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATCH in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	King	Pope
Ashurst	Clark	La Follette	Radcliffe
Austin	Connally	Lewis	Reynolds
Bachman	Copeland	Loftin	Robinson
Bailey	Couzens	Lonergan	Russell
Barbour	Davis	Long	Schwellenbach
Barkley	Dieterich	McAdoo	Sheppard
Benson	Duffy	McGill	Shipstead
Bilbo	Fletcher	McKellar	Smith
Black	Frazier	McNary	Steiwer
Bone	George	Maloney	Thomas, Okla.
Borah	Gerry	Metcalf	Thomas, Utah
Brown	Gibson	Moore	Townsend
Bulkley	Guffey	Murphy	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Wagner
Capper	Hatch	Nye	Walsh
Caraway	Hayden	O'Mahoney	Wheeler
Carey	Holt	Pittman	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. WAGNER. I ask unanimous consent that the formal reading of the bill may be dispensed with and that it be read for amendment, the amendments of the committee to be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will state the first amendment reported by the Committee on Education and Labor.

The first amendment was, in section 2, at the top of page 4, to strike out:

(2) The term "families of low income" means families who cannot afford to pay enough to induce private enterprise in their locality to build an adequate supply of decent, safe, and sanitary dwellings for their use.

And insert:

(2) The term "families of low income" means families who lack sufficient income, without the benefit of financial assistance, to enable them to live in decent, safe, and sanitary dwellings and under other than overcrowded housing conditions: *Provided*, That no family shall be accepted as a tenant in any low-rent-housing project whose aggregate income exceeds six times the rental of the quarters to be furnished such family.

The term "rental" as used in this section includes the average cost (as determined by the Authority) of heat, light, water, and cooking, where such services are not supplied by the lessor and included in the rent.

On page 5, line 14, after the word "section", to strike out "11" and insert "10"; on the same page, line 25, after the word "members", to strike out "and"; on page 6, line 1, after the word "profit", to strike out "under the supervision and control of the Authority" and to insert "and which submits its records to the inspection of the Authority to the extent necessary to carry out the provisions of this act"; on the same page, after line 4, to strike out:

(10) The term "limited-profit-housing agency" means any association, cooperative, limited dividend corporation, or other corporate body organized to develop or administer low-rent-housing projects, whose dividend rates, if any, capital structure, interest payments, and rental charges are regulated or limited by law or subject to the supervision and control of the Authority, and which submits its records to the inspection of the Authority to the extent necessary to carry out the provisions of this act.

(11) The term "housing agency" means any public housing agency, public housing society, or limited-profit-housing agency.

(12) The term "going Federal rate" means the average interest rate paid by the United States upon its bonded indebtedness.

And insert:

(10) The term "going Federal rate of interest" means, at any time, the rate of interest specified in the then most recently issued bonds of the Federal Government having a term of 10 years or more.

On page 7, line 1, strike out "(13)" and insert "(11)"; on the same page, at the beginning of line 4, strike out "(14)" and insert "(12)"; and, after line 5, to insert:

(13) The term "acquisition cost" means the acquisition cost to the Authority or to a public housing agency, as the case may be.

So as to make the section read:

SEC. 2. When used in this act—

(1) The term "low-rent housing" means decent, safe, and sanitary dwellings within the financial reach of, and available solely for, families of low income, and developed and administered to promote serviceability, efficiency, and economy; and embraces all necessary or desirable appurtenances thereto, including administrative, educational, recreational, and other buildings and facilities.

(2) The term "families of low income" means families who lack sufficient income, without the benefit of financial assistance, to enable them to live in decent, safe, and sanitary dwellings and under other than overcrowded housing conditions: *Provided*, That no family shall be accepted as a tenant in any low-rent-housing project whose aggregate income exceeds six times the rental of the quarters to be furnished such family.

The term "rental" as used in this section includes the average cost (as determined by the Authority) of heat, light, water, and cooking, where such services are not supplied by the lessor and included in the rent.

(3) The term "slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health, or morals.

(4) The term "slum clearance" means the demolition and removal of buildings from any slum area, and may embrace the adaptation of such area to public purposes, including parks or other recreational or community facilities.

(5) The term "development" means all undertakings necessary for planning, financing, land acquisition, demolition, and construction and equipment activity to the point of completion. Construction activity in connection with a low-rent-housing project may be confined to the reconstruction, remodeling, or repair of existing buildings. The development of a low-rent-housing project may include slum clearance. The development of a slum-clearance project may be confined to demolition and removal.

(6) The term "administration" means all undertakings necessary for management, operation, and maintenance.

(7) The term "demonstration project" means any project owned or administered by the Authority, whether or not developed pursuant to section 10.

(8) The term "public housing agency" means any State, county, city, or other governmental entity or public body (excluding the Authority) which is authorized to engage in the development or administration of low-rent housing or slum clearance.

(9) The term "public housing society" means any association, cooperative, or corporate body organized solely to promote and administer low-rent housing, whose members are persons of low income in need of such housing, whose officers and directors are the freely chosen representatives of such members, which is operated, without possibility of direct or indirect financial profit, and which submits its records to the inspection of the Authority to the extent necessary to carry out the provisions of this act.

(10) The term "going Federal rate of interest" means, at any time, the rate of interest specified in the then most recently issued bonds of the Federal Government having a term of 10 years or more.

(11) The term "State" includes the States of the Union and the Districts, Territories, dependencies, and possessions of the United States.

(12) The term "Authority" means the United States Housing Authority created by section 3 of this act.

(13) The term "acquisition cost" means the acquisition cost to the Authority or to a public housing agency, as the case may be.

The amendment was agreed to.

The next amendment was, in section 3, page 7, after line 13, to strike out:

(b) The administration and all the powers of the Authority shall be vested in a board of directors (hereinafter referred to as the board) composed of five members. The Secretary of the Interior shall be a member ex officio. The other four members shall be appointed by the President, by and with the advice and consent of the Senate, and may be removed by the President, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause. One of the four original appointive members shall serve for a term of 1 year, one for a term of 2 years, one for a term of 3 years, and one for a term of 4 years, but their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate one member to serve as chairman of the board.

And insert:

(b) The management of the Authority shall be vested in a board of directors (hereinafter referred to as the "board") composed of five members, appointed by the President, by and with the advice and consent of the Senate, and removable by the President, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause. One of the five original members shall serve for a term of 1 year, one for a term of 2 years, one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years, but their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall annually designate one member to serve as executive and administrative officer of the board.

So as to make the section read:

UNITED STATES HOUSING AUTHORITY

SEC. 3. (a) There is hereby created a body corporate of perpetual duration to be known as the United States Housing Authority, which shall be an agency and instrumentality of the United States.

(b) The management of the Authority shall be vested in a board of directors (hereinafter referred to as the "board") composed of five members, appointed by the President, by and with the advice and consent of the Senate, and removable by the President, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause. One of the five original members shall serve for a term of 1 year, one for a term of 2 years, one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years, but their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall annually designate one member to serve as executive and administrative officer of the board.

(c) A vacancy in the board shall not impair the right of the remaining members to exercise all the powers of the board, and three members of the board shall at all times constitute a quorum.

The amendment was agreed to.

The next amendment was, in section 4, page 9, line 1, after the letter "(a)", to strike out "The Secretary of the Interior shall not be entitled to any additional compensation for his service on the board. Each of the other four members shall receive" and insert "Each member of the board shall receive"; on the same page, after line 11, to strike out:

(b) The Authority shall, without regard to the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation of such officers, attorneys, and experts, contract for the personal services of such architects, engineers, appraisers, negotiators, and real-estate brokers, and employ such skilled and unskilled labor, and with regard to such laws appoint such other employees, as it may from time to time find necessary for the proper performance of its duties.

And insert:

(b) The Authority is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such officers and employees as may be necessary for the proper performance of its duties under this act; except that the Authority may, without regard to the civil-service laws, employ such attorneys and experts, and may contract for the personal services of such architects, engineers, appraisers, negotiators, and real-estate brokers, and employ such skilled and unskilled labor, as may be necessary for such purposes.

On page 10, after line 11, to strike out:

(d) At the expiration of 60 days from the enactment of this act the Housing Division of the Federal Emergency Administration of Public Works shall cease to exist, and all its obligations shall be assumed by the Authority and all its assets, equipment, records, and employees shall be transferred to the Authority, for the purposes of this act. No employee shall acquire by such transfer a permanent or civil-service status, but within 90 days after such transfer the Authority may certify to the Civil Service Commission the names of such transferred employees as it desires to retain and as are required to be under the civil-service laws by the provisions of section 4 (b) of this act. Upon such certification, said Commission shall provide for the inclusion of such employees within the civil service. All housing and slum-clearance projects undertaken by the Federal Emergency Administration of Public Works, all contracts and other property held by it in connection with such projects, and any unexpended balance of funds allocated to it for housing and slum-clearance projects shall likewise be transferred to the Authority at the same time, and the Authority may continue such projects. Any action taken by said Federal Emergency Administration of Public Works in connection with any such project is hereby adopted and ratified. The President may at any time in his discretion transfer to the Authority any other bureau or division of any department or agency of the Federal Government that is engaged in low-rent housing or slum-clearance activities, and the Authority may continue such activities subject to the provisions of this act.

And insert:

(d) The President may at any time in his discretion transfer to the Authority any bureau or division of any department or agency of the Federal Government that is engaged in low-rent-housing or slum-clearance activities, including all its assets, equipment, records, and employees, and the Authority may continue such activities, and shall succeed to the powers of such bureau or division, subject to the provisions of this act. The President may likewise transfer to the Authority any housing or slum-clearance projects undertaken by any agency of the Federal Government, including all contracts and other property held in connection with such projects, and any unexpended balance of funds allocated to such agency for such projects, and the Authority may continue such projects. In the event of any such transfer, the employees of the bureau or division so transferred shall thereupon be subject to the Classification Act of 1923, as amended. No employee shall acquire by any such transfer a permanent or civil-service status, but within 90 days after such transfer the Authority may certify to the Civil Service Commission the names of such transferred employees as it desires to retain and as are required to be under the civil-service laws by the provisions of section 4 (b) of this act. Upon such certification, said Commission shall provide for the inclusion of such employees within the Civil Service.

So as to make the section read:

SEC. 4. (a) Each member of the board shall receive a salary of $10,000 a year, shall be eligible for reappointment, and shall not engage in any other business, vocation, or employment. No officer or employee of the Authority shall participate in any manner in the deliberation upon or the determination of any question affecting his personal interests or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

(b) The Authority is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such officers and employees as may be necessary for the proper performance of its duties under this act; except that the Authority may, without regard to the civil-service laws, employ such attorneys and experts, and may contract for the personal services of such architects, engineers, appraisers, negotiators, and real-estate brokers, and employ such skilled and unskilled labor, as may be necessary for such purposes.

(c) The Authority may accept and utilize such voluntary and uncompensated services (not excluding reasonable allowances for necessary traveling and other expenses), and with the consent of the agency concerned may utilize such officers, employees, equipment, and information of any agency of the Federal, State, or local governments as it finds helpful in the performance of its duties.

(d) The President may at any time in his discretion transfer to the Authority any bureau or division of any department or agency of the Federal Government that is engaged in low-rent-housing or slum-clearance activities, including all its assets, equipment, records, and employees, and the Authority may continue such activities, and shall succeed to the powers of such bureau or division, subject to the provisions of this act. The President may likewise transfer to the Authority any housing or slum-clearance projects undertaken by any agency of the Federal Government, including all contracts and other property held in connection with such projects, and any unexpended balance of funds allocated to such agency for such projects, and the Authority may continue such projects. In the event of any such transfer the employees of the bureau or division so transferred shall thereupon be subject to the Classification Act of 1923, as amended. No employee shall acquire by any such transfer a permanent or civil-service status, but within 90 days after such transfer the Authority may certify to the Civil Service Commission the names of such transferred employees as it desires to retain and as are required to be under the civil-service laws by the provisions of section 4 (b) of this act. Upon such certification said Commission shall provide for the inclusion of such employees within the civil service.

The amendment was agreed to.

The next amendment was, in section 5, page 13, at the beginning of line 6, to strike out "or a loan pursuant to section 10", so as to make the section read:

SEC. 5. (a) The principal office of the Authority shall be in the District of Columbia, but it may establish branch offices or agencies in any State, and it may meet and exercise any of its powers at any place within the United States. The Authority may, by one or more of its officers or employees or by such agents or agencies as it may designate, conduct hearings or negotiations at any place.

(b) The Authority may foreclose on any property, or commence any action, to protect or enforce any right conferred upon it by any law, contract, or other agreement. The Authority may bid for and purchase at any foreclosure by any party, or at any other sale, any low-rent-housing project which it previously owned or in connection with which it has made a loan or grant pursuant to section 9.

(c) The Authority may procure insurance against any loss in connection with its property and other assets (including mortgages), in such amounts, and from such insurers, as it deems desirable.

(d) The Authority shall sue and be sued in its own name, and all suits shall be brought in the Federal courts except where the Authority consents specifically to a different forum. Attorneys appointed by the Authority may, at the direction of the Authority, appear for and represent the Authority in any case in court.

(e) The Authority shall have an official seal, which shall be judicially noticed.

(f) The Authority shall be granted the free use of the mails in the same manner as the executive departments of the Government.

(g) The Authority, including but not limited to its franchise, capital, reserves, surplus, loans, income, assets, and property of any kind, shall be exempt from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or local taxing authority.

The amendment was agreed to.

The next amendment was, in section 6, page 14, line 12, after the word "audited", to strike out "without regard to the provisions of any other law governing the expenditure of public funds", so as to make the section read:

SEC. 6. (a) The Authority may make such expenditures for the acquisition and maintenance of adequate administrative agencies, offices, vehicles, furnishings, equipment, supplies, and books, for attendance at meetings, and for such other facilities and services as it may from time to time find necessary for the proper administration of this act. The Authority shall determine and prescribe the manner in which its obligations and expenses shall be incurred, allowed, and paid, and the manner in which accounts shall be audited.

(b) The provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) shall apply to all contracts of the Authority for services and to all of its purchases of supplies except when the aggregate amount involved is less than $300.

(c) The use of funds made available for the purposes of this act shall be subject to the provisions of section 2 of title 3 of the Treasury and Post Office Appropriation Act for the fiscal year 1934 (47 Stat. 1489), and to make such provisions effective every contract or agreement of any kind pursuant to this act shall contain a provision identical to the one prescribed in section 3 of title 3 of such act.

The amendment was agreed to.

The next amendment was, in section 9, page 16, at the beginning of line 16, to strike out "any grant pursuant to subsection (b) of this section" and insert "of such portion as has been paid of any grant pursuant to subsection (b) of this section", so as to make the section read:

ASSISTANCE TO LOCAL LOW-RENT-HOUSING AND SLUM-CLEARANCE PROJECTS

SEC. 9. (a) The Authority may make grants and loans to any public-housing agency to assist the development, acquisition, or administration of any low-rent-housing project by such agency.

(b) The value of the grant to a low-rent-housing project shall be that which is necessary, in the determination of the Authority, to assure the low-rent character of such project, but shall in no case exceed 45 percent of its development or acquisition cost. Such grant may be paid, in whole or in part, in a lump sum. Any balance (of the total value of the grant) not so paid shall be paid in the form of fixed and uniform annual contributions, over a fixed period not exceeding 60 years, each such annual contribution to be payable out of any funds available to the Authority when such payment is due. Each such annual contribution shall be equal to the amount of the annual payment which such balance would yield over such fixed period of years in an annuity computed at the going Federal rate of interest at the time such grant is made. The Authority shall embody the provisions for such annual contributions in a contract guaranteeing such fixed and uniform payments over such fixed period.

(c) No loans pursuant to this section shall be made or be outstanding for any low-rent-housing project in an amount greater than the development or acquisition cost of such project, less the total value (at the time when made) of such portion as has been paid of any grant pursuant to subsection (b) of this section. Any such loan shall bear interest at such rate, be secured in such manner, and be repaid within such period, not exceeding 60 years, as may be deemed advisable by the Authority.

The amendment was agreed to.

The next amendment was, on page 16, after line 21, to strike out section 10, as follows:

SEC. 10. The Authority may make loans to limited-profit-housing agencies to assist the development or acquisition of low-rent-housing projects: *Provided*, That not more than $25,000,000 shall be so loaned in any one fiscal year. Any such loan shall not exceed 85 percent of the development or acquisition cost of the project involved, shall bear interest at not less than the going Federal rate at the time such loan is made, and shall be secured in such manner, and be repaid within such period not exceeding 60 years, as may be deemed advisable by the Authority.

The amendment was agreed to.

The next amendment was, on page 17, line 8, after "Sec." to strike out "11" and insert "10"; in the same line, after the word "may", to insert "subject to the approval of the President"; in line 13, after the word "the", to strike out "advice and at the request" and insert "consent"; in line 14, after the word "body", to strike out "a public housing agency, a public housing society representing families needing the project, or a local committee of representative and responsible citizens", and insert "or the public-housing agency covering the locality"; on the same page, line 25, after the word "such", to insert "society or"; on page 20, at the beginning of line 3, to strike out "any such acquisition, including the transfer of property to the Authority pursuant to section 4 (d), such jurisdiction and such rights are hereby fully restored", and insert "the acquisition of any property transferred to the Authority pursuant to section 4 (d), such jurisdiction and such rights are hereby fully restored", so as to make the section read:

DEMONSTRATION PROJECTS

SEC. 10. (a) The Authority may, subject to the approval of the President, develop and administer low-rent-housing and slum-clearance demonstration projects in order to demonstrate to localities the benefits to be derived therefrom. No such demonstration project shall be commenced in any locality without the consent of either the local governing body or the public-housing agency covering the locality.

(b) As soon as practicable the Authority shall sell its demonstration projects: *Provided*, That low-rent-housing projects shall be sold only to public-housing agencies.

(c) Pending sale, the Authority may lease any low-rent-housing demonstration project in whole or in part to a public-housing agency or a public-housing society, or enter into contracts for the administration of any such project in whole or in part by any such society or agency: *Provided*, That a project shall be leased to or administered by a public-housing society only with the consent of a public-housing agency in the locality if such an agency exists: *And provided further*, That the tenants of such project shall not be limited to the members of such society. The provisions of section 321 of the act of June 30, 1932 (U. S. C., Supp. VIII, title 40, sec. 303 (b)), shall not apply to any such lease or contract.

(d) The Authority may dedicate land for parks, playgrounds, and other recreational facilities, for sewers, for the opening or widening of streets, for incidental improvements, or for any other public purpose, and may grant licenses and easements upon such terms as it deems reasonable.

(e) The Authority may sell or exchange at public or private sale, or lease, any real property (except low-rent-housing projects, the disposition of which is governed elsewhere in this act) or personal property, and sell or exchange any securities or obligations, the retention of which is not desirable in performing its functions under this act, upon such terms as it may fix. To facilitate the sale of such securities or obligations any other securities or obligations retained by the Authority may be subordinated to those sold.

(f) In connection with the development or administration of any low-rent-housing or slum-clearance project pursuant to this section the Authority may acquire real or personal property or any interest therein by purchase, eminent domain, gift, devise, lease, or otherwise. In the acquisition of any land or site the provisions of section 355 of the Revised Statutes, as amended, shall not apply, but the Authority may avail itself of the services of the Attorney General acting in accord with his powers under such section to procure information relating to the state of title. The Attorney General shall, upon the application of the Authority, institute condemnation proceedings in its name. The practice and procedure governing such proceedings by the United States shall be followed, and the Authority shall likewise be entitled to proceed in accordance with the provisions of an act of Congress approved February 26, 1931 (46 Stat. 1421), and an act of Congress approved March 1, 1919 (45 Stat. 1415). The Authority may enter into agreements

to reimburse any State or political subdivision thereof for expenses incurred in the acquisition, by condemnation or otherwise, of property to be conveyed to the Authority for the development of a low-rent-housing or slum-clearance project.

(g) The acquisition by the Authority of any real property pursuant to this act shall not deprive any State or political subdivision thereof of its civil and criminal jurisdiction in and over such property, or impair the civil rights under the State or local law of the inhabitants on such property; and insofar as any such jurisdiction may have been taken away or any such rights impaired by reason of the acquisition of any property transferred to the Authority pursuant to section 4 (d), such jurisdiction and such rights are hereby fully restored.

(h) The Authority may enter into agreements to pay annual sums in lieu of taxes to any State or political subdivision hereof with respect to any low-rent-housing or slum-clearance project owned by the Authority. The amount so paid for any year upon any such project shall not exceed the taxes that would be paid to the State or subdivision, as the case may be, upon such project if it were not exempt from taxation thereby.

The amendment was agreed to.

The next amendment was, on page 20, line 17, to renumber section 12.

The amendment was agreed to.

The next amendment was, on page 21, line 5, to renumber section 13; in line 6, after the word "development", to insert "or acquisition"; at the beginning of line 9, to strike out "or any loan for the development of a project pursuant to section 10"; in line 9, after the word "section", to strike out "11" and insert "10"; on page 22, line 13, after the word "reasonable", to strike out "price." and insert "price;"; and on the same page, after line 13, to insert:

(6) The assistance, if any (in the form of partial financing, annual grants, land in whole or in part, partial or complete remission of taxes) given to the project by the State or political subdivision in which it is located;

(7) That the advice has been sought, where available, of such planning commission or board (created under charter, statute, or ordinance) as may exist in the locality of the project.

So as to make the section read:

STANDARDS

SEC. 12. In making any loan or grant for the development or acquisition of a project pursuant to section 9, and in undertaking any demonstration project pursuant to section 10, the Authority shall be guided by these considerations:

(1) In the case of a low-rent-housing project, that there exists in the community concerned a shortage of decent, safe, and sanitary dwellings within the financial reach of families of low income, which is not being remedied adequately by private enterprise;

(2) In the case of a slum-clearance project, that there exist in the community concerned slum areas that are not being remedied adequately by private enterprise, and that either (a) the clearance of the area will not make it difficult for the dispossessed inhabitants thereof to secure equivalent dwellings elsewhere at no higher cost to them, or (b) that such inhabitants will be provided for by the development of sufficient low-rent housing, within their financial reach, either upon the site to be cleared or in some other suitable locality;

(3) That the project conforms to a general program formulated by the Authority to distribute the benefits of this act as widely as practicable throughout the United States, consistently with the needs of the several States and their political subdivisions;

(4) That the form of assistance to the project is an appropriate means of carrying out the purposes of this act in the particular case, and that the amount of financial assistance to be afforded such project by the Authority will not be in excess of the amount necessary for such purposes;

(5) That the site on which a project is or shall be developed is suitable for the project and has been or will be purchased for a reasonable price;

(6) The assistance, if any (in the form of partial financing, annual grants, land in whole or in part, partial or complete remission of taxes) given to the project by the State or political subdivision in which it is located;

(7) That the advice has been sought, where available, of such planning commission or board (created under charter, statute, or ordinance) as may exist in the locality of the project.

The amendment was agreed to.

The next amendment was, in section 14, on page 22, line 22, to change the section number on page 23, after line 4, to strike out:

(1) When a loan or grant is made pursuant to section 9, and when a loan is made pursuant to section 10, the Authority shall retain the right (subject to any mortgage or other lien of a third party) to take possession of, administer, and dispose of the low-rent-housing project involved in the event of a substantial breach of the covenant (which shall be embodied in the deed, mortgage, or other contract providing for such loan or grant) to maintain the low-rent character of such housing project. Any such covenant shall run in the case of a grant for a period of 60 years, and in the case of a loan for a period equal to the maximum period allowed for the repayment in full of such loan: *Provided*, That no such covenant shall continue to run after the acquisition of such project in a bona-fide foreclosure under a mortgage or other lien held by a third party if the Authority has received actual notice in writing of such foreclosure proceedings at least 30 days before sale.

And insert:

(1) When a loan or grant is made pursuant to section 9, and when a low-rent-housing project is sold pursuant to section 10 (b), the loan or grant agreement, contract of sale, or deed shall contain an option for the purchase by the Authority of the project involved, in the event of a substantial breach of the covenant (which shall be embodied in such agreement, contract, or deed) to maintain the low-rent character of such housing project. Such option may be exercised within such period (not to exceed 60 years) and upon such terms as shall be prescribed in said agreement, contract, or deed.

On page 24, line 8, after the numeral "9", to strike out "or section 10"; in line 16, to strike out "said loan" and insert "the balance of said loan then held by the Authority"; and on page 25, line 9, to strike out "11" and insert "10", so as to make the section read:

SEC. 13. In order to insure that the low-rent character of housing projects will be preserved, and thus to protect private industry from the competition that would exist, either if such projects were made available to families able to afford decent, safe, and sanitary dwellings without public assistance or if such projects were withdrawn from the financial reach of families of low income, it is hereby provided that—

(1) When a loan or grant is made pursuant to section 9, and when a low-rent-housing project is sold pursuant to section 10 (b), the loan or grant agreement, contract of sale, or deed shall contain an option for the purchase by the Authority of the project involved, in the event of a substantial breach of the covenant (which shall be embodied in such agreement, contract, or deed) to maintain the low-rent character of such housing project. Such option may be exercised within such period (not to exceed 60 years) and upon such terms as shall be prescribed in said agreement, contract, or deed.

(2) When a loan is made pursuant to section 9, the Authority shall retain the right, in the event of a substantial breach of the covenant (pursuant to paragraph 1 of this section) to maintain the low-rent character of the housing project involved or in the event of the acquisition of such project by a third party in any manner including a bona-fide foreclosure under a mortgage or other lien held by a third party, to increase the interest payable thereafter on the balance of said loan then held by the Authority to a rate not in excess of the going Federal rate (at the time of such breach) plus 2 percent per annum or to declare the unpaid principal of said loan due forthwith.

(3) When a grant or any part thereof shall be made payable in annual contributions pursuant to section 9 (b), the Authority shall retain the right, in the event of a substantial breach of the covenant (pursuant to paragraph 1 of this section) to maintain the low-rent character of the housing project involved, to reduce or terminate said annual contributions. In the event of the acquisition of such project by a third party in any manner including a bona-fide foreclosure under a mortgage or other lien held by a third party, such annual contributions shall terminate.

(4) When a lease or contract for the administration of a low-rent-housing project is made pursuant to section 10 (c), the Authority shall retain the right to terminate such lease or contract in the event of a substantial breach of the covenant (which shall be embodied in such lease or contract) to maintain the low-rent character of such housing project.

(5) The Authority may also insert in any contract of loan or grant, contract of sale, lease, contract of administration, mortgage, or any other agreement or instrument made pursuant to this act, such other covenants, conditions, or provisions as it may deem necessary in order to insure the low-rent character of the housing project involved.

The amendment was agreed to.

The next amendment was, in section 15, page 25, line 20, to change the section number; on page 26, line 3, after the word "fix", to strike out "The amount by which such development or acquisition cost (less depreciation) exceeds the sales price shall be considered a grant pursuant to section 9 (b), and the project shall then become eligible for a loan pursuant to section 9 (c) and for annual contributions pursuant to section 9 (b)" and insert "The amount by which such development or acquisition cost (less depreciation) exceeds the sale price shall be considered the lump-sum portion of a grant pursuant to section 9 (b), and the project shall then become eligible for annual contributions pursuant to section 9 (b) and for loans pursuant to section 9 (c). Any obligation of the purchaser accepted by the Authority as part

of the consideration for the sale of such project shall be deemed a loan pursuant to section 9 (c)"; on page 26, line 20, after the word "section", to strike out "11 (c), the Authority shall fix the rentals (which in the case of a lease pursuant to section 11 (c) means the rentals payable by the public housing agency or the public housing society to the Authority) at an amount at least" and insert "10 (c), the Authority shall fix the rentals and the consideration for such lease or contract, as the case may be, at an amount at least", so as to make the section read:

SEC. 14. In order to protect the financial position of the Authority, and to prevent Federal assistance to any low-rent-housing project in excess of that contemplated by this act—

(1) The sale by the Authority of any low-rent-housing project shall be for a consideration, in whatever form may be satisfactory to the Authority, equal to at least 55 percent of the development or acquisition cost of the project less such allowance for depreciation as the Authority shall fix.

The amount by which such development or acquisition cost (less depreciation) exceeds the sale price shall be considered the lump-sum portion of a grant pursuant to section 9 (b), and the project shall then become eligible for annual contributions pursuant to section 9 (b) and for loans pursuant to section 9 (c). Any obligation of the purchaser accepted by the Authority as part of the consideration for the sale of such project shall be deemed a loan pursuant to section 9 (c).

(2) In the administration by the Authority of any low-rent-housing project, and in the leasing or administration under contract of any such project pursuant to section 10 (c), the Authority shall fix the rentals or the consideration for such lease or contract, as the case may be, at an amount at least sufficient to pay (a) all necessary and proper administrative expenses of the project (if administered by the Authority or administered under contract); (b) such sums as will suffice to repay, within a period not exceeding 60 years, at least 55 percent of the development or acquisition cost of the project, together with interest at such rate as the Authority deems advisable.

The amendment was agreed to.

The next amendment was, on page 27, line 9, to renumber the section; on page 28, line 7, after the word "administration", to strike out "with a housing agency" and insert "pursuant to this act"; and on page 29, after line 5, to add a new paragraph "(6)", so as to make the section read:

SEC. 15. In order to protect labor standards—

(1) The provisions of the act of August 30, 1935, entitled "An act to amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings" (49 Stat. 1011), and of the act of August 24, 1935, entitled "An act requiring contracts for the construction, alteration, and repair of any public building or public work of the United States to be accompanied by a performance bond protecting the United States and by an additional bond for the protection of persons furnishing material and labor for the construction, alteration, and repair for the said public buildings and public works" (U. S. C., Supp., 1934 edition, title 40, sec. 270 (a) to (d), inclusive), shall apply to contracts in connection with the development or administration of low-rent-housing or slum-clearance projects owned by the Authority and the furnishing of materials and labor for such projects: *Provided*, That suits shall be brought in the name of the Authority and that the Authority shall itself perform the duties prescribed by section 3 (a) of the act of August 30, 1935, and section 3 of the act of August 24, 1935.

(2) Any contract for a loan, grant, annual contribution, sale, lease, or administration pursuant to this act shall contain a provision requiring that the wages prevailing in the locality, as determined by the Authority, shall be paid to all laborers and mechanics employed in the development or administration of the low-rent-housing or slum-clearance project involved.

(3) The act entitled "An act limiting the hours of daily services of laborers and mechanics employed upon work done for the United States, or for any Territory, or for the District of Columbia, and for other purposes", as amended (37 Stat. 137), shall apply to contracts of the Authority for work in connection with the development and administration of low-rent-housing or slum-clearance demonstration projects.

(4) The benefits of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes" (39 Stat. 742), shall extend to officers and employees of the Authority.

(5) The provisions of sections 1 and 2 of the act of June 13, 1934 (U. S. C., title 40, sec. 276 (b) and (c)), shall apply to any low-rent-housing or slum-clearance project financed in whole or in part with funds made available pursuant to this act.

(6) Any contractor engaged on any project financed in whole or in part with funds made available pursuant to this act shall report monthly, and shall cause all subcontractors to report in like manner (within 5 days after the close of each calendar month, on forms to be furnished by the United States Department of Labor), as to the number of persons on their respective pay rolls, the aggregate amount of such pay rolls, the total man-hours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

The amendment was agreed to.

The next amendment was, on page 29, line 19, to renumber the section.

The amendment was agreed to.

The next amendment was, on page 30, line 1, to renumber the section; in line 3, to strike out "$51,000,000" and insert "$10,000,000"; in line 6, to strike out "Authority, and there is authorized to be appropriated the sum of $75,000,000 for the fiscal year ending June 30, 1938, and the sum of $100,000,000 for each of the fiscal years ending June 30, 1939 and 1940, respectively, all such sums" and insert "Authority. Such sum,", so as to make the section read:

SEC. 17. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000,000 for the fiscal year ending June 30, 1937, of which $1,000,000 shall be available to pay the subscription to the capital stock of the Authority. Such sum, and all receipts and assets of the Authority, shall be available for the purposes of this act until expended.

The amendment was agreed to.

The next amendment was on page 30, line 13, to renumber the section.

The amendment was agreed to.

The next amendment was on page 30, line 17, to strike out section 20 (a) as follows:

SEC. 20. (a) The Reconstruction Finance Corporation shall make advances to the Authority from time to time upon its request, but not to exceed, in the aggregate outstanding, the sum of $100,000,000, which shall bear interest at a rate not exceeding cost plus one-eighth of 1 percent per annum and shall be repaid in full by the Authority to said Corporation or its successor within a period of 60 years from the time when made. Such advances shall be available for the purposes of this act until expended. The Authority shall apply toward such repayment the net income from, and the proceeds of the sale of, assets transferred to it pursuant to section 4 (d) of this act, but the Reconstruction Finance Corporation shall not have a lien upon, nor exercise any control over, the administration or disposition of such assets. The amount of notes, debentures, and bonds or other obligations which said Corporation is authorized and empowered to have outstanding at any one time, pursuant to section 9 of the Reconstruction Finance Corporation Act, as amended, is hereby increased by the sum necessary for such purposes, not to exceed $100,000,000.

The amendment was agreed to.

The next amendment was, on page 31, line 13, to strike out "21. (a) In addition to obligations incurred pursuant to section 20, the" and insert "19. (a) The", so as to read:

SEC. 19. (a) The Authority is authorized to issue obligations, in the form of notes, bonds, or otherwise, which it may sell to obtain funds for the purposes of this act.

The amendment was agreed to.

The next amendment was, on page 31, line 18, to strike out "$100,000,000" and insert "$150,000,000"; in line 20, after the numerals "1937", to insert the word "and"; and in line 21, after the numerals "1938", to strike out "and an additional amount not to exceed $150,000,000 on or after July 1, 1939", so as to read:

The Authority may issue such obligations in an amount not to exceed $150,000,000 on or after July 1, 1936, an additional amount not to exceed $150,000,000 on or after July 1, 1937, and an additional amount not to exceed $150,000,000 on or after July 1, 1938.

Mr. VANDENBERG. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 31, it is proposed to strike out—

An additional amount not to exceed $150,000,000 on and after July 1, 1937, and an additional amount not to exceed $150,000,000 on or after July 1, 1938—

So as to read:

The Authority may issue such obligations in an amount not to exceed $150,000,000 on or after July 1, 1936.

Mr. VANDENBERG. Mr. President, the purpose of the amendment is obvious. This is essentially experimental

legislation. In the form pending it would authorize $150,000,000 of Government obligations in the next fiscal year, and it would authorize thereafter an additional $150,000,000 for each of 2 subsequent years. These obligations are to be fully guaranteed by the Government in respect both of principal and interest.

Mr. President, I submit that there probably never was a piece of thoroughly fundamental and important—and in the latter term I quite agree with the Senator from New York [Mr. WAGNER]—legislation submitted to the final conclusion of the Senate concerning which there was less per-capita information possessed by Senators respecting it. I doubt whether there is any Senator in the Chamber, except the able Senator from New York [Mr. WAGNER] and the able Senator from Massachusetts [Mr. WALSH], who could stand even a kindergarten examination upon the bill.

That being the situation—and I doubt if it can be denied—it seems to me that if we deal with the next fiscal year, that is enough to deal with under such circumstances.

I confess I have not had time to study the matter. I have not been a member of the committee considering it. I undertook today to read the hearings during such free moments as I had.

Apparently there is some difference of opinion regarding the validity and the utility of the bill. I am not referring to objections which may have been voiced by self-serving interests with an ax to grind, but I find in the body of the hearings the testimony of those who would seem to have credentials beyond challenge as respects special interests at least. For example, I find the testimony of Mr. Walter Kruesi, who appears to be the economic consultant on housing for the Welfare Council of New York City itself. I find that Mr. Kruesi speaks definitely and specifically in his challenge against the bill. I do not know whether or not his position is warranted. I am in no position to pass upon it.

However, in the face of the situation which we thus confront, and with manifestly an inadequate period of time to probe all of the recesses of the problem, and apparently in the presence of a lack of any disposition on the part of the Senate to pay the slightest attention whatsoever to embarking upon a new undertaking, I submit that the least we can do by way of prudence is to limit our action to an experiment of 1 year.

The objectives of the proposed legislation are beyond argument; I raise no voice whatever against them; but it seems to me that wise and humane objectives cannot be substituted for deliberative consideration, which is utterly lacking in respect to the proposed legislation itself. After all, as submitted, it does obligate the Government of the United States in a sum approximating half a billion dollars. After all, half a billion dollars still remains a considerable sum of money in spite of the anesthesia which most of us have taken, the country included, in respect to Federal expenditures.

I submit that as a matter of elementary caution the least we can do is to confine the experiment to 1 year and pass upon the ultimate objective later. It is solely for that purpose that I submit the amendment.

Mr. WALSH. Mr. President, I regret that my membership on the conference committee considering the pending tax measure has prevented my being in the Chamber during the discussion of the bill. Therefore it has been necessary for the Senator from New York [Mr. WAGNER] to act for me and to make the explanation which he has done in a most satisfactory manner.

I should like to say, however, that the problem is not a new one to the Committee on Education and Labor. Extensive hearings were held a year ago on a bill then pending before the Senate, which resulted in no action being taken. Extensive hearings were held during the present session. Those hearings are printed and the evidence is contained in the volume containing 369 pages which I now hold in my hand. I think the hearings this session covered a period of 7 days.

Frankly, I must confess that the general problem of continuing Government activities in the direction of building homes for people of low incomes from public funds is a difficult one and one that should be strictly limited in its scope.

I do not hesitate to say that personally I feel that the money which has already been spent by the Federal Housing Administration in building houses for persons in the low-income group has been unwisely spent. I think everybody sincerely interested in the problem of slum clearance, and everybody connected with the Government outside of the particular officials who spent the money and who built these projects, has been somewhat disappointed in the result. I do not mean that it is not desirable and useful and beneficial for the Government to spend money to erect attractive and sanitary homes for persons of low income, so that they may live under healthful and comfortable circumstances, if done within well-defined limits and for the purpose of providing reasonably comfortable homes for those whose incomes force them into unhealthy dwellings. The problem is a tremendously broad and expansive one when we stop to think that 40 percent of all the workers in this country have a net income of less than $1,000 a year; and all of them, if we enter the field of housing them, have equal right to Government aid. If the Government is going into the business of building houses to rent to persons of low income, there is no limit, and I see no ultimate end, except some form of socialism; namely, the Government absorption and ownership of all the rental properties in the country.

There is no reason why one family with a moderately low income has a right to have a home provided for it at Government expense unless such homes are provided for all; and, furthermore, it is not a desirable objective to encourage the Government to go into the business of erecting homes and renting them in competition with privately owned property. That is just what has happened in several of the projects which the Government has undertaken during this depression. Why? Because there was no legislation limiting or directing the administrative authorities as to the financial limitations of the families to be housed in the Government projects. They were given a sum of money and told to build dwellings in order to help employ persons in the building trades. They were directed to help lift us out of this depression by spending some of the emergency funds for the purpose of building sanitary and reasonably comfortable homes, with healthful surroundings, for persons in the low-income group.

Therefore, so far as I am concerned, I have insisted and I now insist that the Government has no business whatsoever unless we are to abandon private property rights and home ownership in building homes for persons in the low-income group, except for those in the group of very lowest incomes, except for those whose incomes are so small that they live in hovels, in unsanitary, in unhealthful, in crime-breeding communities and localities. So far as I have had any share in drafting this bill, I have insisted again and again that whatever money is spent, whatever activities the Government undertakes in this direction, we must confine ourselves to slum clearance, and to persons who live in slums. I even went so far as to seek to have written into the bill a provision that only persons with incomes of less than $500 a year should be permitted to reside in the houses which are to be built by grants from the Government, and possibly also loans from the Government.

I must concede that this is largely a question of administrative policy. If we have not the proper administrative officers, no matter what language we use, no matter how much we announce that we desire to bring about slum clearance, no matter to what extent we may limit the use of these homes to persons of low incomes, we are going to be in the situation of these Government-built homes, homes built on Government loans and grants, being rented in competition with privately owned property to whomever politicians in any city or State may designate to occupy these tenements; and we shall have the spectacle of persons who can afford to pay $50 more or less a month, and who are now living in $50-a-month homes, going into homes which the Government furnishes them, better than they are now occupying, at $15 or $20 a month. If this should happen,

private ownership of homes for family use or for rental will collapse.

So I desire to have it clearly understood, and I think the Senator from New York [Mr. WAGNER] agrees with me, that we have had before us, fortunately, this experiment of which I cannot approve, of which I do not approve, which has already taken place; namely, expending money on these housing projects, all of which are desirable and commendable, but to which there is no end, when once undertaken, until you house the 40 percent of families with incomes less than $1,000.

Once the Government begins providing homes for persons who can afford to pay a reasonable rent for a home in a reasonably healthful locality it will be necessary to provide them for all unless we approve of favoritism and discrimination. So this bill does seek, so far as we could write our purpose into language, a real, serious effort in the direction I have stated. I desire now, before the bill is passed, to say that I think it will be a great calamity if the administrators of this measure fail to rent these properties to the poorest of the poor, to the scrubwoman with her children who is earning only three or four hundred dollars a year. If we are going into the business of renting these homes to persons with incomes of $1,000 or $1,200 or $1,500, as against the class to which I refer, we are going into a field that is unfair to the taxpayers, and points directly to public ownership of all properties; we are going into a form of socialism; we are going into a situation which means that ultimately all tenement properties will be owned, rented, and managed by the Government.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. WALSH. Certainly.

Mr. VANDENBERG. Does the Senator think the bill, as now pending, protects us against being drawn into the field which he wishes us to keep out of?

Mr. WALSH. I am pleased that the Senator has asked that question. I answer emphatically, yes, so far as language could be devised. If the Senator will examine the hearings which he has stated he has read during the past day or two, he will observe that all through the hearings I was sounding that note again and again and again—"slum clearance", "slum clearance", and nothing else. It is to me unwise and unsound for a government to spend vast sums of money simply to build homes for people, and not provide for the occupation of the homes at low rentals to persons now in unhealthful homes, in insanitary homes, in crowded, disease-breeding and crime-breeding localities; and so far as I have been able to emphasize that idea, I have incorporated it in the bill. To provide dwellings at cheaper rents than private owners can build and rent dwelling for persons other than those in the slums is indefensible unless we set up a socialistic state.

The Senator from Georgia [Mr. GEORGE] and myself, as conferees, have had under consideration another housing bill. The Housing Division of the Public Works Administration has been operating, as is well known, in the housing field. They have undertaken housing projects in various cities. But the houses which they have built have been for occupancy by families of moderately low incomes and not, strictly speaking, of the slum-clearance type.

After spending large sums of money in the erection of houses, the Comptroller General ruled that they could not rent these Government owned and built houses at a lower rental than would pay back to the Government a portion of its investment so that the entire cost to the Government might be amortized from 40 to 60 years.

Distinction should be made between the housing activities of the Housing Division of the Public Works Administration and the Federal Housing Administration. The latter does not loan any Government money; it insures mortgages made by private interests on housing projects and has accomplished excellent results and made a notable record.

The House put an amendment in the housing bill, containing some other amendments which were very properly asked for, authorizing the Secretary of the Interior to fix the rental fee at whatever rent he saw fit to charge. Now, just think of that—to charge whatever rent he saw fit to charge. That, of course, is to overcome the ruling of the Comptroller General, who has tied the hands of the Housing Division of the P. W. A. The amount of rent they would have to charge to prevent losses to the Government would be in excess of the rentals of privately built homes of the same character and type. The able Senator from Georgia and myself and the House conferees have insisted that a yardstick should be placed in the amendment, and that the present or any future Secretary of the Interior should be obliged to rent these properties to persons of very low incomes, and we attempted to go so far as to define what low-income families are, and what constitutes low income, so that the persons who occupy these premises will be in the slum-group class.

Now let me explain to the Senate—perhaps the Senator from New York [Mr. WAGNER] has already done it—the procedure under this bill—just what it provides and in what manner the city of New York, or the city of Philadelphia, or the city of Chicago, will undertake to obtain Federal aid for a slum-clearance project. The first thing they must do is to petition the United States Housing Authority, which is created in this bill, consisting of five members, and ask that their plans and scheme for a slum-clearance project in their locality—the city of New York, for illustration—be approved and that a 45-percent grant be made to them by the Federal Government. The United States Housing Authority then decides—and we have placed restrictions upon their authority—whether or not the situation in the locality is such that there is an actual slum-clearance problem; whether or not there are persons in that locality who are living in unhealthy and insanitary conditions; whether or not there are living there persons of such low income that they cannot afford to live in any but insanitary surroundings, and other similar restrictions.

When the authorities here determine those facts, and approve of the plans and the project, they may then grant a loan of 45 percent of the cost of the undertaking.

The other 55 percent of the cost may be required of the local authority—if it is a State government, the State authority; if it is a city government, the city authority. If it is a housing authority under the city government, such as exist in several cities, they may furnish the other 55 percent by issuing bonds, or through the credit of the State or municipality; but that is not required. Provision is made in the bill whereby the United States Housing Authority, set up in the bill, may loan the 55 percent from funds acquired by sale of their bonds, so that the total sum of money invested will be, from the Government, 45 percent grant, and 55 percent in the nature of a loan; and these bonds which are provided for, and toward which the Senator from Michigan has directed his amendment, represent the money to be used in making the loans to the local housing authority which decides to undertake a slum-clearance project. The committee has eliminated from the bill the provisions to make grants and loans to association and groups other than local governmental agencies.

In order to confine and restrict and limit the occupation of these homes to persons who are obliged to occupy slums, provision is made in the bill that in the mortgage or the contract for the grants and the loans, very strict requirements will be imposed as to the class of persons who will occupy these premises. I call attention to the fact that the committee for the purpose of carrying out this idea and making the restriction as strong as possible has strengthened the original bill by the language used in the committee amendment on page 4, subsection (2) of section 2. It reads as follows:

(2) The term "families of low income" means families who lack sufficient income, without the benefit of financial assistance, to enable them to live in decent, safe, and sanitary dwellings and under other than overcrowded housing conditions: *Provided*, That no family shall be accepted as a tenant in any low-rent-housing project whose aggregate income exceeds six times the rental of the quarters to be furnished such family.

The term "rental" as used in this section includes the average cost (as determined by the Authority) of heat, light, water, and cooking, where such services are not supplied by the lessor and included in the rent.

In no other housing legislation has any such restriction as this been imposed, defining the maximum rent that shall be charged, based upon the income of those applying for tenancy.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. VANDENBERG. Provided I understand this language, I am wondering whether or not it in effect achieves the result which the Senator was addressing himself to in his earlier remarks, and I should like to add that I cordially concurred in his earlier remarks.

Mr. WALSH. I assumed the Senator would.

Mr. VANDENBERG. Suppose a family went into a low-rent housing project on the basis of $15 a month rent, which certainly would be a modest sum. Under this proviso a family with an income of $90 a month would be eligible to enter that project, would it not?

Mr. WALSH. Yes.

Mr. VANDENBERG. Would the Senator say that a family with an income of $90 needs Government housing?

Mr. WALSH. That is the maximum amount of family income which the Government must require in order to permit occupancy. It is expected that the other language and the other terms imposed would lead to renting the houses to tenants with very much lower incomes. We had to fix a maximum. We could not fix a minimum. The Senator will agree to that.

Mr. VANDENBERG. It will finally be necessary, then, to rely upon administration instead of upon this language for real protection, will it not?

Mr. WALSH. That is true.

Mr. WAGNER. Ninety dollars a month for a whole family would amount to about a thousand dollars a year. The average family, I assume, will consist of four or five persons. It has been shown by all the surveys that a family of that type needs an earning power of $2,500 a year in order to live even reasonably decently. That is the low-income family about which I am speaking, a family earning a thousand dollars a year or less. As a matter of fact, as it will work out, it will be found that the houses to be erected will be occupied by families earning less than a thousand dollars a year, because the Senator is figuring on the average rent at about four or five dollars a room, and taking a family of five, it will probably want four rooms, and that will mean $20. I rather think that we are serving both an economic and a humanitarian purpose in helping a family of that kind, because if they are not assisted, they cannot live anywhere, particularly in the larger communities, except in the hovels and slums about which we have been talking.

Mr. VANDENBERG. The Senator from New York assumes that the average family is going to pay probably $20 a month rent. That means, then, that a family with an income of $120 a month, which means $1,440 a year, is going to be eligible to live in a so-called slum-clearance project. I will readily sympathize with the family which has to live on $1,400 or $1,500 a year, but I think they are a very lucky family compared with a majority of the families of the United States, and I am unable to believe that they are eligible for what the Senator from Massachusetts calls slum-clearance treatment by the Government of the United States, because if we are to start on that basis, then there are billions and billions and billions of dollars of obligations ahead of us, are there not?

Mr. WALSH. Mr. President, I raised the same objection the Senator has raised to this very language, and was persuaded to accept it for the reason that evidence was presented before us that in some of these projects the rent will be only $4 a room, and two rooms and a half will mean $10. That is only $60 a month, and surely as a maximum $60 a month for a $10 tenant is not out of proportion. When we come into the lower range of figures, and consider the fact that they expect to charge only $4 a room, we are up against the proposition of $10-a-month tenant payment to a family whose maximum income cannot be more than $60 a month. That is not so bad.

Mr. VANDENBERG. Am I not right at least in saying, then, that so far as protection is concerned against the thing which the Senator from Massachusetts and I desire to avoid, the protection is not in the language proposed, but will necessarily be in the administration?

Mr. WALSH. To an extent I agree with the Senator, but the Senator must not only read that proviso, but also the other language describing what constitutes a family of low income, as follows:

The term "families of low income" means families who lack sufficient income, without the benefit of financial assistance, to enable them to live in decent, safe, and sanitary dwellings and under other than overcrowded housing conditions.

Then there is the proviso.

Mr. VANDENBERG. My fear is that the proviso will be used as a definition of the preceding sentences.

Mr. WALSH. The Senator will agree with me, I am sure, that if all these houses were to rent for $4 a room the proviso would be a proper one and not too narrow. But I agree with the Senator that if we are going into the business of charging $10 a room or $15 a room a proviso of one-sixth of the rental compared with the income is too high. I assume that the rental is going to be confined entirely to a room to rent for approximately $4 a month. However, I will later, before the bill is passed, propose an amendment further lowering the maximum income requirement.

Mr. WAGNER. I think the Senator did emphasize that that is, of course, the maximum.

Mr. WALSH. Yes; I emphasized that.

Mr. WAGNER. I suppose, of course, the demand for this type of occupancy will be among the families of lower income, and then it becomes a matter of administration to favor those of the lowest income groups first.

Mr. WALSH. It will be a tragedy if the administrators of this act do not rent these properties to people in the lower status of incomes who are decent and who ought to get aid and assistance from the Government and ought to be able to live in healthy, sanitary surroundings. I believe the Senator from New York feels exactly as I do about that, because that is one of the things emphasized and the one thing I have always had in mind.

Mr. WAGNER. The Senator knows that he and I are exactly in accord on that proposition.

Mr. WALSH. Now let me proceed with a further development of the process by which the Government is to aid in slum clearance.

The grant is limited to 45 percent of the cost of the development or acquisition cost. Local governmental authorities can furnish the balance of the 55 percent themselves, or they can borrow from the Government this amount.

The titles to the property will always remain in the local authorities, not in the Federal Government, except in the demonstration projects referred to later in the bill.

The property is to be rented by the local authorities, and there are imposed all through the bill many conditions as to rentals and management; and the tenants must be of the low-income group if grants or loans are to be made.

Very briefly, that presents an outline of this slum-clearance problem and of the Federal Government's relation to it.

Now let me state the difficulty with the amendment of the Senator from Michigan. He is right; the activity is experimental, and it should be experimental. But 1 year is too short a time in which to try it out. It is just inconceivable that we could get any results in the appropriation of $10,000,000 for the first year and the right to issue $150,000,000 in securities for the purpose of the loan.

The $10,000,000 is, in my opinion, I will say to the Senator from New York, altogether too small a sum for the grants. If the Government is going to grant 45 percent of the project, $10,000,000 is a very, very small sum. It is hoped and expected and desired that the Authority will not make many grants of 45 percent outright, but that the grants will be made in yearly proportional payments and cover a considerable

number of years—40 or 50 years—before the 45 percent is used.

The idea of grants in the bill, as I interpret it, is that it would be possible for the local authorities to rent the properties on a basis of getting a fair return on the 55-percent loan, the 45 percent being a grant from the Government, such as grants made now for the building of bridges, the grants it makes now for building municipal buildings and for cooperation with municipalities and States in building public buildings and in erection of bridges and highways and other public projects of various kinds. So it is thought that the better way of handling the problem—of course, that will have to be worked out by the authorities themselves—would be to give only so much money a year to the local authorities by way of grants, which in a measure would be compensating for the shortage of the rental compared with the cost of the project.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. VANDENBERG. The Senator objects to my amendment, as I understand him, on the theory that $150,000,000 for the first year will be insufficient. However, I call his attention to the fact that my amendment does not touch the allowance for the first year. Under their own bill they can get only $150,000,000.

Mr. WALSH. I understand. The Senator wishes to end the experiment at the end of the first year.

Mr. VANDENBERG. Pardon me; I do not wish to end the experiment at the end of the first year. I desire to force a report to Congress at the end of the first year in order to find out whether the undertaking is worth while.

Mr. WALSH. How is it humanly possible to set up a United States Housing Authority to get in touch with the local authorities, for the local authorities to prepare their projects, their plans and specifications with respect to slum-clearance projects, to submit them to the authorities, to have them approved, to get them granted, and to make the loans, and to have the homes constructed, and have tenants occupy them so that we can know the real situation? After all, the crux of the undertaking is, Who are the people who will occupy these dwellings? Are they taken from the slums? That is the crux of the undertaking. How can it possibly be done in a year? How can it be done in less than 3 years? The original proposal was 4 years, and it was cut down to 3 years for the objective that the Senator has in mind, that we should as quickly as possible—giving a reasonable time to determine what should be done—find out how the plan and scheme is working out, for a report to Congress, before any further funds should be granted. So I regret to say that I think the Senator's amendment, if adopted, would make useless any attempt to make a real experiment in this important field.

I know the Senator feels, as he has already expressed himself, and the rest of us feel, that it is a perfectly legitimate and a proper and a sound procedure for the Federal Government to lend aid and encouragement to municipalities and States in an effort to rid this country of those conditions of living which promote unhealthy conditions and which the evidence shows are crime-breeding and disease-breeding, and which lead to the development of a future generation of children that are emaciated and unhealthy in body and soul because of the unfortunate conditions in which they have to live, through no fault of their own except that the income of the family is at a very low ebb.

Therefore I ask the Senate to reject the amendment of the Senator from Michigan.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Michigan [Mr. VANDENBERG].

The amendment was rejected.

Mr. McNARY. Mr. President, the senior Senator from Delaware [Mr. HASTINGS] was called from the Chamber and has asked me to propose three amendments. I submit the first one and ask that it be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, line 9, after the word "President", it is proposed to insert the following: "(not more than three of whom shall be of the same political party)."

Mr. WAGNER. So far as I am concerned, I see no objection to that amendment.

Mr. McNARY. I think that provision in this particular form is in every piece of legislation we have passed in the last 40 years.

Mr. WALSH. I have no objection.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was agreed to.

Mr. WALSH. Mr. President, have all committee amendments been disposed of?

The PRESIDENT pro tempore. They have.

Mr. McNARY. Mr. President, I send forward a further amendment.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 9, line 5, it is proposed to strike out "$10,000" and insert "$8,000."

Mr. WALSH. Mr. President, recently, within the last few days, we have increased the salary of the head of the Bureau of Investigation of the Department of Justice, Mr. Hoover, to $10,000. We have a bill pending to create a new agency in the Treasury Department fixing a salary of $10,000 for the head of that agency. I think that men who are capable of handling this problem, in view of other salaries paid, ought to be given at least $10,000 a year. I am sorry to have to disagree with the able Senator from Oregon. I should like to say for the record while I am on my feet, that I am basing my position on the fact that men who shall serve on this board ought to have as good a salary and ought to have such prestige as the salaries given as the members of any other board. I cannot conceive of any more spiritual benefit that can be rendered to the people of this country, outside of the activities of religion, than driving people out of the miserable disease-breeding, congested, and dilapidated quarters of our large cities and giving them a chance to live in the sunlight and under clean, healthy conditions. God knows there are millions of people that are worthy and deserving of that opportunity. So I hope that the members who are called upon to serve on this board will feel that they have the salary that has now become recognized as the reasonable and fair salary. If they are appointees in sympathy with the problem of an honest effort at slum clearance, the salary in the bill will not be excessive.

Mr. McNARY. Mr. President, may I ask the Senator what is that particular sum that has become recognized?

Mr. WALSH. I have just given two illustrations of $10,000 paid to persons who have not the responsibility, in my judgment, that the proposed commissioners will have.

Mr. McNARY. I recall that only a few years ago Members of this body received $5,000 a year salary. When I came to the Senate the emolument of Members of Congress was $7,500 a year. Through the adroitness of some member of the Appropriations Committee the salary was increased to $10,000. So we have plenty of illustrations that $8,000 is an adequate salary.

Mr. WALSH. Mr. President, I venture to say to the Senator from Oregon that there is not a head of a commission in the Federal Government getting less than $10,000. I have in mind the Labor Board created last year. The maximum salaries there are $10,000 a year. I will say to the Senator that I personally should like to see a revision of salaries. In many instances—I do not think it is so in the case of the heads of the important bureaus, but I think in many instances it will be found that the salaries are far in excess of salaries paid for comparable work in private life. I think there are a great many disproportionate salaries in our governmental services, but I do not think they are in the case of heads of these departments. I hope the Senator will not press the amendment.

Mr. McNARY. Mr. President, I inferred from the statement made to me by the Senator from Delaware that the Senator in charge of the bill agreed to the amendment. If I

am mistaken in that respect, I am willing to submit it to the judgment of the Senate.

Mr. WAGNER. I think I made it very clear to the Senator from Delaware that the Senator from Massachusetts [Mr. WALSH], the chairman of the committee, is in charge of the bill, but that I personally would make no objection to the reduction. The one whose judgment should be primarily consulted is the chairman of the committee who reported the bill with many amendments which reflected the views of the committee.

Mr. McNARY. Very well. It is not a substantial matter. I am willing to submit it to the judgment of the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was rejected.

Mr. McNARY. Mr. President, I send forward another amendment proposed by the Senator from Delaware.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 17, lines 8 and 9, it is proposed to strike out the words, "subject to the approval of the President", and after the word "locality" in line 17 on the same page, to add the following:

Provided, That not more than one demonstration project shall be developed in any one city, and such demonstration project shall not exceed in cost the sum of $2,500,000.

Mr. WALSH. Mr. President, is that submitted as two amendments or as one amendment?

Mr. McNARY. That is submitted as one amendment.

Mr. WALSH. The first part of the amendment proposes to strike out "subject to the approval of the President"; the second part of the amendment of the Senator is to limit the development of such projects as may be initiated under this bill to one city?

Mr. McNARY. Yes.

Mr. WALSH. I have no objection to the second part of the amendment. I think it is not objectionable. However, I should like to say to the Senator that we had a very serious debate in the committee as to whether we should have any demonstration projects or not. We thought that the large amount of experimental work, the knowledge and information that have already been acquired by the Government in the creation of housing conditions for people of low income in the large cities ought not to be lost; and that for the sake of presenting desirable projects to the local authorities and afford them the benefit of the knowledge and experience acquired by the Government in this experimental field, we felt that the President ought to determine the question, and that we ought not to agree to have demonstration projects as such without the authority and consent and responsibility of the President. On second thought I think the Senator will agree that that is a condition that improves the bill. It prevents demonstration projects being undertaken without the President knowing of the projects and assuming full responsibility.

If the Senator will omit the first part of the amendment, I will be perfectly willing to agree to the latter part.

Mr. McNARY. Mr. President, the substance of the whole proposal is a limitation of the amount of money that may be expended and of the number of projects in a given city. I shall be very glad to withdraw the first proposal.

Mr. WALSH. Very well; then I accept the amendment so far as I am able to do so.

Mr. LA FOLLETTE. Mr. President, let the amendment as modified be again stated.

The PRESIDENT pro tempore. The amendment as modified will be stated.

The LEGISLATIVE CLERK. In line 17, page 17, after the word "locality", it is proposed to insert:

Provided, That not more than one demonstration project shall be developed in any one city, and such demonstration project shall not exceed in cost the sum of $2,500,000.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Oregon [Mr. McNARY] as modified.

The amendment as modified was agreed to.

Mr. VANDENBERG. Mr. President, if I may have the attention of the Senator from New York, I beg his indulgence, but, in view of the lack of any debate whatsoever regarding this bill and in view of the magnitude of the problem, I again find myself forced to turn to the hearings, as best I may, to see whether there is any legitimate controversy involved. May I ask the Senator who is Mr. Walter Kruesi, of the Welfare Council of New York City, and whether or not he is a reliable and responsible witness.

Mr. WAGNER. Mr. President, I never heard of the gentleman. I have examined his testimony, from which I note that he appeared in his own behalf. I do not know what the New York Welfare Council is. I think the chairman of the committee may recall his testimony; but I doubt whether he spoke with any authority.

Mr. VANDENBERG. Of course, when I find testimony in the printed hearings announcing that this bill is "clumsy, confused, extravagant, futile, dabbling with irresponsible local bodies over the heads of the sovereign States", and when I find that opinion expressed by one who is described as "economic consultant on housing, Welfare Council of New York City", I am challenged by the exhibit, and it sounds quite formidable.

Mr. WAGNER. Of course, the Senator has read observations about other measures, and he knows that someone can always be found who will make similar statements about any Government activities. As I have said, I do not know the gentleman. But the Senator has no doubt read also the testimony of very prominent citizens from all over the country who appeared in favor of this proposed legislation. For instance, I was just noting the testimony of Mr. James G. Couffer, who is a well-known banker of New York, a member of the firm of Blythe & Co., which is one of the larger banking institutions of the United States. He said in regard to the bill:

I appear before this committee as a member of the investment firm of Blythe & Co., and my business is to endorse the Wagner bill. In my opinion, it means that private capital can be drawn into the investment field of low-rent better housing under the terms of the bill.

We have not had an opportunity as yet to study the bill in all of its details, and I am sure you realize the amount of time that would take, so that any testimony which I may give is dependent upon the details of the bill being satisfactory from an underwriting standpoint.

I am not an expert in the field of housing, and it is not my intention to express an opinion as to the social desirability or the technical phases of the bill.

I believe that the proper safeguards and the efficient administration which is made possible under the terms of the bill, its purposes being based on sound principles of economics, will be carried out, and that the social good which is to be derived from the bill will serve to strengthen economic soundness.

I do know the demand for such housing is great enough to insure the investment for many years to come. I also know there are many millions of dollars lying idle searching for investment with reasonable returns, and this law will provide a large field for such capital.

The Senator yesterday expressed interest in the question whether private capital will be attracted by the activities proposed under this bill. Here is an example of a very prominent banker who says that it will be.

Mr. VANDENBERG. Mr. President, if the Senator will permit me to say so, he can prove without any argument that nine-tenths of the hearings completely favor the bill as submitted. The only point I was raising was that there has been no presentation whatever of the other side of the question on the floor of the Senate, and I was regretting that situation if there is another side to the question. I was simply inquiring about some of the testimony that I happened to stumble on as indicating that it is not a noncontroversial piece of legislation by any manner of means.

Mr. WAGNER. The bill was widely publicized, as the Senator perhaps knows, for a period of 2 years. That much the Senator from Massachusetts has just pointed out. Last year there were hearings upon a measure very similar to the one now pending, and representatives of numerous organizations appeared. I previously inserted a list of them in the RECORD. Incidentally, I have a separate list of organizations from the State of Michigan which have approved

the bill, and perhaps some of them may speak with some authority. I will name some of these:

Representative Jesse P. Wolcott; Grand Rapids Federation of Labor; City Council of Dearborn; Mayor Frank Couzens, of Detroit; Kalamazoo City Commission; Detroit Housing Commission; Michigan State Federation of Labor; Council of Social Agencies, Kalamazoo; Calhoun County Council of Social Agencies; legislative committee of Trades and Labor Council, of Muskegon; Battle Creek Federation of Labor; M. & M. Trades Council, of Menominee; Kalamazoo Central Labor Union; Detroit Teachers' Agency; Central Fibre Products of Detroit; Fordson School Women's Club, of Dearborn; Philadelphia Tire & Battery Service, of Detroit; Howell Electric Motors Co., of Detroit; Imperial Electric Co., of Detroit; Master Upholstering Chapter, of Detroit; Kuhlman Electric Co., of Detroit; Virginia Flower Shops, of Detroit; Electric Machinery Manufacturing Co., Detroit; Delta-Star Electric Co., of Detroit; Blue Bird Fur Shop, of Detroit; Elwell Parker Electric Co., of Detroit; the—and this may appeal to the Senator from Michigan—Young Democratic Club, Jackson County, Jackson, Mich.; United Automobile Workers', Local 87, Muskegon, Mich.; Knights of Columbus, Council 923, of Petoskey, Mich.

Those are merely some of the organizations from the Senator's own State which have endorsed the pending bill.

Mr. WALSH. Mr. President, I recall the testimony of the witness to whom the Senator from Michigan referred. I do not desire to make any harsh or unfair comment, except to say that he did not impress me as being an outstanding or influential citizen.

In connection with the statement made by the Senator from Michigan it is only fair to say in behalf of the bill as presented by the Senator from New York that several witnesses were very complimentary of its language and of its construction. I have particularly in mind Dr. Ryan. I think his very first sentence was an expression of appreciation and admiration for the draftsmanship of the bill. The Senator will note the amendments presented by the committee are all of a restrictive nature and have all tended to limit the time and the amount of money that can be expended, and have a tendency to confine the problem within the limits with which the Senator and I are in accord.

Mr. President, the Senator from Michigan [Mr. VANDENBERG] has impressed me with the importance, as I have been impressed from the outset, of restricting the class of people who should occupy at low rental the homes to be constructed by the loans and grants from the Federal Government to those who are really in need or who have not sufficient income to pay a reasonable rent. I am, therefore, going to take the responsibility, and I trust the Senator from New York [Mr. WAGNER] will accept my responsibility, of asking for a reconsideration of the vote by which the committee amendment, on page 4, lines 5 to 16, was agreed to, in order that I may offer an amendment, in line 11, to strike out the word "six" and insert the word "five." That will have a further tendency to restrict and limit the class of tenants who may occupy the premises and bring the occupants nearer to the slum-clearance class. That is the substance of an amendment which the Senator from Georgia [Mr. GEORGE] and myself and the House conferees are putting in a bill now pending dealing with the rental of homes which have already been constructed out of the Federal funds by the Federal Housing Commission.

Mr. WAGNER. Mr. President, I think the Senator will give me credit for having suggested that very formula when we first discussed the question.

Mr. WALSH. That is true.

I ask unanimous consent that the vote whereby the Senate adopted the committee amendment on page 4, lines 5 to 16, may be reconsidered.

The PRESIDENT pro tempore. Without objection, the vote is reconsidered.

Mr. WALSH. I now move to amend the committee amendment, on page 4, line 11, by striking out the word "six" and inserting the word "five."

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, line 11, it is proposed to strike out "six" and insert "five", so as to make the paragraph read:

(2) The term "families of low income" means families who lack sufficient income, without the benefit of financial assistance, to enable them to live in decent, safe, and sanitary dwellings and under other than overcrowded housing conditions: *Provided*, That no family shall be accepted as a tenant in any low-rent housing project whose aggregate income exceeds five times the rental of the quarters to be furnished such family.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. COUZENS. Mr. President, I dislike to inject myself into a matter which has been given so much thought, but I am unable to comprehend the need of five members on the board which is to be created. Every Senator knows that every time we increase or add to the membership of a board or create a new board each member has to have a separate office, a separate secretary, a separate stenographer, and a separate telephone, and thus the expense is materially increased. I should like to offer an amendment, if the proponents of the bill would accept it, to make the membership of the board three instead of five.

Mr. WALSH. Mr. President, I think the Senator has made a valuable contribution by his suggestion. The reason the membership was made five was that the bill as presented provided for five, and because of our many duties elsewhere, as well as in the consideration of the bill, we apparently overlooked the suggestion now made by the Senator from Michigan. I am very happy to agree to such an amendment.

Mr. COUZENS. Then I ask unanimous consent that the vote by which the amendment on page 8, lines 7 to 21, may be reconsidered in order that I may offer my amendment.

The PRESIDENT pro tempore. Without objection the vote by which the amendment was adopted is reconsidered.

Mr. COUZENS. I now offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, it is proposed, in line 9, to strike out the word "five" and insert the word "three"; in line 13, to strike out the word "five" and insert the word "three"; in line 14, after the words "3 years", to strike out the words "one for a term of 4 years and one for a term of 5 years"; and in line 16, to strike out the word "five" and insert the word "three", so as to make the paragraph read:

(b) The management of the Authority shall be vested in a board of directors (hereinafter referred to as the "board") composed of three members, appointed by the President (not more than three of whom shall be of the same political party), by and with the advice and consent of the Senate, and removable by the President, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause. One of the three original members shall serve for a term of 1 year, one for a term of 2 years, one for a term of 3 years, but their successors shall be appointed for terms of 3 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall annually designate one member to serve as executive and administrative officer of the board.

The amendment to the amendment was agreed to.

Mr. McNARY. Mr. President, I desire to offer an amendment to the committee amendment, which will not be out of harmony with the amendment of the Senator from Michigan [Mr. COUZENS] just adopted. An amendment was adopted providing that not more than three of the members of the board shall be of the same political party. That will now have to be modified. Accordingly, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 8, line 9, in the parenthetical clause, it is proposed to strike out the word "three" and insert the word "two", so as to read:

(not more than two of whom shall be of the same political party).

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. GEORGE. Mr. President, I wish to make a brief statement regarding the bill.

For many weeks some of us have been engaged in the Finance Committee giving close attention to the Revenue Act of 1936. It has been entirely impossible for me to read consecutively the pending bill. I regret to make that statement and yet it is a fact. The conferees on the tax bill have been kept in almost constant session, or at least some of us have been constantly at work upon it. For that reason I am wholly unable to say whether this is a bill which commends itself to my mind. Reluctant as I am to make the statement, I think that legislation of this character ought not to be put forward at the end of the session when so many Members of the Senate cannot possibly give to it serious consideration.

Also there is some slight inconsistency in committees of the Senate and of the House working continuously for a number of weeks in an effort to raise some $620,000,000 odd of additional revenue, and at the same time the Congress, without adequate understanding of the bill, is appropriating approximately the same amount of money in one bill without due consideration, for a purpose obviously commendable and desirable; but there are many desirable things that the Government cannot do unless it takes upon itself a burden under which it cannot possibly travel.

In addition to that I must voice my sentiment in saying that I do not accept the doctrine, that it is not a sound doctrine, it is not the doctrine which the Supreme Court of the United States should follow, that the power of appropriation is without just limitation and restriction. I do not accept it at all.

To pass act after act without any due consideration of either validity or legality, but upon the bold assumption that we may pass anything and get by with it, is most deplorable.

Commendable as it is, desirous as it is, to provide low-rent housing facilities to the people of the country and to embark upon a program of slum clearance, it is a roadway when once we set our feet in it that will have literally no end. There is no need to mince words about it. In America, where the political power and authority is vested at last in each man and woman with a ballot in hand, we cannot build houses for a part of our people without building houses ultimately for the remainder of our people. We cannot restrict our program to the large cities. The smaller cities, the villages, and the countrysides have a right to be heard.

Mr. President, having made this statement and preserving for myself my record on this bill, I desire to reiterate that I do not accept the doctrine—it is not sound—that the power of appropriation is without just limit or limitation. I do not accept the doctrine that the Federal Government has any rightful power or authority as here proposed to provide homes for the citizens of the States. I do not accept the doctrine that we can enter upon this program without one day rueing it. I do not know whether the Congress will turn back before we have gone into a state of socialism; but if we do, we must do so promptly.

The members of your committee have been spending literally days and weeks trying to devise means by which we may raise some $620,000,000 in additional revenue; yet, with not more than 2 or 3 hours' debate, at the very end of the session, we are appropriating approximately $500,000,000! What possible excuse can I have for voting an additional tax upon the taxpayers of this country when, without having read consecutively this bill—and I dare say other Senators are in substantially the same unfortunate and unhappy position—I vote to impose an additional liability of nearly $500,000,000 upon the taxpayers, by way of bonds, of course, but bonds issued by the Government, and, as I understand, they are the direct obligations of the Government?

I will vote for taxes, and I shall be glad to vote for taxes, as burdensome as taxes are, if I can have assurance that some time we will hesitate before we incur additional liabilities upon the part of the Government which ultimately call for more taxes upon the people. My course is clear. I am through imposing tax burdens upon the people unless the Congress is at least within sight of the time when it will cease to spend money merely because the end in view is regarded as desirable; and so certainly as the sun shines, the people of this country will hold the majority party responsible for any such course of action as that.

I know the objective is good. I should like to rid every American city of slums. I should like to see every American family, at the cross roads and in the villages and in the cities of this country, in decent housing, and enjoying a decent opportunity for life and health and happiness so far as the house itself can give it; but I do know that there is some limitation—some limitation—upon our ability to spend and to continue to spend.

Mr. President, with every sympathy for the objective of this or any other proposed legislation that looks to the social betterment of the men and women of this country, but with a recognition of the fact that the Government cannot do everything, I am compelled to register my position as against this bill. Not only that, Mr. President, but the Government cannot go into private enterprise with any hope that private industry will again function in this country. American men who have had enough sense to make any money are not going to come in competition with the Government, however wise and beneficent the Government may be, and however it may strive not unfairly to enter into direct competition with its citizens.

Here is a housing program; here is the particular program that calls for a fuller operation of the heavy-goods industries in this country; here is a housing program that will call for reemployment in the heavy- or durable-goods industry but, as here undertaken, is in fact a threat to private enterprise.

You say you are not going to extend your operations all over the Nation. Certainly not; but how does any citizen know whether the housing authority will erect an apartment house across the street from where he contemplates the construction of his building? It is an invitation not to enter the field which has cried so loudly for the return of private capital, which has cried so loudly for private enterprise to step back in gear and put our people to work. Here is an invitation not to do it. It is a sign blazoned across the sky, "Dare not do it!" You may reason about it as you please, but no one with money is going to go into the business of building apartments and housing facilities anywhere with this bill in operation.

It was all right to try out some housing projects in the very depths of a depression that called for the expenditure of money in order that wages might be provided, in order that men might have something to live upon; but we have long since passed the crisis of this depression. American business wishes to go ahead. For months and months and months it has been anxious to go ahead, and every time it is feeling itself ready to take a great forward stride, we come in here with warnings—they are more than warnings—in the form of legislation, and we display to the American people the picture of a Congress that has not yet found the way to get six hundred and twenty additional million dollars in revenue voting away $500,000,000.

Mr. COUZENS. Mr. President, will the Senator from Georgia yield to me for a moment?

Mr. GEORGE. I yield to the Senator. I am yielding the floor.

Mr. COUZENS. I should like to call the Senator's attention to the bottom of page 13. I should not have raised the question, except that the Senator has been drawing attention to the matter of competition. I wish to direct his attention to the fact that he is referring to private initiative and private energy, and putting men back to work through private undertaking; and yet in this very bill not only is the

Government competing in the sense to which the Senator has referred in his able remarks, but a provision of this very bill says:

The Authority—

That is, the Housing Authority—

including but not limited to its franchise, capital, reserves, surplus, loans, income, assets, and property of any kind, shall be exempt from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or local taxing authority.

Mr. President, it seems to me that to pass legislation like that proposed and at the same time to be preaching from the house tops in an effort to encourage business to reemploy men is so inconsistent that no sound argument can be advanced for it.

Mr. GEORGE. I thank the Senator from Michigan.

Mr. WALSH. Referring to the language quoted by the Senator from Michigan, similar language is now to be found in several acts on the statute books, including the Home Owners' Loan Corporation Act.

Mr. COUZENS. I invite the Senator's attention to the fact that the Home Owners' Loan Corporation does not own the property on which it lends money. The pending measure includes a provision for grants where the authorities which borrow the money from the Federal Housing Authority own physical property, and are to be exempt from all taxation.

Mr. WALSH. Only in a limited degree, namely, properties known as demonstration properties will be owned by the Government. All the rest of the money will be spent for grants and loans advanced.

Mr. COUZENS. But the Senator knows there is no limitation on the number of demonstration cases.

Mr. ADAMS. Mr. President, if I may propound a question to the Senator from Massachusetts, the Senator referred to the Home Owners' Loan Corporation, and stated that the exemptions proposed in the pending measure exist as to that. I was under the impression—and I ask the Senator to correct me if I am wrong—that the Home Owners' Loan Corporation is not exempt as to any real property of which it may become the owner.

Mr. WALSH. From taxation?

Mr. ADAMS. Yes. That is my understanding.

Mr. WALSH. It is my understanding that on any real property owned by the Corporation, or which may be acquired through foreclosure, voluntary deed, or otherwise, the Corporation will pay real-estate taxes just the same as any other private corporation or individual, and so such real estate owned by the Corporation would not be relieved of local taxation, which might add to the tax burden of private-property owners.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. VANDENBERG and Mr. McNARY asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I understand that if present he would vote as I am about to vote. Therefore I feel at liberty to vote and vote "yea."

Mr. BARKLEY (when Mr. LOGAN's name was called). I desire to announce the absence of my colleague [Mr. LOGAN] on important official business. If present, he would vote "yea." He is paired with the senior Senator from Pennsylvania [Mr. DAVIS].

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from New York [Mr. COPELAND], who is absent. Not knowing how he would vote, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I am advised that, if present, the Senator from Virginia would vote "nay." If I were permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce the general pair of the Senator from Maine [Mr. WHITE] with the Senator from Indiana [Mr. VAN NUYS].

The Senator from New Hampshire [Mr. KEYES] is paired on this question with the Senator from Mississippi [Mr. HARRISON]. If the Senator from New Hampshire [Mr. KEYES] were present and voting, he would vote "nay", and if the Senator from Mississippi [Mr. HARRISON] were present and voting, he would vote "yea."

Mr. McNARY. The Senator from California [Mr. JOHNSON] is absent on account of illness.

Mr. BILBO. I have a general pair with the senior Senator from Iowa [Mr. DICKINSON]. Not knowing how he would vote, I transfer that pair to the junior Senator from Indiana [Mr. MINTON], and vote "yea."

Mr. BARKLEY (after having voted in the affirmative). I have a general pair with the senior Senator from Delaware [Mr. HASTINGS]. I am authorized to say that if he were present he would vote "nay." I transfer my pair to the junior Senator from Ohio [Mr. DONAHEY] and allow my vote to stand.

Mr. CAREY (after having voted in the negative). I inquire if the senior Senator from Ohio [Mr. BULKLEY] has voted?

The PRESIDENT pro tempore. The Senator from Ohio has not voted.

Mr. CAREY. I have a general pair with that Senator, who, if present and voting, would vote "yea." I therefore withdraw my vote.

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], and the Senator from Nevada [Mr. McCARRAN] are detained from the Senate on account of illness.

The Senator from New York [Mr. COPELAND], the Senator from Ohio [Mr. BULKLEY], the Senator from Illinois [Mr. LEWIS], the Senator from Louisiana [Mrs. LONG], the Senator from California [Mr. McADOO], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained on departmental business.

The senior Senator from Virginia [Mr. GLASS] and the junior Senator from Virginia [Mr. BYRD], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the senior Senator from Indiana [Mr. VAN NUYS] and the junior Senator from Indiana [Mr. MINTON], and the Senator from Louisiana [Mr. OVERTON] are unavoidably detained.

I am advised that if the Senator from Illinois [Mr. LEWIS], the Senator from Mississippi [Mr. HARRISON], the Senator from California [Mr. McADOO], and the Senator from Ohio [Mr. DONAHEY] were present and voting, they would vote "yea."

The Senator from Nevada [Mr. McCARRAN] is paired with the Senator from Virginia [Mr. BYRD]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from Virginia would vote "nay."

The result was announced—yeas 42, nays 24, as follows:

YEAS—42

Ashurst	Byrnes	Holt	Pope
Bachman	Capper	La Follette	Reynolds
Barbour	Caraway	Lonergan	Robinson
Barkley	Chavez	McGill	Schwellenbach
Benson	Clark	McKellar	Sheppard
Bilbo	Davis	Maloney	Thomas, Utah
Black	Duffy	Moore	Wagner
Bone	Fletcher	Murray	Walsh
Borah	Guffey	Neely	Wheeler
Brown	Hatch	Norris	
Bulow	Hayden	Pittman	

NAYS—24

Adams	Dieterich	King	Russell
Austin	Frazier	Metcalf	Smith
Bailey	George	Murphy	Steiwer
Burke	Gerry	Nye	Townsend
Connally	Gibson	O'Mahoney	Truman
Couzens	Hale	Radcliffe	Vandenberg

NOT VOTING—30

Bankhead	Donahey	Loftin	Overton
Bulkley	Glass	Logan	Shipstead
Byrd	Gore	Long	Thomas, Okla.
Carey	Harrison	McAdoo	Tydings
Coolidge	Hastings	McCarran	Van Nuys
Copeland	Johnson	McNary	White
Costigan	Keyes	Minton	
Dickinson	Lewis	Norbeck	

So the bill was passed.

NATIONAL UNEMPLOYMENT AND RELIEF COMMISSION

Mr. MURRAY. Mr. President, I ask unanimous consent for the present consideration of Senate Joint Resolution 284, providing for the appointment of a National Unemployment and Relief Commission.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. McNARY. Mr. President, it is not a pleasant duty to object to any request made by the Senator from Montana. He asks for the consideration of a joint resolution which is different from any I have seen in a good many years of experience in the Senate. It provides for the appointment of a commission by the President. The peculiar thing about it is that it attempts to authorize the President to use $50,000 of funds now in his possession, heretofore appropriated by the Congress for relief purposes.

It occurs to me, Mr. President, that if Congress has parted with the title to this money, the President may use it as he believes best, and the President probably will. I do not know what right Congress has, by a joint resolution, to attempt to direct the expenditure of money now in the possession of the President. Customarily, and with almost unbroken record, when by resolution we take money out of the contingent fund of the Senate, the resolution must go to the Committee to Audit and Control the Contingent Expenses of the Senate. That committee determines whether the money should be expended. In this case there is no report from that committee. The money will not come out of the funds of the Senate. The joint resolution purports to authorize the President to spend money which has heretofore been put into his hands.

With all the work we have before us, I have not had time to go into the measure and give it proper study. The joint resolution is on the calendar. In view of the brief statement I have made, I should not feel authorized at this time to accede to the request and permit the joint resolution to be acted upon.

The PRESIDENT pro tempore. Does the Senator from Oregon object to the present consideration of the joint resolution?

Mr. McNARY. I have so indicated, Mr. President.

I wish the Senator from Montana to understand that the course he should pursue is the course we always pursue in connection with such matters. The joint resolution now under discussion goes in a wholly different direction. I think the Senator should revamp his proposal, and bring it to the Senate conformably with the precedents which have been established through long years of Senate practice. Therefore, on account of its peculiar form, and because I do not believe we should authorize the President to do something we have heretofore authorized him to do, and have given him the money with which to do it, I must object to the present consideration of the joint resolution.

Mr. MURRAY. Mr. President, it seems to me that the problem dealt with by the joint resolution is undoubtedly the most important problem before the country today. Every Senator in this body has given careful thought to this subject. Relief and relief work and unemployment, to my mind, are the most important subjects before the people of the United States today. The Senate should act on this matter before adjournment.

It is obvious that if the measure is not considered at this time, it will not be acted on at all. It is absolutely within the power of the President to use the funds which have been appropriated for relief for the purpose of studying the problem dealt with in the measure. It seems to me we should not permit haphazard methods of handling unemployment relief and relief work. The commission which would be appointed would have time during the recess to consider this subject carefully, and to present a program for the next session of Congress.

I hope the Senator from Oregon will withdraw his objection and allow the joint resolution to be considered at this time.

Mr. McNARY. Mr. President, I rarely make up my mind carelessly. Therefore it is seldom I ever withdraw an objection. The question involved is a fundamental one. The Works Progress Administration is studying this problem. Various committees have studied it. I realize its importance. I say to the Senator that his measure is not in proper form for the Senate to act upon it. If the Senator will bring it up when we have a call of the calendar, when we can fully discuss the measure, I shall be glad to have it considered; but at this time, when the Senate is about to recess for the day, I cannot consent to the consideration of the joint resolution. Therefore I object.

Mr. MURRAY. Mr. President, a short time ago I happened to attend a conference which was attended also by Mr. Hopkins, of the Works Progress Administration. There it was brought out that it is absolutely impossible for the Works Progress Administration to devote the necessary time to the consideration of this problem. It is a problem which ought to be considered by a nonpartisan commission appointed by the President, a commission which will consider it carefully and will be able to go into it in every detail. It seems to me the Senate will be doing a great injustice to the people of the country if it permits this question to go over without being presented to some commission to be acted upon during the recess.

INCLUSION OF SUGAR BEETS UNDER AGRICULTURAL ADJUSTMENT ACT

Mr. COPELAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1275, being House bill 8555, the ship-subsidy bill.

Mr. O'MAHONEY. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. O'MAHONEY. I have asked the Senator to yield in order that I may ask unanimous consent that the Senate consider at this time Senate Joint Resolution 278, Calendar No. 2450. I make the request with the understanding that probably there will be no debate upon the measure.

The joint resolution continues during the adjournment of Congress the sugar-quota system under the so-called Jones-Costigan Act. The committee has reported the joint resolution with several amendments. I am advised that all Members present have agreed not to make objection to the form in which the measure is submitted. While they may be desirous of making statements to explain their position, they are not going to object to the present consideration of the measure.

Mr. COPELAND. Mr. President, I am sorry to say to the Senator—and it is embarrassing to me because of the peculiar situation—that I have an amendment which I should like to offer to the joint resolution. I should prefer, before doing it, to discuss it with the Senator. Would he not be willing to wait until tomorrow before submitting his request?

Mr. O'MAHONEY. Of course the Senator appreciates as well as or better than any Senator present how imperative it is to secure action upon the measure at this time. The joint resolution would add nothing to the present law. Numerous Senators would like to offer amendments changing the present law. I am confident that the amendment which the Senator from New York has in mind would have that effect.

Mr. COPELAND. The amendment I have in mind relates to Puerto Rico. I often say facetiously that my colleague and I are the Senators from Puerto Rico. We have a large Puerto Rican population in our State.

Mr. O'MAHONEY. The Senator has very ably represented them.

Mr. COPELAND. The Senator is very kind to say that. The amendment which I desire to propose—and I am sorry

I have not had time to discuss it with the Senator from Wyoming——

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McNARY. What is before the Senate?

The PRESIDENT pro tempore. The Senator from Wyoming requested the Senator from New York to yield to him for the purpose of asking unanimous consent for the immediate consideration of a joint resolution. Consent has not as yet been given.

Mr. COPELAND. Mr. President, I may say to the Senator from Oregon that I had moved to proceed to the consideration of the ship-subsidy bill when the Senator from Wyoming requested me to yield that he might ask permission for the consideration at this time of his joint resolution.

I may say that in the case of Puerto Rico my amendment would provide that the direct consumption of sugar shall be fixed by an amount not exceeding 22 percent of the quota established for Puerto Rico, which shall be prorated among the Puerto Rican producers on the basis of past participation in the quota. Would that interfere with the plan of the Senator from Wyoming?

Mr. O'MAHONEY. I regret to say that it would because it involves a change in the present quota system and would necessarily open the door to amendments being offered by other Members of the body. For example, both Senators from Louisiana would like very much to offer amendments which would change the present system. The senior Senator from Florida [Mr. FLETCHER] and likewise the junior Senator from Florida [Mr. LOFTIN] would like to do that. On behalf of certain sugar producers in the West I should like to offer an amendment changing the preferential rate for domestic production. All those suggestions would involve debate and would make impossible the continuation of the system during the interim between the final adjournment of the present session and the beginning of the next session of Congress.

I may say further that I understand the junior Senator from Louisiana [Mrs. LONG] is desirous of making a statement setting forth in full the position of the sugar interests of Louisiana; but, as already stated, under the circumstances, she will not offer an amendment at this time.

Mr. COPELAND. I shall not insist if the Senator feels that way about it. I am not prepared to debate the question as I should like to do, and therefore I shall not press the amendment which I had in mind.

Mr. O'MAHONEY. Then I renew my request for unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 278.

The PRESIDENT pro tempore. The joint resolution will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 278) to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. McNARY. Mr. President, I do not know that I shall enter any objection to the request if it does not lead to debate. I am very anxious to conclude the session today. I do not want to go too deeply into measures on the calendar.

Mr. COUZENS. Mr. President, will the Senator from Oregon yield?

Mr. McNARY. Certainly.

Mr. COUZENS. I may say to the Senator that the Senate Finance Committee gave a great deal of consideration to the question involved in the joint resolution. A subcommittee of that committee held extended meetings and took considerable testimony. After we had concluded, we simplified the provisions of the joint resolution as much as possible so as not to disturb the status quo so far as quotas and other activities of the sugar section of the Agricultural Adjustment Act are concerned.

I believe consideration of the joint resolution will not take long and I hope there will not be any objection to considering it at this time.

Mr. McNARY. I shall withhold any objection unless it leads to debate, and then I shall have to ask for the regular order.

Mr. VANDENBERG. Mr. President, I agree that the joint resolution should be passed, and promptly. I desire to speak only 2 or 3 minutes to explain the position which I must necessarily take in connection with it. I have no objection to the Senate proceeding to its consideration.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. McNARY. Mr. President, the Senator from New York [Mr. COPELAND] moved to proceed to the consideration of the so-called ship-subsidy bill. Is not that the pending question?

The PRESIDENT pro tempore. The Senator from New York made the motion and then yielded by unanimous consent to the Senator from Wyoming [Mr. O'MAHONEY] to submit his request, which temporarily sets aside the motion of the Senator from New York.

Mr. McNARY. That operates only temporarily to set aside the motion of the Senator from New York.

The PRESIDENT pro tempore. The Senator is correct. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 278) to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes, which had been reported from the Committee on Finance, with amendments.

Mr. FLETCHER. Mr. President, there are a number of Senators who desire to offer amendments to the joint resolution. We are not entirely satisfied with it. I do not believe any debate will be involved.

Representing in part the sugar interests of Florida, I may say my constituents are opposed to the restrictive provisions of the law. They are in favor of unlimited production. They do not like the quota provisions. However, we are not going to offer amendments and we are not going to oppose the passage of the joint resolution.

Mr. VANDENBERG. Mr. President, I desire to make a brief statement with reference to the pending joint resolution. I agree with the Senator from Wyoming [Mr. O'MAHONEY] that it is necessary to pass the joint resolution, but I agree only because we in the sugar-producing sections of the country find ourselves totally helpless to be protected otherwise.

The fact that the tariff was twice reduced on sugar by the President in the face of a clear demonstration by the Tariff Commission that it should not be reduced leaves us entirely at the mercy of foreign competition except as the quotas are continued. The only way the quotas can be made effective, at least until Congress can again assemble for the purpose of dealing with the subject rationally, is through the passage of the joint resolution.

On behalf of the sugar-beet producers of the eastern continental area, I assert that they favor the passage of the joint resolution, provided it is distinctly understood that they dissent completely from the philosophy of the restriction which is now being applied to a domestic agricultural crop which is not on a surplus basis. There would be no need for any legislation whatsoever respecting sugar if the American producer could have his own market; and it is an utterly amazing thing to me that he cannot have it. In the absence of legislation to secure it for him—and I assume we may hope to get it at the next session—the Senator from Wyoming is right; there is nothing left for us to do except to persist in the existing quotas; and I hope the joint resolution will be passed.

Mr. LOFTIN. Mr. President, I desire to state for the RECORD that the Florida sugar producers are in favor of

abolishing all restrictions on production of sugar in continental United States, and repealing all benefit payments. As the joint resolution extends the present law only until January 1, 1937, and the whole subject will be considered at the next session of Congress, the Florida producers are agreeable to the extension for this period, but will urge their views for adoption when the present law expires.

The PRESIDENT pro tempore. The amendments reported by the committee will be stated.

The amendments were, on page 2, line 17, before the words "per centum", to strike out "40" and insert "30"; in line 20, before the word "quota", to insert "sugar-marketing"; and at the end of the joint resolution, to strike out sections 3 and 4, in the following words:

SEC. 3. For the purpose of restoring the average purchasing power of the producers of sugar beets and sugar cane in continental United States, Hawaii, and Puerto Rico, the Secretary of Agriculture is authorized to make payments to such producers subject to any of the conditions heretofore made effective by the Secretary under the authority of said amendatory act at a rate not to exceed 50 cents per hundred pounds of sugar, raw value, commercially recoverable from sugar beets or sugar cane produced during each of the calendar years 1936 and 1937 not in excess of the proportionate share of the producer in the initial marketing quota for his area for each of said years. Such basic rate shall be that which is determined by the Secretary to be necessary to give producers of sugar cane and sugar beets in continental United States a purchasing power per such unit of 100 pounds raw value equal to the average purchasing power obtained therefrom for the 1935 crops, said rate to be adjusted to allow for any sums obtainable with respect to sugar beets or sugar cane production or land used for such production under the Soil Conservation and Domestic Allotment Act.

SEC. 4. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sum not to exceed $30,000,000 annually to carry out the purposes of this resolution, including all necessary expenses of administration.

So as to make the joint resolution read:

Resolved, etc., That under the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, no further processing, compensating, or floor-stocks tax shall be levied or collected respecting sugar beets or sugar cane or the products thereof as defined by such act as amended nor shall any contract be entered into under the provisions of such act, as amended, with the producers of sugar beets or sugar cane, but in all other respects such amendatory act shall be and remain in force and effect until December 31, 1937, and the quotas established and allotments heretofore made by the Secretary of Agriculture are hereby ratified.

SEC. 2. In order to regulate commerce with Cuba and other foreign countries, among the several States, with the Territories and possessions of the United States, and the Commonwealth of the Philippine Islands, with respect to sugar, the quotas for the respective sugar-producing areas shall be the same (subject to modification or adjustment by the Secretary of Agriculture under conditions set out in such act) for the calendar years 1936 and 1937 as those initially established by the Secretary of Agriculture for the calendar year 1936: *Provided*, That for the calendar year 1937 there shall be allotted to continental United States not less than 30 percent of any amount of consumption requirements therefor above 6,452,000 short tons, raw value: *Provided further*, That any sugar-marketing quota may be allotted by the Secretary of Agriculture, in order to prevent disorderly marketing or importation of sugar, on the basis of prior allotments under such act, changes in marketing since the first such allotment, marketings during the calendar year 1935, and ability to perform.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

TERMS OF COURT AT ORANGEBURG, S. C.

Mr. BYRNES. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield to the Senator from South Carolina.

Mr. BYRNES. I ask unanimous consent for the present consideration of House bill 12, providing for holding terms of the district court at Orangeburg, S. C. It involves no expense to the Government.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina?

There being no objection, the bill, H. R. 12, to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the eastern district of South Carolina is divided into five divisions, to be known as the Aiken, Charleston, Columbia, Florence, and Orangeburg divisions. The Aiken division shall include the territory embraced in the counties of Aiken, Allendale, Barnwell, and Hampton. The Charleston division shall include the territory embraced in the counties of Beaufort, Berkeley, Charleston, Clarendon, Colleton, Dorchester, and Jasper. The Columbia division shall include the territory embraced in the counties of Kershaw, Lee, Lexington, Richland, and Sumter. The Florence division shall include the territory embraced in the counties of Chesterfield, Darlington, Dillon, Florence, Georgetown, Horry, Marion, Marlboro, and Williamsburg. The Orangeburg division shall include the territory embraced in the counties of Calhoun, Bamberg, and Orangeburg. The terms of the district court for the Aiken division shall be held at Aiken, for the Charleston division at Charleston, for the Columbia division at Columbia, for the Florence division at Florence, and for the Orangeburg division at Orangeburg.

SEC. 2. That the divisions of the western district of South Carolina, as now provided by law, shall remain unchanged and are not affected by this act, and all other provisions of the said act remain unchanged, as now provided by law.

SEC. 3. That the terms of the District Court for the Eastern District of South Carolina, in addition to the times and places now provided by law, shall be held at Orangeburg, in the county of Orangeburg, in the State of South Carolina, on the third Monday in November and the second Monday in April of each year hereafter: *Provided*, That facilities for holding court at Orangeburg are furnished free of expense to the United States.

SENATOR GEORGE W. NORRIS

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. The Senator from New York.

Mr. BONE. Mr. President——

Mr. COPELAND. Does the Senator from Washington wish me to yield in order that he may make a speech?

Mr. BONE. I should like to have the Senator yield to me for a brief observation as to one of our colleagues. I do not wish to take the Senator from the floor, and I hope no one will object to that procedure.

Mr. COPELAND. If the Senator desires to speak for some minutes, I really wish he would let me test the temper of the Senate and see whether or not my motion will prevail.

Mr. McNARY. Mr. President, what is the request of the Senator from Washington?

Mr. BONE. I merely wish to occupy the floor very briefly to make some observations on one of our distinguished colleagues; and I hope no one will object to the Senator from New York yielding the floor to me for that purpose.

Mr. COPELAND. Mr. President, if I will not lose the opportunity to press my motion, I will yield to the Senator.

The PRESIDENT pro tempore. No; by unanimous consent the Senator may temporarily yield for that purpose. If there should be any objection, the Senator could not yield the floor without losing it.

Mr. BONE. Then I ask unanimous consent that I may occupy the floor for the purpose I have stated, and that the Senator from New York may not thereby lose the floor.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. BONE. Mr. President, I cannot believe it possible that the people of Nebraska, or of the entire country, will permit GEORGE W. NORRIS, Senator of the United States from Nebraska, to retire from public life. I know that he has labored long, and that he is entitled to rest; but his outstanding work, his remarkable achievements, his record of unbroken promises, have developed among the masses of our people a confidence in him which cannot be ignored.

To this man have been given natural gifts which have been polished by experience until now, on almost any question, it is only natural for many Members of this body to turn to him for advice and counsel. He has been blessed with the vision, the courage, and the love for humanity which have made of him an institution, and the people are not ungrateful.

Our well-loved colleague has had a most remarkable career. He served several years as prosecuting attorney. Then in 1895 he was elected district judge of the fourteenth

judicial district in Nebraska. He was reelected in 1899. On the bench, he gave evidence of his keen sense of justice and fairness. He was elected to the House of Representatives in the Fifty-eighth Congress, taking his seat in 1903, and remained a Member of that body until he entered the Senate in 1913.

While a Member of the House of Representatives, our colleague began his historic career in these legislative halls—a career which the American people, who now need him so much, cannot conceive as concluding. NORRIS, the restless champion, the ever young; how can any one conceive of it? In the House of Representatives he did not take the easy way. He joined in the fight against autocratic powers of the Speaker, and the door was opened to legislative progress.

It is hard, almost impossible, for the American people to sense the passage of time as affecting in the least great men and great events. There is a timelessness about them. It is hard for me to consider this body without a Senator NORRIS; and even those now just beginning to accept seriously the responsibilities of citizenship must have that feeling, too. A few weeks ago, young Democrats in California took a vote to select from all the men who have served in this body those who have made the most substantial contribution to this country. These young Democrats, idealistic, patriotic, selected Senator NORRIS' name to be joined with those of Clay, Calhoun, and Webster. Men in this body have an opportunity to serve the people regardless of party; and it makes me happy to know that these young Democrats in far-off California voiced their appreciation, as I now do across the aisle, to our illustrious colleague who has so completely earned the respect and confidence and faith of the American people, regardless of party.

In this greatest free forum in America, GEORGE NORRIS and a then contemptuously regarded few stood and spoke and voted against plunging this country into a conflict the ultimate dire consequences of which we do not know, and perhaps will not know for generations. I think of that fateful hour on each occasion when this body, in which I, too, am now privileged to serve, considers appropriations for hospitals, widows, the blind, and the economically crippled as a result of the consequences of war. We all recall the bitterness, the scorn with which the brave few were confronted who here gave voice to their courageous convictions on that occasion.

Committed to the war, the people of Nebraska gave magnificently of their substance, and their young manhood, as did the people of every other State, but even as the khaki-clad doughboys were marching down the streets of Nebraska cities to go to a war against which their Senator had voted, the citizens of Nebraska, in uniform and out, went marching to the polls in 1918, and returned to the United States Senate, in the face of the most frenzied attacks upon his patriotism and integrity, a beloved leader who their hearts as well as their heads told them was as courageous and loved his country as much as the very doughboys who were going away to fight for it. They then could not have foreseen, as he did, that the consequences of the war to save democracy would be an end to democracy in so much of the civilized world.

The Members of this body may take pride in the fact that not until the Democrats came into power in Congress under the outstanding leadership of Speaker Garner, now Vice President, and presiding officer of this body, was it possible to secure an untrammeled vote so that the Norris "lame duck" amendment to the Constitution could be passed, and the people of Nebraska must have felt toward their Republican Senator as did the Democratic Members of Congress, because in 1934 the people themselves accepted his judgment despite the opposition of the newspapers and the practical politicians, and themselves adopted an amendment to the State constitution providing for a one-house legislature.

It is not necessary to decide here the great contributions, both to this body and to the country, made by the distinguished Senator from Nebraska. As a Democrat, I am happy in the knowledge that a great many of the high purposes to which Senator NORRIS has given years of struggle were brought to fruition with the aid of a Democratic President. One of the most monumental of all human achievements in American history, involving the future of millions of our countrymen, grew out of his long fight for the preservation of Muscle Shoals for the people, and it stands today a symbol of unbroken promises, a monument to a covenant with his people made 30 years ago that he would never forsake a fight for them.

I understand that, although Senator NORRIS did not submit his name in the primaries of his party, the people of Nebraska are now circulating petitions urging that they be permitted to send back to these Halls the Senator of the United States who comes from their State and of whom they are so proud and whom they love so well. I, for one—and I know that I voice the feeling of many here present—join in spirit with the people of Nebraska who are petitioning their Senator to carry on. These are troubled times. The people cannot afford to lose a valued soldier in their cause—the great statesman who speaks for them.

It is impossible to define the far-reaching effect of Senator GEORGE NORRIS on the life of America. We talk about the executive arm, the legislative arm, the judicial arm of the Government; but these can give no real and permanent security unless we have more men like Senator NORRIS in our public life. It is his type—an epitome of something fine and clean in this great Government of ours—that can give a new significance and commanding dignity to American political life. He must not go from our midst. His life, as manifested in service and complete devotion to his fellow men, is not of yesterday or of tomorrow; it is of all time.

Mr. President, at this point I ask unanimous consent to insert in the RECORD as a part of my remarks a very brief chapter from a book by Oswald Garrison Villard entitled "Prophets, True and False", covering the career and character and work of GEORGE W. NORRIS.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

[From Prophets, True and False, by Oswald Garrison Villard]

GEORGE W. NORRIS—NOBLEST OF THE ROMANS

To GEORGE W. NORRIS, *United States Senator, Greeting:*

"For 20 years you have sat in the seats of the powerful in Washington and served your country faithfully and well. During all that time, unlike many of your legislative associates, your soul has been your own, your vote the vote of conscience. Wherever you have gone, men have respected you, political opponents have envied and feared you. They saw you enter the Senate a reformer, a progressive; some among them laughed cynically and, pointing to many an example in the Senate Chamber, declared: 'The system will overcome him.' The system found itself baffled by a brave and honest man. The years passed, you were progressive still. The Great War came, beclouding men's minds, instilling passion into their hearts, making them give out only words of hate and unreason. You remained clear in vision, temperate in speech, loyal to the core. You voted against the war which was a crime against America and its every ideal, and in so doing you kept the American faith. You have kept it ever since. Always you have been the captain of your soul."

In these words, the editor of the Nation began an appeal to GEORGE W. NORRIS, which had its share in inducing the Senator to reconsider his decision to retire and again to become a candidate. He was at that time, December 1923, not unnaturally depressed. He saw that the high hopes with which he had entered public life had come to naught; that the World War had effectively blocked any progress, had bound and trussed liberalism everywhere; that corruption was rife in American life even among the highest; that the public, emotionally exhausted during the war, was determined to be let alone with its pleasures and its prosperity; that there was no powerful progressive or humane sentiment to which to appeal. Weary and downcast, the thought of rest and tranquillity far from the madding strife of the Nation's Capitol wooed him. But when he came to take counsel by himself with his conscience, when he took note of the appeals to remain in public life with which he was flooded, there was only one decision he could reach. He put aside the ease that a man has earned at 62, and was triumphantly reelected to the Senate.

Yet this was another of the men who was branded as unpatriotic and damned from one end of the country to the other because he insisted on his right to his conscience—a right exercised by John Jay, by Abraham Lincoln, and in 1898 by some of the finest spirits in this land. The whole power of the Government was thrown against the dissenters in 1917 because the Government had a bad conscience and knew that the people but 6 months before had voted to sustain the policy of peace. Some men it broke, but some it could not. The character of Robert

La Follette and GEORGE NORRIS, and others, was not to be wrecked even in that convulsion of hate, and falsehood, and passion which shook the country in 1917. Those men had by their rectitude, their devotion, and their honor, won a place in the hearts of their constituents from which they could not be ousted.

Mr. NORRIS has himself set forth what happened to him after his refusal to vote for the armed-neutrality legislation, in a remarkable letter published in the Nation for January 25, 1928. He was at once the subject "of almost universal condemnation not only in the Senate but outside"; there were calls from the press of his State and from many organizations for his resignation. He neither recanted nor ran away nor trimmed nor sulked in his private office. On the contrary, he at once wrote to the Governor of Nebraska saying that he recognized the right of the citizens of Nebraska to have a Senator in Washington who voted as they wished, but that he would not have voted for the armed-neutrality bill "even if every voter in the State had demanded it." He therefore asked the Governor to obtain from the legislature authority to hold a recall election, so that the people could oust him from office if they saw fit. The Governor refused to do this, and Mr. NORRIS rented a public hall in Lincoln, Nebr., the capital of the State, advertised the fact, and stated that on the following Monday he would account for his acts to all who cared to come and hear him. On his arrival in Lincoln the day before, he was warned that his meeting would be broken up and that he would be mobbed—perhaps killed. Only one reporter called on him to get his views. His friends were afraid to be seen with him. It did not seem wise to ask anyone to serve as chairman of the meeting.

What finally happened Mr. NORRIS described in these words:

"Long before it was time for the hall to open, the street in front was crowded with people and, when the doors were opened, this auditorium, the largest audience-room in the city, was filled to overflowing. Extra chairs were carried in and the aisles were filled. Every seat on the stage was occupied. When I walked out from one of the wings I was met with absolute silence, but I had not proceeded far until I knew that the common sense of the Nebraska people was awake. The first sentence I uttered was that I intended to tell them the truth about the difficulty, and that it would be something that they had not been able to get from the newspapers. That was when the audience broke loose. The people stood up and yelled. I realized then that if an organized bunch of fellows were scattered through that audience, intending to break up the meeting, they, rather than I, would be the victims of the mob. The audience included members of the legislature and people who had come to Lincoln from 150 miles away. These people had become impressed with the fact that the press had not been fair; that it had not told the truth.

"It seemed to me a demonstration that the American mind demands fair play; that it insists that the under dog shall have his hearing and his day in court; and it demonstrated to me that underneath the deception and the misrepresentation, the political power and the influence, there was, in the hearts of the common people, a belief that there was something artificial about this propaganda, and that so-called leaders of public sentiment, both in and out of public life, were being carried off their feet by misrepresentation and even by falsehood. In that hour I felt repaid for all the turmoil, the agony, and the suffering that I had endured. I would be willing to go through it all again, for a vindication such as I received on that occasion. I was deluged with requests to deliver other speeches on the subject of the armed-neutrality bill, but, as my stay in the State lasted only 2 or 3 days, I was unable to accept many of them. My experience was the same, however, in every meeting that I addressed while I was in the State."

It is alleged by the Nebraska State Journal, in commenting on this letter that Mr. NORRIS exaggerated the danger he was in and the temper of the people, and it suggests that he is of those who are apt to feel, and happy to feel, that they are martyrs. That may be. But no one who went through that period of history and opposed the Wilson policies slept upon a bed of roses. Mr. NORRIS went back to Washington and upheld its finest traditions by voting against our going into the war.

What that plunge into the maelstrom of European hatreds, jealousies, and rivalries netted the United States Mr. NORRIS has set forth in an interview he gave on the tenth anniversary of Congress's yielding to Mr. Wilson's wishes, and our entering the war:

"We went to war to make an end to militarism, and there is more militarism today than ever before.

"We went to war to make the world safe for democracy, and there is less democracy today than ever before.

"We went to war to dethrone autocracy and special privilege, and they thrive everywhere throughout the world today.

"We went to war to win the friendship of the world, and they hate us today.

"We went to war to purify the soul of America, and instead we only drugged it.

"We went to war to awaken the American people to the idealistic concepts of liberty, justice, and fraternity, and, instead, we awakened them only to the mad pursuit of money.

"All this, and more, the war brought us. It is our harvest from what we sowed.

"You ask me if I would vote again today as I voted 10 years ago. The answer is, I would."

This man typifies within himself the best in America: unselfishness, devotion to duty and to principle, absolute fidelity to a trust, courage, and integrity. If ever there was a self-made man, this is he. His illiterate father, dying when George was 4 years old, left 10 daughters besides his son; their mother could barely read or write. His life as a child was embraced "within 80 acres of stumps" in Sandusky County, Ohio. It is only the exceptional spirit that can rise out of such surroundings, such grinding poverty, and overcome such handicaps. Even when they are overcome, the marks they leave are too often permanent; too often the bitterness of the struggle hardens the nature, renders callous the spirit. The extraordinary thing about this man is that he came through it all and has weathered the storms of 25 years as Congressman and Senator without becoming in the least embittered or hard, despite his periods of intense depression.

Go to his offices and you will find him accessible, dignified, modest, unassuming, straightforward in his thinking and his acting; a quiet-mannered and low-voiced gentleman, who knows what he talks about or else keeps silent. No "side" here; no assumption that his long public service has made him Sir Oracle; but plenty of deep and sincere feeling, the earnestness of a truly religious and devoted character. He is the greatest antidote for pessimism that we have in Washington since the death of Robert La Follette. For he has proved that a man may always be true to the faith that is in him and yet win the abiding support of an American electorate. He constantly revives our belief in the usefulness of legislators in Washington; yes, of Congress itself. It is now the fashion to gibe and sneer at the National Legislature, to assert that its Members do nothing but loaf and talk, and that the country would be much better off if it met only every other year for 5 or 6 weeks and then went home. It is a falsehood. The amount of business that Congress transacts, and of that which it ought to transact, is truly enormous, and, as the issues before the country become more and more economic rather than political, their importance and their difficulty will steadily increase. A comparison between the questions confronting Congress during the first administration of Grover Cleveland and those with which it is endeavoring to grapple today will cure any honest man of the belief that a congressional job is a sinecure.

One can, of course, loaf through 2 years in Congress or 6 years in the Senate. But not if one is made of the same fiber as Senator NORRIS. Once I asked him his views on a foreign issue. To my surprise he had none. This was his apology: "For 2 years I have been absolutely absorbed in the Muscle Shoals problem. It is so difficult, so far reaching in its ramifications, that in order to master it I have had to concentrate upon it and to exclude from my mind all other matters that were not absolutely essential." Yet Muscle Shoals was only one of the gigantic problems which the Senate was compelled to face, problems that can only be solved by deep and intelligent study of technical points as a rule considered exclusively by technicians and engineers. When one considers that in this same session the Senate has also had to grapple with Mississippi River flood prevention, with the Boulder Dam problem gravely involving the future of seven States, to say nothing of naval policy, of taxation, of foreign affairs, and of the oil scandals, and all the other issues, one comes to recognize that he who sneers at or would ridicule the Senate writes himself down as ignorant and without understanding of the burdens upon the most interesting, and educational, and useful institution in our political life.

To return to Muscle Shoals, Mr. NORRIS began his study of it 6 years ago—in 1922—and speedily realized that it was one of the most important subjects before the country. He became convinced that this great power plant, upon which the United States has expended more than $150,000,000, originally to manufacture nitrate for munitions, presented a problem of vital importance to the Nation. After the war it was decided to dedicate it to the making of nitrates for fertilizer and everybody, except Mr. NORRIS, said, "Oh, let's turn it over to the highest private bidder and get rid of the plaguey thing." But Senator NORRIS discovered that cheaper methods of making nitrate have appeared and that the real possibilities lay in the use of the huge water power for the manufacturing of electric current—cheap current that would enormously benefit manufacturing and industry throughout that part of the South to which it could be made to minister. Twice Mr. NORRIS appeared to have lost his fight, first when the House passed a bill to accept Henry Ford's offer to take it all over. But Mr. NORRIS studied and punctured Ford's plan and, finally, Ford withdrew his offer.

Next, Senator Underwood drafted a bill turning Muscle Shoals over to private power interests, presumably the great Alabama Power Co. In 1926, Congress adopted the Underwood proposal, Senator HARRISON of Mississippi fathering it. With his back to the wall, Senator NORRIS defeated the bill on a point of order after it had passed both House and Senate and a conference report had been submitted. It seemed then, and it seems now, a miracle. In 1927 the Senate Committee on Agriculture favorably reported the Senator's plan, and in 1928 a first victory came to this great-hearted fighter. The Senate by a vote of 48 to 25 adopted his plan for Government control and management. Mr. NORRIS had been ill for weeks. But he pulled himself together and went into action, talking for the better part of 3 whole days despite his weakened condition—and won. Yet there are those who would cloture debate in the Senate. Years of talking, years of incessant labor, of almost incredibly severe industry, carried the day. The House of Representatives is yet to vote—Mr. NORRIS testified for 4 hours before the responsible House committee with marked

effect. The outcome is still doubtful, but at least the chances are that it will be a long time, if ever, before Muscle Shoals goes into private hands.

Like everybody else, I admire profoundly Colonel Lindbergh's great feat. But when I think of the medals showered upon him by all the world and think of what Senator NORRIS' work in the Senate has meant for his country, I bemoan the fact that Senator NORRIS, too, is not given the highest award within his country's gift. As I write, the Navy Department is seeking to obtain from Congress a medal of honor for an officer who bombed some Nicaraguan "bandits" and then stood their fire while he helped remove our wounded. Will the world, one asks, never recognise adequately its greatest heroes?

Well, Senator NORRIS seeks no medals, and no reward, save that of his own conscience. With him the fight's the thing. Four times he has seen the Senate pass his bill to end the so-called "lame duck sessions" of Congress—the session after an election in which sit the defeated candidates for a year after their defeat, many of them trying their best to bargain offices into their keeping. Four times the House has killed it by order of the Republican clique which controls the House. Eventually it must pass. Senator NORRIS may not be there to see the victory, but it will come and will be another monument to his preeminent public service. Merely to call the roll of the measures he has fought for and sponsored would take pages. Indeed, he began his career of courage and independence by demanding in 1903 a revision of the choking rules of the House of Representatives, upheld by Speaker Cannon, and by taking the lead in that fight, although a new Member. In this same contest, as told elsewhere, Senator Curtis fought for Speaker Cannon; and today, although a mere rubber stamp for the party, he is a serious candidate for the Republican nomination for the Presidency. The Republican Party which will not think of nominating Senator BORAH, its ablest Senator, would still less think of nominating its most high-minded, its most industrious, its most unselfish; in short, its finest Senator—NORRIS, of Nebraska.

So Mr. NORRIS looks forward to going back to Nebraska in 1931, but not to rest. He has seen another great vision and would like to become Governor of Nebraska in order to make that vision take on reality. He wishes to lead in reforming our State governments now utterly outworn in form, governed by Lilliputian politicians for private or party advantage, pretending to split on the lines of national issues—Republicans against Democrats! Mr. NORRIS wishes to brush this all aside and to make over State governments at one swoop by creating a one-house legislature of about 25 members to be elected, together with a small slate of officials, on a nonpartisan ticket. He would consolidate or abolish many of the State officers and put all employees under civil-service rules. A dream? No; a perfectly practical, sensible, businesslike scheme which would be instantly adopted if politics could be banished and our States treated as the simple business entities that they are. It is no more revolutionary than was the city-manager plan when first proposed, and it would do far more good for the country than any single measure for the reorganization of our governmental machinery since the Civil War.

Here let us leave GEORGE W. NORRIS, quickener of our faith in our Congress; yes, more than that, in our country and its institutions. No one can believe that this Nation is likely to be wholly submerged by a crass materialism when men such as he can be produced to achieve great things by their own unaided efforts, by their courage, their simple bravery, the force of their unspotted characters. Here is one to offer a wreath of admiration and gratitude to him not after he is dead, but while he still lives and serves his fellow men—the noblest Roman of them all.

Mr. BONE. I also ask that as a part of my remarks there be inserted in the RECORD an article from The Forum of April 1936 on Pillars of Government, dealing with the career of the Nebraska statesman.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Forum, April 1936]

PILLARS OF GOVERNMENT—GEORGE W. NORRIS

By Oswald Garrison Villard

The man who sat across the desk from me swung in his seat and looked away, not fast enough, however, to hide the moisture in his eyes. For he is deeply emotional, as he is profoundly spiritual—and religious in the true sense. I had been making the most earnest and eloquent appeal to him of which I was capable, begging him to stay in public life. He only shook his head.

"Ask", I said, "a group of your friends to come together and advise you."

"What is the use?" he replied. "I know what they would say and I cannot do it."

Weeks later President Roosevelt declared to the assembled correspondents in the White House offices that the people of this man's State should insist on GEORGE W. NORRIS staying in the Senate of the United States as long as he lives. I do not recall a similar Presidential appeal, or at least one as unreserved and enthusiastic, in all my years of journalism; yet at this writing Senator NORRIS still refuses to let his name go before the Republican primary, with the result that his most enthusiastic backers declare that they will elect him, willing or unwilling, even if he stays out.

It is natural that Senator NORRIS should seek to retire and equally natural that the public should demand more service from him. He is in his seventy-fifth year. He has spent 33 years in Washington—they will be 34 by next fall—first serving five terms as Congressman and then four 6-year terms as Senator. It is hardly to be wondered that, after all these years of unremitting labor, marked by few real vacations or sharp breaks in his official career, he should seek to spend his remaining years in rest and quiet, to control his own time for what is left of his life. More than that, he is deeply saddened by much of what he sees going on around him; his is the nature to be conscious of the futility of much that is happening even in the moment of a great achievement. So are all true idealists never without pain in their moment of happiness—pain because of the needless misery and suffering about them, the incredibly slow progress of justice and reform, the folly and stupidity of men set down in a most beautiful world. Then, like the Czechoslovakian President Masaryk and other wise statesmen, GEORGE NORRIS is eager to retire with faculties unimpaired, with his mind as keen as ever, his zest for his work unabated. Yet—after 34 years in Washington it is not so easy to cut one's self off from official life and retire to relative obscurity.

Not that glory and power have meant anything to him—as little as to any statesman I have ever seen. But he is conscious of the devotion of his friends and what he owes to them, and his gratitude toward the people of his own State he could not, I am sure, trust himself to put into words on any platform. They stood by him in days of evil as well as good repute; they have been loyalty itself in the face of the bitterest denunciation, the fiercest antagonism. They have never allowed themselves to be fooled about him very long. Nebraskans have known him for what he was and is, an utterly unselfish and devoted man never seeking to aggrandize himself and bent only upon serving them well. They recognize him rightly as one of themselves. He is more than that. He concentrates in himself the finest qualities of the average American. He is no great orator, no pretentious leader, no cocksure vendor of sovereign cure-alls for our ills. Indeed, it has been written of him that he is "a Senator without a political formula." That is true; but even more so is the fact that he is a Senator with the highest personal standards, a Senator with a conscience, a Senator who knows that his electorate sends him to Washington not to do blindly what it wishes but what his conscience and his principles tell him to do. This he knows because, as we shall see, on one historic occasion he received their direct assent to this guiding rule of his personal and political life.

MEMORIALS

Four great monuments GEORGE W. NORRIS has builded to himself, in addition to many lesser ones, in addition to the example he has set of Spartan and high-minded virtue. Thereby he has once and for all given the lie to those who say that it is no longer any use to send good men to Congress; that the party machine is all-powerful; and that if you do not stand in with it and thus win high committee assignments you can never get anywhere; that political independence in Congress is an impossible thing. Almost by himself GEORGE NORRIS brought about an amendment to the Constitution abolishing the "lame duck" session of Congress and moving ahead the inauguration of the President from March to January. He simply stuck to the fight year in, year out, with that marvelous patience of his, until, after one defeat after another, he won his victory.

What this reform means we do not yet wholly realize; it will be brought forcibly to the public's attention when Mr. Roosevelt's first term ends in January 1937, 2 months short of a full 4-year term. Already it has toned up public life and speeded democracy, because the new Congress now meets in January and the old Congress no longer comes together in December to drag out its existence until March 4, with its defeated Members concerned chiefly with finding easy berths for themselves in Government jobs before their terms of office are up. The House of Representatives defeated this proposal again and again. NORRIS stuck to it undismayed, rightly certain of eventual victory.

Then there is Muscle Shoals. The naming of this great dam there for him was but simple justice. It has become the keystone of the great Tennessee Valley Authority experiment, which Mr. Roosevelt has dubbed the "national yardstick for the measuring of electric-power rates throughout the country", and which many people believe to be the most important and far-reaching of all Mr. Roosevelt's experiments in government. As to GEORGE W. NORRIS, R. L. Duffus has well written:

"Muscle Shoals has come to symbolize for him a philosophy of the proper relation between government and people. Behind his long fight for Government ownership and control of the great Tennessee River plant is a belief that the power industry must necessarily be a monopoly—that it cannot effectively be anything else—and that the public welfare demands that it be publicly controlled."

Many others shared this view and aided him in his fight. The Progressive group in the Senate was wholeheartedly behind him. Yet I think it is not only the truth that if at any time GEORGE NORRIS had lost heart or faith in the fight, it would have been in vain.

He, a Republican, antagonized three Republican Presidents—Harding, Coolidge, and Hoover—on this issue, to be denounced times without number as a renegade Republican—yes; as a

Socialist, Communist, and anarchist. Epithets meant nothing to him in the face of his belief:

"A free people cannot permanently submit to the private monopoly of a necessity of life."

There you have in a nutshell the belief of so many who grew up like GEORGE NORRIS in a carefree age, when everybody believed in laissez faire, in the Government's letting all private business alone—only to be brought up sharply to realize that with human greed what it is, the Government must step in to safeguard the interest of the masses, with no one able to say just how far this process shall go and where it shall stop. NORRIS has never stated where he thinks all this will lead. He knows one thing, however, that wherever there are underprivileged, wherever there are victims of injustice, wherever there are the underdogs of our social system, there he must take his stand—and he never asks the cost.

VICTORY SINGLE-HANDED

Perhaps his third great monument is the most illuminating. For years he felt that the next great forward step to be taken to make our democracy more efficient, the more ready to meet the challenge of communism and fascism, was to reorganize our State governments and take them out of politics. In 1922 he urged it. In 1929, when he also tried to leave the Senate, he wanted to run for the governorship of Nebraska in order to reorganize the State's government, do away with the bicameral legislature, and take the whole State government out of party politics. Apparently he forgot about it—but only apparently. That marvelous patience was not exhausted. Finally, in 1934, he decided that it was time to act. He went home for the summer and, with $750, of which he contributed $500 and his own voice, he undertook to put through this radical, unprecedented reform, to upset the traditional two-house legislative system inherited from Great Britain and unchallenged, from Vermont's abandonment of the unicameral system after using it for 40 or 50 years, to the day that NORRIS took the stump for it. At the age of 73, without a machine behind him or any organization, with 95 percent of the press of Nebraska against him, and 98 percent of the politicians, he set up his banner for a 2-month contest and asked the people of his State to hear his story and to pass upon his proposal.

Youth flocked to him in numbers. Of this encouraging response he said:

"I had at the end of my campaign the finest and most enthusiastic machine I ever saw—all unpaid workers, mostly young men and women—and I carried the State by a majority of 92,934; 286,086 voting for the amendment of the Constitution and 193,152 against."

Nebraska now has one house or soon will have, with a membership not to exceed 32, upon whom the white light of publicity can be directly focused. Members are, moreover, elected not as Democrats or Republicans, but without party designation—there never has been any sound reason why national politics should dominate the political life of the States, although the politicians insist that if they cannot have strong State machines they cannot have strong national ones. This does not weaken the democratic principle, for the people will still choose their representatives, and there will be enough of them to legislate far more intelligently and honestly, without the domination of party leaders and bosses who regard every piece of legislation from the point of view of the good or the harm it will do to the two great parties. This change should eliminate endless graft, save an enormous amount of wasted time and motion, as well as much money, and end bickering and bartering between two houses with the inevitable and undesirable compromising which invariably results from it.

Senator NORRIS wrote me just after his great victory:

"I have reached the conclusion that this question is really one that has only one side, and I do not believe any honest student of Government can study the question without coming to the same conclusion."

Already in a dozen other States movements are under way to follow suit. It is quite possible, if the Nebraskan experiment succeeds, that history will credit GEORGE W. NORRIS with having, all by himself, brought about one of the greatest advances in the history of government in the United States—the removal of State governments from national party politics. At least he has made students everywhere face the fact that the two-house legislature was adopted in the United States for two reasons only—because of the example of Great Britain and the belief in certain American States that there were still, as in the colonies, two distinct classes, the landed proprietors and the common people, and that the assembly in each State was needed to provide a large house fully representative of the common people.

DISGRACE

The fourth great monument GEORGE W. NORRIS has created to himself is not as tangible in its results as the other three. No great work of masonry and cement will commemorate it. It will not find its expression in any great change in governmental structure. Yet to my mind it stands out as the greatest, the most dramatic, and most heroic of GEORGE W. NORRIS' services. I refer to his attitude during the days leading up to our entry into the World War and thereafter. He was one of the "willful 12" (really 11) Members of the Senate who by a daring filibuster defeated the armed-ship legislation asked for by President Wilson at the end of February 1917. Denounced by the President because they refused to obey his will, the storm of abuse and vilification which burst over them is almost without parallel in American history. Besides NORRIS, that roll of honor includes the names of Stone, of Missouri; O'Gorman, of New York; Kirby, of Arkansas; Lane, of Oregon; Vardaman, of Mississippi; Cummins, of Iowa; Gronna, of North Dakota; Clapp, of Minnesota; Works, of California; and La Follette, of Wisconsin. President Wilson wrote:

"A little group of willful men, representing no opinion but their own, have rendered the great Government of the United States helpless and contemptible."

The yelping pack of deluded and half-crazed editors of the press followed the President's lead. Overnight these men were traitors and anathema.

What was their offense? Simply that they did represent their own opinions. They took the oath to perform honestly and conscientiously the duties of their office. Foremost among these duties was that of voting on each measure laid before the Senate according to their consciences and best judgments as to what was best for their country. An arrogant, determined President flared out against them when they defeated his will by means of a filibuster, which they would never have undertaken without being aware of what it would cost them to do so and without being certain that the gravity of the issue compelled them to resort to this political stratagem. When he used all his power to strike at them in an hour of national hysteria, President Wilson abused that power and established a most dangerous precedent for other Presidents to follow, although it may be a life-and-death matter for Congress or a part of it to exert its will—especially in this very matter of war and peace.

The willful men won—yet lost. Several died soon of broken hearts; others were driven out of public life with contumely; but their States are beginning to erect monuments to them today. One to Stone has been unveiled by the son of Champ Clark; another to La Follette, once hanged in effigy a dozen times, is in the Capitol in Washington. And the latest historian of these bitter days of defeat for the American people, Walter Millis, has written of the group in his Road to War:

"On the whole, their impulse seems a notable and honorable one."

VINDICATION

But at that time there was none so poor to do them honor. The opened floodgates of vituperation overwhelmed them and swept them along with almost no power to resist. GEORGE W. NORRIS was not beaten, however. He had done his duty as he saw it. He had functioned as a Senator should who puts conscience above safety and selfish considerations. He was ready to answer to any and all who had the right to question and cross-examine. But here he shall tell his own story as he wrote it in a letter of December 21, 1927. Calls had come to him from the press of his State and all sorts of organizations demanding that he resign. The Nebraska Legislature was in session, so he wrote to the Governor that he had always believed in the recall; that he recognized that the people of the State had a right to have, if they wished, a Senator who would vote their convictions. He declared that he would "under no circumstances have voted for this bill even if every voter in the State had demanded it", and that he would be glad to have the legislature devise a means for a recall election, and that he would abide by the result. The Governor refused to act, but he gave wide publicity to NORRIS' letter and to his own. Thereupon NORRIS wrote:

"I decided to go back to Nebraska and debate the question before the people. * * * I got into Lincoln on a Sunday morning. The meeting was to be Monday night. * * * I reached the conclusion during the day that I was to be ostracized even by the newspaper correspondents. As a general thing the few people who called on me and who were friendly advised and urged me to get out of town. I was told quietly that the meeting would be broken up; that I would be mobbed. * * * It was to me a day of terrible suspense. As I look back over my life, I cannot remember a single day when I suffered more from a lonely feeling of despondency than I did upon that particular Sunday. * * * Long before it was time for the hall to open, the street in front of it was crowded with people. * * * At the appointed time I walked out from one of the wings onto the stage. I was met at first with absolute silence, but I had not proceeded far until I knew that the common sense of the Nebraska people represented at that meeting was awake to the situation and that they realized the truth had not been told them by the press. The first sentence I uttered was that I intended to tell them the truth about the difficulty and that it would be something they had not been able to get from the newspapers. That was when the audience broke loose. That is when the people stood on their feet and yelled. * * * I realized that if there had been an organized bunch of fellows scattered through that audience intending to break up the meeting, instead of my being the victim of the mob, it would be those who were trying to prevent me from making my defense. The audience was composed of many members of the legislature and people who had come to Lincoln from as far as a hundred and a hundred and fifty miles distant. * * * In that hour I felt repaid for all the turmoil, the agony, and the suffering that I had endured, and I would be willing to go through it all again for a vindication such as I received on that occasion. * * * My experience was the same, however, in every meeting that I addressed while I was in the State."

There you have GEORGE W. NORRIS. This is the man whom the Republicans 6 years ago tried to defeat for reelection by running against him an obscure grocer of the same name. The trick was exposed in time, and the Republican leader responsible has just served a 6-month jail sentence and paid a $500 fine. The bogus George W. Norris has similarly been found guilty. No expression

of regret ever came from Mr. Hoover, but he, like Woodrow Wilson, is unforgiving of those who question his greatness and his infallibility. Indeed, Mr. NORRIS' refusal to "stay on the reservation" has vexed many besides the recent Republican Presidents. He never was a party man. In the House of Representatives he was of those who fought successfully to deprive Speaker Cannon of his czar-like powers over the House.

Had GEORGE NORRIS used the methods of others to boom himself he would, of course, be far better known and appreciated. Instead he happens to be a modest and unpretentious man, concerned not with publicity but with his job. The politicians do not know how to deal with one who tells you that he does not care if he is reelected or not; whose patience and persistence are so appallingly certain to achieve their aims; who wants to take every office out of politics; whose every day consists of endless labor at his tasks. Often he is deeply depressed because he cannot accomplish all that he seeks to achieve or is asked to do. Sometimes he walks the streets most of the night in despair. Once he wrote me:

"The Progressive group is too small for the work which is crowded upon it. * * * Others take vacations, go away for a few days, rest up. I am not able to do that. I am here, and the work goes on day and night. I have almost reached the point of explosion."

But the explosion never comes. It is the continuing battle, I believe, which saves him. He must go into action when the bugle blows.

Fortunate man to be so trusted and loved by innumerable friends all over the United States! Fortunate United States to have one such public servant, such a patriot, within its confines!

LIBRARY OF CONGRESS TRUST FUND BOARD

Mr. COPELAND. Mr. President——

The PRESIDENT pro tempore. The Senator from New York.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. COPELAND. For what purpose?

Mr. BILBO. For the purpose of enabling me to call up House bill 12353, to amend the act creating a Library of Congress Trust Fund Board. The bill should receive attention, and I do not think there will be any objection to it.

Mr. COPELAND. If it can be considered by unanimous consent and there will be no debate, I shall have no objection.

Mr. BILBO. I ask that the motion of the Senator from New York be temporarily laid aside and that the Senate proceed to the consideration of House bill 12353.

The PRESIDENT pro tempore. Is there objection to the motion of the Senator from New York being temporarily laid aside?

Mr. AUSTIN. Mr. President, what is the request?

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent that the motion of the Senator from New York be temporarily laid aside and that the Senate proceed to the consideration of House bill 12353.

Mr. BILBO. Mr. President, in explanation let me say that this bill is requested by the Library of Congress Trust Fund Board. The bill has passed the House, and the Board is very anxious to have it enacted. It is a short bill, and I am sure no one will object to it, because the Board asks it, and the Committee on the Library has recommended it unanimously.

Mr. BARKLEY. Mr. President, if the Senator will yield, in further explanation of the bill, it simply amends in a very slight degree the present law with reference to the Congressional Library trust fund. The Senator from Vermont no doubt is familiar with the fact that liberal-minded people in this country very often make donations to the Congressional Library. Under the present law, unless the donor stipulates that the interest on the money which is deposited in the Treasury shall be a certain rate, it does not draw that rate. By reason of the fact that donors have stipulated 4-percent interest on the money, the Treasury is now paying 4 percent.

The bill referred to by the Senator from Mississippi would merely allow the Treasury to pay 4 percent on the funds deposited by the Library Trust Fund Board regardless of whether the donor makes such a stipulation.

Mr. AUSTIN. Mr. President, I am informed that Senators have left the Chamber with the understanding that no legislative action would be taken this evening except as affecting certain matters, and this is not one of them. Although I myself have no objection to the measure referred to, under the circumstances I feel bound to object.

The PRESIDENT pro tempore. Objection is heard.

Mr. BILBO. Mr. President, while I have the floor by the consent of the Senator from New York, I desire to announce that tomorrow afternoon, after the regular order, I shall make some observations on a subject in which I believe the American people are intensely interested.

PENSIONS OF CERTAIN VETERANS

Mr. McGILL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Kansas?

Mr. COPELAND. I yield.

Mr. McGILL. I ask the Senator from New York to yield for the purpose of permitting me to make a unanimous-consent request.

On yesterday the House of Representatives passed House bill 12758, which is identical in every particular with Senate bill 4752, Order of Business 2452. It is a bill to increase pensions to certain veterans of the Regular Establishment on the rolls on March 19, 1933.

In explanation, in order that the matter may be clear before my request is made, I may say that these veterans constitute some 4,500 who were formerly in the Regular Army, the Navy, the Marine Corps, or the Coast Guard and some 10,500 persons who enlisted immediately following the armistice, November 11, 1918, some of whom served overseas and some in this country, and it applies to no one except persons who incurred disability in the line of duty.

The veterans covered were affected by the so-called Economy Act. They are the only veterans on the pension rolls being paid anything by the Veterans' Administration at the time the Economy Act was passed who have not been restored. This bill would make it possible for them to receive 75 percent of what they were receiving prior to the enactment of the Economy Act.

I discussed the matter with the leader on the minority side this afternoon and I understood he had no objection to the consideration of the bill. The bill was passed by the House yesterday without debate.

I ask unanimous consent that the House bill may be substituted for the Senate bill, and that the Senate proceed to the consideration of the House bill.

Mr. AUSTIN. Mr. President, regardless of the merits of the proposed legislation, I am bound to object, in view of the parliamentary situation.

The PRESIDENT pro tempore. Objection is made.

ORDER FOR RECESS

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Arkansas?

Mr. COPELAND. I yield.

Mr. ROBINSON. I ask unanimous consent that when the Senate concludes its labors today it take a recess until 12 o'clock noon tomorrow, and that upon convening tomorrow the Senate proceed to the consideration of unobjected bills on the calendar, commencing with Calendar No. 2218, where the Senate left off yesterday, and that the unfinished business, if any, be temporarily laid aside until that order shall have been concluded.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. ROBINSON. Mr. President, if the bill which the Senator from New York is moving to have taken up for consideration shall be made the unfinished business, it is my purpose to move an executive session, and I should like to announce that a number of Senators have expressed a desire to have a treaty on the Executive Calendar considered today. The Senator from Oregon [Mr. MCNARY] informed me before he left the Chamber that he was in accord with that purpose and that he would like to have the treaty acted upon.

I make this statement for the benefit of the Senator from Vermont, who is acting in the stead of the Senator from Oregon, and also for the benefit of other Senators who may be interested in the subject.

THE MERCHANT MARINE

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New York to proceed to the consideration of House bill 8555.

Mr. NEELY. Mr. President, will the Senator from New York yield to me for a question?

Mr. COPELAND. I yield.

Mr. NEELY. There is now on the calendar Senate bill 4668, commonly known as the Guffey coal bill, or what might be called the Bituminous Coal Conservation Act of 1936.

This afternoon the House of Representatives passed a bill identical with this measure. The friends of the bill hope to have it considered at an early date and passed before the final adjournment of Congress. If the motion of the Senator from New York prevails, will he be willing, when the House bill to which I have referred comes to the Senate, to consent to the shipping bill being laid aside temporarily in order to give the friends of the Guffey coal bill an opportunity to have it considered and passed.

Mr. BORAH. Mr. President, before the request is acted upon I should like to call attention to the fact that the hearings on this very important measure have not as yet been made available to those who are interested in it. Without expressing my views adversely or favorably to the bill, I may say that I certainly desire to have an opportunity to read the hearings. I ask the Senator from West Virginia when they will be available to those who desire to inform themselves on the subject.

Mr. NEELY. Mr. President, I am not in charge of printing the record; but I understand the hearings will be printed, and probably copies of them will be on the Senators' desks tomorrow morning.

Mr. BORAH. Mr. President, I wish to ask the Senator from West Virginia if he has filed a report on the bill?

Mr. NEELY. Yes; it was filed yesterday, and is now available.

Mr. COPELAND. In reply to the question of the Senator from West Virginia [Mr. NEELY] I wish to say that I shall be in the hands of our leader. If the Senator from Arkansas [Mr. ROBINSON] feels tomorrow that it is wise to set the bill aside temporarily, so far as I am concerned I shall not object.

Mr. HOLT. Mr. President, I object to the request for present consideration.

The PRESIDENT pro tempore. No request has been made for unanimous consent. The question is on the motion of the Senator from New York.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, which had been reported from the Committee on Commerce, with an amendment.

CORPORATION BANKRUPTCY PROCEEDINGS

The PRESIDING OFFICER laid before the Senate the amendment of the House to the bill (S. 3841) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, which was to strike out all after the enacting clause and insert:

That subsection (e) of section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, be, and is hereby, amended to read as follows:

"(e) Upon the certification of a plan by the Commission to the court, the court shall give due notice to all parties in interest of the time within which such parties may file with the court their objections to such plan, and such parties shall file, within such time as may be fixed in said notice, detailed and specific objections in writing to the plan and their claims for equitable treatment. The judge shall, after notice in such manner as he may determine to the debtor, its trustee or trustees, stockholders, creditors, and the Commission, hear all parties in interest in support of, and in opposition to, such objections to the plan and such claims for equitable treatment. After such hearing, and without any hearing if no objections are filed, the judge shall approve the plan if satisfied that: (1) It complies with the provisions of subsection (b) of this section, is fair and equitable, affords due recognition to the rights of each class of creditors and stockholders, does not discriminate unfairly in favor of any class of creditors or stockholders, and will conform to the requirements of the law of the land regarding the participation of the various classes of creditors and stockholders; (2) the approximate amounts to be paid by the debtor, or by any corporation or corporations acquiring the debtor's assets, for expenses and fees incident to the reorganization, have been fully disclosed so far as they can be ascertained at the date of such hearing, are reasonable, are within such maximum limits as are fixed by the Commission, and are within such maximum limits to be subject to the approval of the judge; (3) the plan provides for the payment of all costs of administration and all other allowances made or to be made by the judge, except that allowances provided for in subsection (c), paragraph (12) of this section, may be paid in securities provided for in the plan if those entitled thereto will accept such payment, and the judge is hereby given power to approve the same.

"If the judge shall not approve the plan, he shall file an opinion, stating his conclusions and the reason therefor, and he shall enter an order in which he may either dismiss the proceedings, or in his discretion and on motion of any party in interest refer the proceedings back to the Commission for further action, in which event he shall transmit to the Commission a copy of any evidence received. If the proceedings are referred back to the Commission, it shall proceed to a reconsideration of the proceedings under the provisions of subsection (d) hereof. If the judge shall approve the plan, he shall file an opinion, stating his conclusions and the reasons therefor, and enter an order to that effect, and shall send a certified copy of such opinion and order to the Commission. The plan shall then be submitted by the Commission to the creditors of each class whose claims have been filed and allowed in accordance with the requirements of subsection (c) hereof, and to the stockholders of each class, and/or to the committees or other represenatives thereof, for acceptance or rejection, within such time as the Commission shall specify, together with the report or reports of the Commission thereon or such a summarization thereof as the Commission may approve, and the opinion and order of the judge: *Provided*, That submission to any class of stockholders shall not be necessary if the Commission shall have found, and the judge shall have affirmed the finding, (a) that at the time of the finding the corporation is insolvent, or that at the time of the finding the equity of such class of stockholders has no value, or that the plan provides for the payment in cash to such class of stockholders of an amount not less than the value of their equity, if any, or (b) that the interests of such class of stockholders will not be adversely and materially affected by the plan, or (c) that the debtor has pursuant to authorized corporate action accepted the plan and its stockholders are bound by such acceptance: *Provided further*, That submission to any class of creditors shall not be necessary if the Commission shall have found, and the judge shall have affirmed the finding, that the interests of such class of creditors will not be adversely and materially affected by the plan, or that at the time of the finding the interests of such class of creditors have no value, or that the plan provides for the payment in cash to such class of creditors of an amount not less than the value of their interests. For the purpose of this section the acceptance or rejection by any creditor or stockholder shall be in writing, executed by him or by his duly authorized attorney, committee, or representative. If the United States of America, or any agency thereof, or any corporation (other than the Reconstruction Finance Corporation) the majority of the stock of which is owned by the United States of America, is a creditor or stockholder, the interests or claims thereof shall be deemed to be affected by the plan, and the President of the United States, or any officer or agency he may designate, is hereby authorized to act in respect of the interests or claims of the United States or of such agency or other corporation. The expense of such submission shall be certified by the Commission and shall be borne by the debtor's estate. The Commission shall certify to the judge the results of such submission.

"Upon receipt of such certification, the judge shall confirm the plan if satisfied that it has been accepted by or on behalf of creditors of each class to which submission is required under this subsection holding more than two-thirds in amount of the total of the allowed claims of such class which have been reported in said submission as voting on said plan, and by or on behalf of stockholders of each class to which submission is required under this subsection holding more than two-thirds of the stock of such class which has been reported in said submission as voting on said plan; and that such acceptances have not been made or procured by any means forbidden by law: *Provided*, That, if the plan has not been so accepted by the creditors and stockholders, the judge may nevertheless confirm the plan if he is satisfied and finds, after hearing, that it makes adequate provision for fair and equitable treatment for the interests or claims of those rejecting it; that such rejection is not reasonably justified in the light of the respective rights and interests of those rejecting it and all the relevant facts; and that the plan conforms to the requirements of clauses (1) to (3), inclusive, of the first paragraph of this subsection (e): *Provided further*, That if, in any reorganization proceeding under this section, the United States is a creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against, the debtor, as creditor or stockholder), no plan which does not provide for the payment thereof shall be confirmed by the judge

except upon the acceptance, certified to the court, of a lesser amount by the President of the United States or the officer or agency designated by him pursuant to the provisions of the preceding paragraph hereof: *Provided further*, That if the President of the United States or such officer or agency shall fail to accept or reject such lesser amount for more than 90 days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties are concerned shall be conclusively presumed. If the judge shall confirm the plan, he shall enter an order and file an opinion with a statement of his conclusions and his reasons therefor. If the judge shall not confirm the plan, he shall file an opinion, with a statement of his conclusions and his reasons therefor, and enter an order in which he shall either dismiss the proceedings, or, in his discretion and on the motion of any party in interest, refer the case back to the Commission for further proceedings, including the consideration of modifications of the plan or the proposal of new plans. In the event of such a reference back to the Commission, the proceedings with respect to any modified or new plan shall be governed by the provisions of this section in like manner as in an original proceeding hereunder.

"If it shall be necessary to determine the value of any property for any purpose under this section, the Commission shall determine such value and certify the same to the court in its report on the plan. The value of any property used in railroad operation shall be determined on a basis which will give due consideration to the earning power of the property, past, present, and prospective, and all other relevant facts. In determining such value only such effect shall be given to the present cost of reproduction new and less depreciation and original cost of the property, and the actual investment therein, as may be required under the law of the land, in light of its earning power and all other relevant facts."

Mr. BURKE. I move that the Senate concur in the amendment of the House.

Mr. AUSTIN. Mr. President, I have been informed that this is a matter in which several Senators who are not present are interested. I ask that the matter lie over until tomorrow.

The PRESIDENT pro tempore. Upon request of the Senator from Vermont, action on the amendment of the House will go over until tomorrow.

AMENDMENT OF WORLD WAR ADJUSTED-COMPENSATION ACT

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3257) to amend the World War Adjusted Compensation Act, which was, on page 1, to strike out all after line 11 down to and including "1922", in line 3 of page 2, and insert "This subdivision shall not apply to any noncommissioned officer nor to any provisional, probationary, or temporary officer of the military or naval forces under the grade of major or lieutenant commander, who was honorably separated from the military or naval service prior to January 1, 1922."

Mr. SHEPPARD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF NATIONAL DEFENSE ACT

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 4132) to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army, which was, on page 2, line 10, after the word "grades", to insert a colon and the following additional proviso:

Provided further, That nothing herein shall be construed to authorize any increase in the number of the enlisted personnel of the Regular Army.

Mr. SHEPPARD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF SECTION 4471 OF REVISED STATUTES

The President pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2127) to amend section 4471 of the Revised Statutes of the United States, as amended, which was, on page 1, after line 6, to strike out the remainder of the bill and insert:

On and after July 1, 1937, every passenger vessel with berthed or stateroom accommodation for fifty or more passengers shall be equipped with an automatic sprinkler system, which shall be in addition to any other device or devices for fire protection, of a type prescribed by the Board of Supervising Inspectors and approved by the Secretary of Commerce. All enclosed portions of such vessels accessible to passengers or crew (except cargo holds, machinery spaces, and when of fire-resisting construction, toilets, bathroom, and spaces of similar construction) shall be protected by an automatic sprinkler system: *Provided*, That if after investigation the Bureau of Navigation and Steamboat Inspection finds in the case of a particular vessel the application of this act is unnecessary properly to protect life on such vessel, an exception may be made. The Bureau of Navigation and Steamboat Inspection shall cause to be made suitable tests and inspections as will insure the proper working of such systems. In carrying out the provisions of this paragraph the Bureau of Navigation and Steamboat Inspection is hereby authorized and directed to prescribe the particular approved type, character, and manner of installation of systems to be fitted. The term "type" as herein used shall be considered to mean any system which will give a prescribed or required efficiency and shall not mean some peculiar shape or design and shall not be confined to some certain brand or make.

Mr. COPELAND. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

LINE AND ENGINEER OFFICERS OF THE COAST GUARD

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 4654) to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923, which was, on page 1, line 8, after the word "who", to strike out all down to and including "retired" where it occurs the first time, in line 10, and insert "was serving on June 1, 1936, or shall thereafter serve as commandant in the Coast Guard shall, when retired (whether before or after the date of the enactment of this act)."

Mr. COPELAND. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MISSOURI RIVER BRIDGE, DECATUR, NEBR., AND ONAWA, IOWA

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 4462) to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa, which were, on page 1, line 6, to strike out "State of Nevada" and insert "State of Nebraska", and on the same page, line 9, to strike out "the date of approval hereof" and insert "August 30, 1936."

Mr. BURKE. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

UTILIZATION OF SURPLUS WATERS OF SAN JUAN RIVER

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3488) to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama, which were, on page 2, line 5, after "act", to insert a colon and the following proviso: "*Provided*, That $17,500 of the above sum may be expended for a similar examination and survey of the surplus waters of the Animas River, a tributary of the Rio Grande River, with a view to the diversion, if feasible, of a portion of such surplus waters to the Rio Grande River"; and to amend the title so as to read: "An act to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and the Animas River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama and Rio Grande."

Mr. HATCH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the calendar is in order.

SOCKEYE SALMON FISHERIES—TREATY

The Senate, as in Committee of the Whole, proceeded to consider Executive M (71st Cong., 2d sess.), a convention between the United States and Canada for the protection, preservation, and extension of the sockeye salmon fisheries of the Fraser River system, signed at Washington on May 26, 1930, which was read the second time, as follows:

The President of the United States of America and His Majesty the King of Great Britain, Ireland and the British dominions beyond the Seas, Emperor of India, in respect of the Dominion of Canada, recognizing that the protection, preservation and extension of the sockeye salmon fisheries in the Fraser River system are of common concern to the United States of America and the Dominion of Canada; that the supply of this fish in recent years has been greatly depleted and that it is of importance in the mutual interest of both countries that this source of wealth should be restored and maintained, have resolved to conclude a Convention and to that end have named as their respective plenipotentiaries:

The President of the United States of America: Mr. Henry L. Stimson, Secretary of State of the United States of America; and

His Majesty, for the Dominion of Canada: The Honorable Vincent Massey, a member of His Majesty's Privy Council for Canada and His Envoy Extraordinary and Minister Plenipotentiary for Canada at Washington;

Who, after having communicated to each other their full powers, found in good and due form, have agreed upon the following Articles:

ARTICLE I

The provisions of this Convention and the orders and regulations issued under the authority thereof shall apply, in the manner and to the extent hereinafter provided in this Convention, to the following waters:

1. The territorial waters and the high seas westward from the western coast of the United States of America and the Dominion of Canada and from a direct line drawn from Bonilla Point, Vancouver Island, to the lighthouse on Tatoosh Island, Washington,—which line marks the entrance to Juan de Fuca Strait,—and embraced between 48 and 49 degrees north latitude, excepting therefrom, however, all the waters of Barklay Sound, eastward of a straight line drawn from Amphitrite Point to Cape Beale and all the waters of Nitinat Lake and the entrance thereto.

2. The waters included within the following boundaries:

Beginning at Bonilla Point, Vancouver Island, thence along the aforesaid direct line drawn from Bonilla Point to Tatoosh Lighthouse, Washington, described in paragraph numbered 1 of this article, then to the nearest point of Cape Flattery, thence following the southerly shore of Juan de Fuca Strait to Point Wilson, on Quimper Peninsula, thence in a straight line to Point Partridge on Whidbey Island, thence following the western shore of the said Whidbey Island, to the entrance to Deception Pass, thence across said entrance to the southern side of Reservation Bay, on Fidalgo Island, thence following the western and northern shore line of the said Fidalgo Island to Swinomish Slough, crossing the said Swinomish Slough, in line with the track of the Great Northern Railway, thence northerly following the shore line of the mainland to Atkinson Point at the northerly entrance to Burrard Inlet, British Columbia, thence in a straight line to the southern end of Bowen Island, thence westerly following the southern shore of Bowen Island to Cape Roger Curtis, thence in a straight line to Gower Point, thence westerly following the shore line to Welcome Point on Seechelt Peninsula, thence in a straight line to Point Young on Lasqueti Island, thence in a straight line to Dorcas Point on Vancouver Island, thence following the eastern and southern shores of the said Vancouver Island to the starting point at Bonilla Point, as shown on the United States Coast and Geodetic Survey Chart Number 6300, as corrected to March 14, 1930, and on the British Admiralty Chart Number 579, copies of which are annexed to this Convention and made a part thereof.

3. The Fraser River and the streams and lakes tributary thereto.

The High Contracting Parties engage to have prepared as soon as practicable charts of the waters described in this Article, with the above described boundaries thereof and the international boundary indicated thereon. Such charts, when approved by the appropriate authorities of the Governments of the United States of America and the Dominion of Canada, shall be considered to have been substituted for the charts annexed to this Convention and shall be authentic for the purposes of the Convention.

The High Contracting Parties further agree to establish within the territory of the United States of America and the territory of the Dominion of Canada such buoys and marks for the purposes of this Convention as may be recommended by the Commission hereinafter authorized to be established, and to refer such recommendations as the Commission may make as relate to the establishment of buoys or marks at points on the international boundary to the International Boundary Commission, United States, Alaska, and Canada, for action pursuant to the provisions of the Treaty between the United States of America and His Majesty, in respect of Canada, respecting the boundary between the United States of America and the Dominion of Canada, signed February 24, 1925.

ARTICLE II

The High Contracting Parties agree to establish and maintain a Commission to be known as the International Pacific Salmon Fisheries Commission, hereinafter called the Commission, consisting of six members, three on the part of the United States of America and three on the part of the Dominion of Canada.

The Commissioners on the part of the United States of America shall be appointed by the President of the United States of America. The Commissioners on the part of the Dominion of Canada shall be appointed by His Majesty on the recommendation of the Governor General in Council.

The Commissioners appointed by each of the High Contracting Parties shall hold office during the pleasure of the High Contracting Party by which they were appointed.

The Commission shall continue in existence so long as this Convention shall continue in force, and each High Contracting Party shall have power to fill and shall fill from time to time vacancies which may occur in its representation on the Commission in the same manner as the original appointments are made. Each High Contracting Party shall pay the salaries and expenses of its own Commissioners, and joint expenses incurred by the Commission shall be paid by the two High Contracting Parties in equal moieties.

ARTICLE III

The Commission shall make a thorough investigation into the natural history of the Fraser River sockeye salmon, into hatchery methods, spawning ground conditions and other related matters. It shall conduct the sockeye salmon fish cultural operations in the waters described in paragraphs numbered 2 and 3 of Article I of this Convention, and to that end it shall have power to improve spawning grounds, construct, and maintain hatcheries, rearing ponds and other such facilities as it may determine to be necessary for the propagation of sockeye salmon in any of the waters covered by this Convention, and to stock any such waters with sockeye salmon by such methods as it may determine to be most advisable. The Commission shall also have authority to recommend to the Governments of the High Contracting Parties removing or otherwise overcoming obstructions to the ascent of sockeye salmon, that may now exist or may from time to time occur, in any of the waters covered by this Convention, where investigation may show such removal of or other action to overcome obstructions to be desirable. The Commission shall make an annual report to the two Governments as to the investigations which it has made and other action which it has taken in execution of the provisions of this Article, or of other Articles of this Convention.

The cost of all work done pursuant to the provisions of this Article, or of other Articles of this Convention, including removing or otherwise overcoming obstructions that may be approved, shall be borne equally by the two Governments, and the said Governments agree to appropriate annually such money as each may deem desirable for such work in the light of the reports of the Commission.

ARTICLE IV

The Commission is hereby empowered to limit or prohibit taking sockeye salmon in respect of all or any of the waters described in Article I of this Convention, provided that when any order is adopted by the Commission limiting or prohibiting taking sockeye salmon in any of the territorial waters or on the High Seas described in paragraph numbered 1 of Article I, such order shall extend to all such territorial waters and High Seas, and, similarly, when in any of the waters of the United States of America embraced in paragraph numbered 2 of Article I, such order shall extend to all such waters of the United States of America, and when in any of the Canadian waters embraced in paragraphs numbered 2 and 3 of Article I, such order shall extend to all such Canadian waters, and provided further, that no order limiting or prohibiting taking sockeye salmon adopted by the Commission shall be construed to suspend or otherwise affect the requirements of the laws of the State of Washington or of the Dominion of Canada as to the procuring of a license to fish in the waters on their respective sides of the boundary, or in their respective territorial waters embraced in paragraph numbered 1 of Article I of this Convention, and provided further that any order adopted by the Commission limiting or prohibiting taking sockeye salmon on the High Seas embraced in paragraph numbered 1 of Article I of this Convention shall apply only to nationals and inhabitants and vessels and boats of the United States of America and the Dominion of Canada.

Any order adopted by the Commission limiting or prohibiting taking sockeye salmon in the waters covered by this Convention, or any part thereof, shall remain in full force and effect unless and until the same be modified or set aside by the Commission. Taking sockeye salmon in said waters in violation of an order of the Commission shall be prohibited.

ARTICLE V

In order to secure a proper escapement of sockeye salmon during the spring or chinook salmon fishing season, the Commission may prescribe the size of the meshes in all fishing gear and appliances that may be operated during said season in the waters of the United States of America and/or the Canadian waters described in Article I of this Convention. At all seasons of the year the Commission may prescribe the size of the meshes in all salmon fishing gear and appliances that may be operated on the High Seas embraced in paragraph numbered 1 of Article I of this Convention, provided, however, that in so far as concerns the High Seas, requirements prescribed by the Commission under the authority of this paragraph shall apply only to nationals and inhabitants and vessels and boats of the United States of America and the Dominion of Canada.

Whenever, at any other time than the spring or chinook salmon fishing season, the taking of sockeye salmon in waters of the United States of America or in Canadian waters is not prohibited under an order adopted by the Commission, any fishing gear or appliance authorized by the State of Washington may be used in waters of the United States of America by any person thereunto authorized by the State of Washington, and any fishing gear or appliance authorized by the laws of the Dominion of Canada may be used in Canadian waters by any person thereunto duly authorized. Whenever the taking of sockeye salmon on the High Seas embraced in paragraph numbered 1 of Article I of this Convention is not prohibited, under an order adopted by the Commission, to the nationals or inhabitants or vessels or boats of the United States of America or the Dominion of Canada, only such salmon fishing gear and appliances as may have been approved by the Commission may be used on such High Seas by said nationals, inhabitants, vessels or boats.

ARTICLE VI

No action taken by the Commission under the authority of this Convention shall be effective unless it is affirmatively voted for by at least two of the Commissioners of each High Contracting Party.

ARTICLE VII

Inasmuch as the purpose of this Convention is to establish for the High Contracting Parties, by their joint effort and expense, a fishery that is now largely nonexistent, it is agreed by the High Contracting Parties that they should share equally in the fishery. The Commission shall, consequently, regulate the fishery with a view to allowing, as nearly as may be practicable, an equal portion of the fish that may be caught each year to be taken by the fishermen of each High Contracting Party.

ARTICLE VIII

Each High Contracting Party shall be responsible for the enforcement of the orders and regulations adopted by the Commission under the authority of this convention, in the portion of its waters covered by the Convention.

Except as hereinafter provided in Article IX of this Convention, each High Contracting Party shall be responsible, in respect of its own nationals and inhabitants and vessels and boats, for the enforcement of the orders and regulations adopted by the Commission, under the authority of this Convention, on the High Seas embraced in paragraph numbered 1 of Article I of the Convention.

Each High Contracting Party shall acquire and place at the disposition of the Commission any land within its territory required for the construction and maintenance of hatcheries, rearing ponds, and other such facilities as set forth in Article III.

ARTICLE IX

Every national or inhabitant, vessel or boat of the United States of America or of the Dominion of Canada, that engages in sockeye salmon fishing on the High Seas embraced in paragraph numbered 1 of Article I of this Convention, in violation of an order or regulation adopted by the Commission, under the authority of this Convention, may be seized and detained by the duly authorized officers of either High Contracting Party, and when so seized and detained shall be delivered by the said officers, as soon as practicable, to an authorized official of the country to which such person, vessel or boat belongs, at the nearest point to the place of seizure, or elsewhere, as may be agreed upon with the competent authorities. The authorities of the country to which a person, vessel or boat belongs alone shall have jurisdiction to conduct prosecutions for the violation of any order or regulation, adopted by the Commission in respect of fishing for sockeye salmon on the High Seas embraced in paragraph numbered 1 of Article I of this Convention, or of any law or regulation which either High Contracting Party may have made to carry such order or regulation of the Commission into effect, and to impose penalties for such violations; and the witnesses and proofs necessary for such prosecutions, so far as such witnesses or proofs are under the control of the other High Contracting Party, shall be furnished with all reasonable promptitude to the authorities having jurisdiction to conduct the prosecutions.

ARTICLE X

The High Contracting Parties agree to enact and enforce such legislation as may be necessary to make effective the provisions of this Convention and the orders and regulations adopted by the Commission under the authority thereof, with appropriate penalties for violations.

ARTICLE XI

The present Convention shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Majesty in accordance with constitutional practice, and it shall become effective upon the date of the exchange of ratifications which shall take place at Washington as soon as possible and shall continue in force for a period of sixteen years, and thereafter until one year from the day on which either of the High Contracting Parties shall give notice to the other of its desire to terminate it.

In witness whereof, the respective plenipotentiaries have signed the present Convention, and have affixed their seals thereto.

Done in duplicate at Washington on the twenty-sixth day of May, one thousand nine hundred and thirty.

[SEAL] HENRY L. STIMSON
[SEAL] VINCENT MASSEY

Mr. PITTMAN. Mr. President, I ask the Senator from Washington to explain the treaty.

Mr. SCHWELLENBACH. Mr. President, in this connection I ask unanimous consent to have printed in the RECORD a number of resolutions adopted by different organizations of the Pacific Northwest in reference to the treaty; and I also ask unanimous consent to have printed in the RECORD certain statistics with reference to the sockeye-salmon business of the State of Washington and the Province of British Columbia.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

SALMON CONSERVATION LEAGUE,
Seattle, May 13, 1936.

At a joint committee meeting in Bellingham May 10, on the Fraser River salmon treaty, at which the following organizations and delegates were present:

CANADIAN DELEGATION

Fishermen & Cannery Workers' Union: George Miller, Jack Gavin, John Moratinch, and Frank Tomavich.

B. C. Trollers' Association: Joe Pepper.

Fishing Vessels Owners' Association: C. M. L. Planta, M. L. A.

Upper Fraser Fishermen's Protective Association: F. Rolley and F. Probert.

WASHINGTON DELEGATION

Salmon Conservation League: Dr. L. W. Whitlow and Ken McLeod.

Purse Seine Vessel Owners' Association: P. H. Green, M. J. Evich, and J. F. Evich.

Purse Seiners' Union of the Pacific: J. F. Jurich and A. N. Milasich.

Trolling Vessel Owners' Association: Wood Freeman.

Washington State Sportsmen's Council: Don Johnson and Harry LeGear.

Fishermen's Packing Corporation and independent canners: Lee Makovich.

Ratification of the pending 1930 sockeye salmon treaty was agreed upon unanimously, provided that it can be determined to the satisfaction of both delegations that the following reservations or amendments can be made to the 1930 treaty, making them a part of such treaty before it becomes effective:

1. That the Commission shall have no power to authorize any type of fishing gear contrary to the laws of the State of Washington or the Dominion of Canada.

2. That the Commission shall not promulgate or enforce regulations pending the scientific investigations, which shall be for a period of two cycles of sockeye salmon runs, or 8 years.

3. That the Commission shall set up an advisory committee composed of five from each country, who shall be representatives of the various branches of the industry (purse seine, gill net, troll, sport fishing, and one other). The advisory committee shall be invited to all meetings of the Commission and shall be given full opportunity to examine any amendments and recommendations before being recommended for approval by the United States Senate and the Dominion Parliament, and/or the respective fisheries departments of the two countries.

In the event that these points cannot be made a part of the 1930 treaty, then the delegates agreed that they would move for a new treaty.

The above procedure "approved with the request that the 1930 treaty be ratified at this session of Congress with the reservations enumerated."

WASHINGTON STATE PLANNING COUNCIL,
B. H. KIZER, *Chairman.*
MILLER FREEMAN, *Chairman, Fisheries Division.*
WASHINGTON STATE SPORTSMEN'S COUNCIL,
KEN MCLEOD, *Secretary.*

Approved: Spokane, May 24, 1936.

ORGANIZATIONS AT SPOKANE, MAY 24, 1936

North Kitsap County Sportsmen's Association, Kingston.
Steelhead Chapter, I. W. L. A., Forks.
Izaak Walton League, Port Angeles.
Port Angeles Salmon Club, Port Angeles.
Olympic Conservation Association, Port Townsend.
Olympic Predatory Shooters Club, Port Angeles.
Kitsap County Sportsmen's Association, Bremerton and affiliations 5.
Olympic Rod & Gun Club, Port Orchard.
Olympic Peninsula Development League, Hoquiam.
Northwest Field Trials Club, Seattle.
Crystal Lake Club, Seattle.
Steelhead Trout Club, Seattle.
Washington Game Bird Club, Seattle.
West Seattle Sportsmen's Association, Seattle.
Seattle Rod & Gun Club, Seattle.
Salmon Conservation League, Seattle.
Outdoor Sports Council, Seattle.
Poggie Club, Seattle chapter.
Seattle Gun Club.
Seattle Casting Club.
Sunset Gun Club.
Pioneer Skeet Club.
Seattle Rifle & Pistol Association.
Elliott Bay Revolver Club.
Mystic Knights of the Sea.
Trail Blazers.
Auburn Sportsmen's Club, Auburn.
Snoqualmie Sportsmen's Club, Snoqualmie.
Kent Chapter, Izaak Walton League, Kent.
Pierce County Chapter Poggie Club, Tacoma.
Tacoma Sportsmen's Association, Tacoma.
Sumner Sportsmen's Association, Sumner.
Poggie Club of Thurston County, Olympia.
Vancouver Wild Life League, Vancouver.
Camas Washougal Wild Life League, Camas.
Yakima Valley Conservation League, Yakima, Sunnyside, Naches, Wapato, etc. (10).
Cascade Field & Stream Club, Cle Elum.
Cashmere Sportsmen's Association.
Snohomish County Sportsmen's Association, Arlington, and chapters from 16 towns in Snohomish County.
Lincoln Chapter, I. W. L. A., Wilbur.
Stevens County Sportsmen's Association, Colville.
Spokane County Sportsmen's Association, Spokane.
Sherman Sportsmen's Club, Kettle Falls.
Omak Sportsmen's Club, Omak.
Oroville Sportsmen's Association, Oroville.
Okanogan Game Protective Association, Okanogan.
Okanogan County Sportsmen's Association, Tonasket and affiliations 4.
Ferry County Game Protective Association, Republic.
Chesaw Molson Game Protective Association, Chesaw.
Kettle Valley Game Protective Association, Curlew.
Tonasket Game Protective Association, Tonasket.
Grant County Sportsmen's Association, Ephrata.
Toroda Greek Game Protective Association, Ferry.
Seattle Outboard Association.
Renton Fish & Game Club.
Ballard Fish & Game Club.
Queen City Casting Club.
Puget Sound Rifle Association.
Head Hunters.
Washington State Fur Farmers' Association.
Puget Sound Fox Farmers' Association.

OLYMPIA, WASH., *May 16, 1936.*

Senator LEWIS SCHWELLENBACH,
Washington, D. C.:

I am pleased to advise fishing interests of Washington responding to unselfish and conciliatory leadership have reached agreement favoring ratification 1930 treaty with following reservations which seemingly are acceptable to British Columbia:

1. That Commission shall have no power to authorize any type of fishing gear contrary to laws of Washington or Canada.

2. That Commission shall not promulgate or enforce regulations pending scientific investigations which shall be for period of two cycles of sockeye salmon runs or 8 years.

3. That Commission shall set up advisory committee of five from each country who shall be representatives of various branches of industry (purse seine, gill net, troll, sport fishing, and one other). The advisory committee shall be invited to all meetings of Commission and shall be given full opportunity to examine any amendments and recommendations before being recommended for approval by United States Senate and Dominion Parliament and/or respective fisheries departments of the two countries. If these three points cannot be included in 1930 treaty various interests agreed 1930 treaty not acceptable and will move for new treaty. If reservations are acceptable, commercial and sports fishermen, State planning council, and State administration will appreciate your immediate move and influence for prompt ratification to begin rehabilitation of sockeye salmon soon as possible. Your interest for welfare this basic industry greatly appreciated by Governor, fishing interests, and cooperative bodies.

CLARENCE D. MARTIN,
Governor of Washington.

DEPARTMENT OF COMMERCE,
BUREAU OF FISHERIES,
Washington, May 16, 1936.

Subject: International salmon treaty.

Hon. LEWIS B. SCHWELLENBACH,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: Mr. Ken McLeod, secretary of the Salmon Conservation League, Seattle, Wash., advises me that he has written you regarding an agreement that has been reached among American and Canadian fishing organizations and the Washington State Planning Council for the approval of the pending sockeye salmon treaty with certain reservations.

These reservations do not materially alter the effect of the treaty or limit its usefulness, with the possible exception of the second reservation, which provides that the Commission shall not promulgate or enforce regulations for an 8-year period pending the conduct of scientific investigations. During the 8-year period the Commission can recommend legislation for the control of any abuses that may endanger the resource in territorial waters; and if it is clearly apparent as a result of the study of the Commission that the fishery in the extraterritorial waters is dangerously encroaching upon the supply, doubtless a new agreement can be reached among those vitally affected to correct that condition. In any case, the treaty will represent the beginning of constructive work in the interests of the fishery, even with this doubtful reservation; and since for the first time all the important interests are in agreement, I believe that the treaty should be ratified without delay.

As you know, the Bureau has always been favorable to the conclusion of a treaty that will provide protection for the dwindling run of sockeyes in the Fraser River and, indeed, may be instrumental in restoring it to its former productivity, and hence I respectfully urge you to use your good offices in securing its ratification with binding diplomatic understandings regarding the three reservations outlined by Mr. McLeod and approved by the Washington State Planning Council.

Very truly yours,

FRANK T. BELL, *Commissioner.*

PACIFIC NORTHWEST REGIONAL PLANNING COMMISSION,
Portland, Oreg., May 18, 1936.

Hon. LEWIS B. SCHWELLENBACH,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR SCHWELLENBACH: The Pacific Northwest Regional Planning Commission has taken a position that ratification of an international treaty with Canada is necessary to prevent the extinction of the sockeye-salmon industry.

We have previously advised you of the studies that support this conclusion and of the necessity for decisive action under date of June 5, 1935. There have recently been discussions between the directly interested agencies of British Columbia and the Washington State Planning Council, and in consequence an agreement has been reached for the ratification of the treaty, provided there be incorporated in the proposal for administration by an international commission the following:

1. That the Commission shall have no power to authorize any type of fishing gear contrary to the laws of the State of Washington or the Dominion of Canada.

2. That the Commission shall not promulgate or enforce regulations pending the scientific investigations, which shall be for a period of two cycles of sockeye-salmon runs, or 8 years.

3. That the Commission shall set up an advisory committee composed of five from each country, who shall be representatives of the various branches of the industry (purse seine, gill net, troll, sport fishing, and one other). The advisory committee shall be invited to all meetings of the Commission and shall be given full opportunity to examine any amendments and recommendations before being recommended for approval by the United States Senate and the Dominion Parliament, and/or the respective fisheries departments of the two countries.

This is an agreement reached after 6 years of effort, and that such an agreement could be reached may well constitute great encouragement that the treaty itself can be approved and ratified.

May I add that the sockeye-salmon treaty represents, really, the conservation of a national food resource? Since this resource has a national market and demand, the depletion of the sockeye-salmon runs is, accordingly, detrimental to national interest. To be able to ratify the treaty at the present session of Congress would have importance in preserving the resource from erasure since time is of the essence.

Very truly yours,

MARSHALL N. DANA,
Chairman, Pacific Northwest Regional Planning Commission.

MAY 14, 1936.

Hon. CORDELL HULL,
Secretary of State, Washington, D. C.:

Referring my telegram 6th to President, also copy of my letter November 29 to B. H. Kizer, sent you regard salmon treaty with Canada. Our organizations now in favor of immediate ratification this session, provided three reservations contained in Salmon Conservation League letter May 11 to you can first be made part of 1930 treaty through diplomatic agreement with Canada.

DON JOHNSON,
President, Washington State Sportsmen's Council.

EXCERPT FROM MINUTES OF THE BOARD OF TRUSTEES OF THE SPOKANE CHAMBER OF COMMERCE, WEDNESDAY, NOVEMBER 20, 1935

Mr. Hutcheck reported that correspondence had been received by the chamber of commerce which had been referred to the national legislation committee, involving the proposed international salmon treaty.

The report of the committee was submitted, as follows:

"The matter of the proposed international salmon treaty involves a treaty which information before the committee indicated has been approved by the Canadian Parliament some 3 years ago, but is still awaiting action in the United States Senate.

"Information furnished indicates that the sockeye salmon is becoming rapidly extinct in Puget Sound waters, and that the principal remaining spawning ground of this specie is the Fraser River in Canada, but owing to the lack of restriction upon the commercial catch and pack, the sockeye salmon pack has diminished from 2,401,000 cases in 1913 to only 273,000 cases in 1933.

"It appears that Canada has at several times ratified previous treaties, but objection has been made by one or another group in this country, and the others have not been previously ratified. This treaty has been ratified again by Canada and is now awaiting action by the United States Senate.

"Briefly, the present treaty provides for a Commission of six, three to be appointed by the President and three by the Canadian Governor General. Of the three United States commissioners, two are to be citizens of the State of Washington. The treaty vests in the Commission jurisdiction of commercial fishing in Puget Sound and the Straits of Juan de Fuca, as well as the entire waters of the Fraser River in Canada.

"It appeared from the report furnished the committee that several independent commercial fishermen are for such a treaty. One seine fishermen's association favors further research, and the other seine fishermen's association is against. The majority of salmon packers appear to be in favor.

"Your committee had no time to study the situation, and felt it had not sufficient knowledge to pass upon the details of the treaty, but was constrained to recommend that the principle of protection of the salmon and regulation of the catch was sound.

"The committee also felt that the salmon industry was of sufficient importance to the entire State of Washington that this chamber go on record as being in favor of the proper regulation, which can be only through an international treaty."

Motion that the report of the committee be approved, seconded, and carried.

Attest:

J. A. FORD, *Managing Secretary.*

BELLINGHAM CHAMBER OF COMMERCE,
Bellingham, Wash., November 29, 1935.

Mr. R. K. TIFFANY,
Executive Officer, Washington State Planning Council,
107 Old Capital Building, Olympia, Wash.

DEAR MR. TIFFANY: We acknowledge receipt of your mimeographed letter of November 2 in which you presented some facts in relation to the salmon fishery in Washington and the proposed treaty between the United States and Canada and asked for our expression of opinion as to what should be done to prevent the extermination of the sockeye salmon and the destruction of a major industry of this State.

This matter has been taken up and discussed with men engaged in the fishing business here, and the census of opinion is that the sockeye-salmon treaty as proposed in 1930 should be adopted without change, as at the time that the treaty was written up it was gone into very thoroughly by the fishing interests and was ironed out to a very satisfactory document, and was endorsed by the fishing interests here at that time. Likewise this organization endorsed it and we are still anxious to do anything to have the treaty consummated.

As you know, Bellingham is the largest salmon center in the world, having three large canneries here, one of which is the largest in the world and owned by a company that has 15 or more canneries in Alaska. With us this is a big industry and means much to the community, and naturally we have this matter of preservation of salmon much at heart, and if there is any way we can assist the State planning council in furthering this movement we assure you we are more than willing to do all that we can.

Yours very truly,

BELLINGHAM CHAMBER OF COMMERCE,
A. B. CULMER, *Secretary.*

Whereas we believe that the pending treaty between the United States of America and Canada, for the protection, preservation, and extension of sockeye salmon fisheries industries of the Fraser River system, filed at Washington, D. C., May 26, 1930, if adopted, will conserve, preserve, and protect the sockeye salmon fisheries; and that the same is for the best interests of the people of the United States: Now, therefore, be it

Resolved:

I

That the Chamber of Commerce of Port Townsend, Wash., duly assembled, does hereby indorse said treaty, and does recommend the ratification of the same by the Senate of the United States.

II

That the secretary of this organization be, and he hereby is, directed to mail a copy of this resolution to Miller Freeman, Esq., Chairman of Fisheries Division, State Planning Council, Seattle, Wash.; a copy to Cordell Hull, Secretary of State of the United States, at Washington, D. C.; a copy to each of the United States Senators from the State of Washington; and a copy to all other interested parties.

STATE OF WASHINGTON,
County of Jefferson, ss.:

The undersigned, Clark Aldrich, president, and James McCurdy, secretary, of Port Townsend Chamber of Commerce, each duly elected, qualified, and acting, do hereby certify that the within, annexed, and foregoing resolution was duly passed and adopted by the Port Townsend Chamber of Commerce at a regular meeting thereof held in the city of Port Townsend, county of Jefferson, and State of Washington, on the 18th day of November, 1935.

In testimony whereof they have hereunto subscribed their names as president and secretary, respectively, this the 13th day of November 1935.

CLARK ALDRICH,
President.

Attest:

JAMES MCCURDY,
Secretary.

Resolution adopted by the Western Society of Naturalists at a meeting held at Stanford University, California, December 28, 1935

Whereas it is clear that the important sockeye-salmon runs of the Fraser River are seriously depleted; and

Whereas by proper protection and culture it is reasonably certain that these runs can be restored to their former magnitude; and

Whereas the pending treaty between the United States and Canada will provide adequately for such restoration and has been approved in principle by the Governor of Washington, the United States Commissioner of Fisheries, and the fisheries division of the Washington State Planning Council: Now, therefore, be it

Resolved, That the Western Society of Naturalists urge the Senators of the Western States to use every reasonable effort to secure the ratification of this treaty. The secretary of the society is hereby directed to transmit a copy of this resolution to each of the Senators of the States of Washington, Oregon, and California, to the Governor of Washington, to the United States Commissioner of Fisheries, to the editors of Science, Forest, and Stream, National Waltonian, Pacific Fisherman, and to the secretary of the American Fisheries Society.

INTERNATIONAL LIONS CLUB,
Gig Harbor, Wash., December 28, 1935.

Hon. LEWIS B. SCHWELLENBACH,
United States Senator, Washington, D. C.

DEAR SENATOR SCHWELLENBACH: The Lions Club of Gig Harbor has directed me to voice its protest against the international sockeye treaty; two paragraphs of the protest of the Salmon Purse Seiners Union are quoted below:

Therefore be it resolved, That the Salmon Purse Seiners Union of the Pacific, regularly met in convention, condemned the international sockeye treaty as being detrimental to the interests of the workers in the industry and of the general public and demand that the Senate of the United States refuse its ratification; and be it further

Resolved, That the Salmon Purse Seiners Union urge the newly elected liberal Government of Canada, with the Government of the United States, to take immediate steps toward drafting a new treaty properly designed to conserve effectively the Fraser River sockeye salmon.

The Lions Club is in sympathy with the sentiment expressed in the above paragraphs and respectfully urges your support in behalf of the purse seiners.

Very sincerely yours,

LEO PARADIS, *Secretary.*

MONTESANO, WASH., *December 28, 1935.*

Hon. LEWIS B. SCHWELLENBACH,
Senator from Washington, Washington, D. C.

MY DEAR SENATOR SCHWELLENBACH: At its meeting December 17 the Grays Harbor County Planning Commission unanimously adopted the enclosed report of its fisheries committee, which had been studying the sockeye treaty for several weeks.

The commission is very much in favor of the treaty, believing that only by a proper international agreement and regulation can the sockeye runs be retained as a commercial resource for this region.

We understand that you are in favor of ratification of the treaty and trust nothing will occur to prevent such ratification.

Wishing you a happy new year, we remain,

Yours very truly,

GRAYS HARBOR COUNTY PLANNING COMMISSION,
By A. WENDELL BRACKETT, *Secretary.*

EAST STANWOOD, WASH., *January 8, 1936.*

Hon. L. B. SCHWELLENBACH,
United States Senator, Washington, D. C.

MY DEAR SENATOR SCHWELLENBACH: It has been called to the attention of our organization by the Washington State Planning Council that a treaty with regard to the sockeye salmon industry has been concluded between Canada and the United States. All that remains to be done is ratification by the United States Senate, the treaty having been ratified by the Canadian Parliament.

We are told that with the approval of yourself and Senator BONE the Senate will ratify this treaty without further investigation. We feel that this industry, which is worth some $33,000,000, should be protected by a treaty of this nature. It would seem to be clearly to the advantage of the State of Washington to enter into such a treaty for the reason that the spawning waters are all within the Dominion of Canada.

I trust that you will feel free to give this treaty your every effort of support, and for your anticipated cooperation we thank you.

Most sincerely yours,

EAST STANWOOD COMMERCIAL CLUB,
By HOWARD C. GRAHAM, *Secretary.*

Whereas the people of the State of Washington reposed control and direction of the salmon industry (the third largest industry in the State) by a majority of 122,000 at the last general election: Now, therefore, be it

Resolved, By Pierce County Pomona Grange No. 16 that we earnestly urge Senator BONE and Senator SCHWELLENBACH not to permit the resurrection of the 1930 sockeye treaty as it would undo the mandate expressed by the people of this State; be it further

Resolved, That a copy of this resolution be sent to Senator BONE and Senator SCHWELLENBACH and a copy to Washington State Grange.

EAST SIDE SPORTMEN'S CLUB,
Bellevue, Wash., May 12, 1936.

Hon. LOUIS SCHWELLENBACH,
Senator, State of Washington, United States Senate,
Washington, D. C.

DEAR MR. SCHWELLENBACH: Enclosed please find report of action of Bellingham meeting, May 10, 1936, regarding the sockeye-salmon treaty.

You will notice that the interested parties agreed to the recommendations of the previous report which I sent to you.

Considerable interest has been taken by all organizations over the State in this matter. Enclosed are some newspaper clippings showing the headlines given to this subject. Since some 200 organizations belonging to the Sportmen's Association and all the fishing interests are interested in this matter, we hope you will be successful in having this treaty ratified in this session of Congress. It will mean a great deal to the two Senators of this State personally if you can put it over when so many failures have occurred in the past 44 years.

Everyone concerned wants you to know that we are behind you in this matter.

Sincerely,

JOSHUA H. VOGEL,
East Side Sportmen's Club.

Be it resolved by the Okanogan Commercial Club, That—

Whereas it appears that the sockeye-salmon industry is in danger of destruction unless regulated and controlled by an international commission as provided by a proposed treaty between the United States and Canada, which treaty has been ratified by Canada and is now pending before the United States Senate; and

Whereas the Washington State Planning Council, after careful consideration, has recommended the ratification of said treaty: Now, therefore, be it

Resolved, That we favor the ratification of the pending treaty and request our Senators to support and vote for the approval of it, and that a copy of this resolution be sent to each of our Senators and one to the State planning council.

I hereby certify that the foregoing is a true copy of a resolution unanimously adopted by the Okanogan Commercial Club at a regular meeting held on the 25th day of November 1935.

Dated this 25th day of November 1935.

WM. BAINES, *Secretary.*

Pack of canned salmon on Puget Sound from 1891 to 1935 [1]

Year	Sockeye	
	Cases	Value
1891	5,538	$24,921
1892	2,954	11,816
1893	47,852	103,371
1894	41,781	188,014
1895	65,143	273,108
1896	72,979	350,299
1897	312,048	1,248,192
1898	252,000	1,058,400
1899	499,646	2,368,334
1900	225,704	1,149,000
1901	105,096	
1902	339,556	2,047,655
1903	167,211	1,003,260
1904	123,419	653,871
1905	847,122	4,952,718
1906	182,241	1,251,236
1907	93,122	698,416
1908	170,951	1,196,657
1909	1,097,904	6,183,300
1910	248,014	1,673,095
1911	127,761	1,168,145

[1] Values based on opening prices.

Pack of canned salmon on Puget Sound from 1891 to 1935—Con.

Year	Sockeye	
	Cases	Value
1912	184,680	$1,660,173
1913	1,673,099	10,871,178
1914	335,230	3,208,696
1915	64,584	676,769
1916	84,637	699,161
1917	411,538	5,366,218
1918	50,723	781,992
1919	64,346	1,186,413
1920	62,654	1,725,252
1921	102,967	1,991,368
1922	48,566	945,178
1923	47,402	860,000
1924	69,369	1,182,358
1925	112,023	2,098,683
1926	44,673	532,408
1927	97,594	2,115,410
1928	60,081	1,207,981
1929	111,898	2,203,496
1930	352,194	4,890,921
1931	83,728	1,316,348
1932	78,319	897,006
1933	125,738	1,340,000
1934	340,787	3,632,587
1935	51,716	

British Columbia canned salmon pack by grades, 1903–35—Sockeyes, Fraser River

	Cases
1903	204,809
1904	72,688
1905	837,489
1906	183,007
1907	59,815
1908	63,126
1909	542,248
1910	133,045
1911	58,487
1912	108,784
1913	684,596
1914	185,483
1915	89,040
1916	27,394
1917	123,614
1918	16,849
1919	29,623
1920	44,598
1921	35,900
1922	48,744
1923	29,423
1924	36,200
1925	35,360
1926	83,598
1927	56,949
1928	26,530
1929	60,393
1930	107,901
1931	54,688
1932	83,445
1933	53,481
1934	145,549
1935	65,000

Mr. SCHWELLENBACH. Mr. President, this treaty has been pending since 1930. Finally, after lengthy negotiations between all the parties interested in the State of Washington and all the parties interested in British Columbia, three reservations have been agreed upon, and all the various interests are now in favor of the treaty.

The VICE PRESIDENT. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The VICE PRESIDENT. The resolution of ratification, with the reservations reported by the committee, will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive M, Seventy-first Congress, second session, the convention between the United States and Canada for the protection, preservation, and extension of the sockeye salmon fisheries of the Fraser River system, signed at Washington on May 26, 1930, subject to the following understandings to be made a part of such ratification:

(1) That the International Pacific Salmon Fisheries Commission shall have no power to authorize any type of fishing gear contrary to the laws of the State of Washington or the Dominion of Canada;

(2) That the Commission shall not promulgate or enforce regulations until the scientific investigations provided for in the convention have been made, covering two cycles of sockeye salmon runs, or 8 years; and

(3) That the Commission shall set up an advisory committee composed of five persons from each country who shall be repre-

sentatives of the various branches of the industry (purse seine, gill net, troll, sport fishing, and one other), which advisory committee shall be invited to all nonexecutive meetings of the Commission and shall be given full opportunity to examine and to be heard on all proposed orders, regulations, or recommendations.

The VICE PRESIDENT. The question is on agreeing to the reservations to the resolution of ratification.

The reservations were agreed to.

The VICE PRESIDENT. The question is on agreeing to the resolution of ratification, as amended by the reservations. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification, as amended by the reservations, is agreed to, and the treaty is ratified.

EXTRADITION CONVENTION BETWEEN UNITED STATES AND DENMARK

The Senate as in Committee of the Whole proceeded to consider Executive G (74th Cong., 2d sess.), a supplementary extradition convention between the United States of America and Denmark, signed at Washington on May 6, 1936, which was read the second time, as follows:

The President of the United States of America and His Majesty the King of Denmark and Iceland, agreeing to add to the list of extraditable crimes mentioned in article II of the treaty for the extradition of criminals, signed at Washington on January 6, 1902, and in article II of the additional convention, signed November 6, 1905, by means of an additional convention, have to that end appointed as their plenipotentiaries:

The President of the United States of America: Cordell Hull, Secretary of State of the United States of America; and

His Majesty the King of Denmark and Iceland: Mr. Otto Wadsted, His Envoy Extraordinary and Minister Plenipotentiary at Washington;

Who, after having communicated to each other their respective full powers, found in due and good form, have agreed upon the following articles:

ARTICLE I

In addition to the crimes and offenses mentioned in Article II of the treaty between the United States of America and Denmark for the extradition of criminals, signed at Washington on January 6, 1902, and in article II of the additional convention, signed on November 6, 1905, extradition shall be granted also for:

Crimes and offenses against the bankruptcy laws, provided the act in the United States of America is punishable as a felony and in Denmark may involve punishment of imprisonment for one year or a more severe penalty.

ARTICLE II

The present convention shall be considered as an integral part of the said extradition treaty of January 6, 1902, and shall be ratified according to the respective laws of the two contracting parties. The ratifications shall be exchanged at Washington as soon as possible.

In Testimony Whereof, the respective plenipotentiaries have signed the present convention both in the English and Danish languages and have affixed their seals to it.

Done in duplicate, at the city of Washington, this sixth day of May, nineteen hundred and thirty-six.

CORDELL HULL.
OTTO WADSTED.

Mr. PITTMAN. Mr. President, this treaty merely adds to extraditable offenses under the existing treaty crimes and offenses against the bankruptcy laws.

The VICE PRESIDENT. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The VICE PRESIDENT. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive G, Seventy-fourth Congress, second session, a supplementary extradition convention between the United States of America and Denmark, signed at Washington on May 6, 1936.

The VICE PRESIDENT. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the convention is ratified.

CONVENTION BETWEEN UNITED STATES AND FRANCE

The Senate, as in Committee of the Whole, proceeded to consider Executive H (74th Cong., 2d sess.), an additional extradition convention between the United States of America and the Republic of France, signed at Paris on April 23, 1936, which was read the second time, as follows:

The United States of America and the Republic of France being desirous of completing the list of crimes and offenses on account of which extradition may be granted under the convention concluded between the United States and France January 6, 1909, have resolved to conclude an additional convention for this purpose and to that end have appointed the following plenipotentiaries, to wit:

The President of the United States of America:

His Excellency Mr. Jesse Isidor Straus, Ambassador Extraordinary and Plenipotentiary of the United States of America to the French Republic;

And the President of the French Republic:

His Excellency Mr. Pierre-Etienne Flandin, Deputy Minister for Foreign Affairs,

Who are in agreement on the following articles:

ARTICLE I

The following stipulation, forming a paragraph 17, is added to the list of crimes and offenses appearing in article II of the aforementioned convention of January 6, 1909, completed by the additional convention of January 15, 1929:

"Acts classified under the heading of bankruptcy, or punished with the penalties of bankruptcy, by French law, if they constitute a crime or an offense in accordance with the laws of the United States."

ARTICLE II

The present convention shall be considered as an integral part of the aforementioned extradition convention of January 6, 1909. The second article thereof shall be read as if the list of crimes and offenses contained therein had originally comprised the criminal acts under the heading of bankruptcy by French law and provided for in article I of the present convention.

The present convention shall be ratified and the ratifications exchanged at Paris as soon as possible. It will come into force 30 days after the exchange of ratifications. It will continue in force and will terminate in the same manner as the said convention of January 6, 1909.

By virtue of which the present plenipotentiaries have signed the present convention in duplicate and have thereunto affixed their seals.

Done in duplicate at Paris, on the 23d of April 1936.

JESSE ISIDOR STRAUS. [SEAL]
P. E. FLANDIN. [SEAL]

Mr. PITTMAN. The treaty also adds crimes and offenses against bankruptcy laws to the extraditable offenses under the existing treaty.

The VICE PRESIDENT. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The VICE PRESIDENT. The resolution of ratification will be read:

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive H, Seventy-fourth Congress, second session, an additional extradition convention between the United States of America and the Republic of France, signed at Paris on April 23, 1936.

The VICE PRESIDENT. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the convention is ratified.

POSTMASTER, ST. JOHNS, MICH.—RECONSIDERATION AND RECOMMITTAL

Mr. McKELLAR. Mr. President, I ask unanimous consent to reconsider the vote by which the Senate, on June 8, confirmed the nomination of Frank L. Thome to be postmaster at St. Johns, Mich., and that the nomination be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

THE JUDICIARY

The legislative clerk read the nomination of Benigno Fernandez Garcia, of Puerto Rico, to be Attorney General of Puerto Rico.

Mr. COPELAND. Mr. President, I ask that the nomination go over until the next executive session.

Mr. BURKE. Mr. President, this is the third time the nomination has been called on the calendar. It is a very important nomination, and I think it ought to be disposed of.

Mr. COPELAND. May I ask our leader whether we are likely to have an executive session tomorrow?

Mr. ROBINSON. Yes; it is my expectation that there will be an executive session tomorrow.

Mr. COPELAND. This is the first time I have asked that the nomination go over; and tomorrow I shall not interpose objection to its consideration.

Mr. BURKE. If the nomination may be disposed of tomorrow, I have no objection to its going over until that time.

The VICE PRESIDENT. The nomination will be passed over.

The legislative clerk read the nomination of Vincent L. Leibell, of New York, to be United States district judge, southern district of New York.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John C. Lehr, of Michigan, to be United States attorney, eastern district of Michigan.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank C. Blackford, of New York, to be United States marshal, western district of New York.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL RESERVE SYSTEM

The legislative clerk read the nomination of Chester C. Davis, of Maryland, to be a member of the Board of Governors of the Federal Reserve System.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

RECONSTRUCTION FINANCE CORPORATION

The legislative clerk read the nomination of Emil Schram, of Illinois, to be a member of the board of directors of the Reconstruction Finance Corporation.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate, under the order previously entered, took a recess until tomorrow, Wednesday, June 17, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 16 (legislative day of June 15), 1936

DIPLOMATIC AND FOREIGN SERVICE

Wainwright Abbott, of Pennsylvania, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

SECURITIES AND EXCHANGE COMMISSION

Robert E. Healy, of Vermont, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1941. (Reappointment.)

PUBLIC WORKS ADMINISTRATION

Frank M. Keller, of Colorado, to be State engineer inspector for the Public Works Administration in Colorado, Utah, and Wyoming.

PUBLIC HEALTH SERVICE

Passed Asst. Surg. Erval R. Coffey to be surgeon in the United States Public Health Service, to rank as such from June 16, 1936.

POSTMASTERS

ARKANSAS

Felix E. Stephenson to be postmaster at De Witt, Ark., in place of C. N. Ruffin. Incumbent's commission expired March 23, 1936.

Norine W. Thomas to be postmaster at Norman, Ark. Office becomes Presidential July 1, 1936.

ALABAMA

Albert C. Simmons to be postmaster at Deatsville, Ala., in place of I. C. Chapman, removed.

Robert A. Reid to be postmaster at Montevallo, Ala., in place of P. C. Wilson, resigned.

ARIZONA

Fred B. Moore to be postmaster at Morenci, Ariz., in place of C. F. Mater. Incumbent's commission expired April 16, 1934.

CALIFORNIA

Claude P. Roberts to be postmaster at Wilmington, Calif., in place of M. E. Woods. Incumbent's commission expired March 29, 1936.

Orin Franklin Mumy to be postmaster at Angel Island, Calif., in place of G. R. Walker. Incumbent's commission expired April 12, 1936.

Reuben C. Yarger to be postmaster at Loleta, Calif., in place of Anna Crossland. Incumbent's commission expired January 26, 1936.

CONNECTICUT

John J. Mahony to be postmaster at Derby, Conn., in place of W. H. DeForest, retired.

FLORIDA

Herbert L. Eiland to be postmaster at Baker, Fla. Office becomes Presidential July 1, 1936.

Eva E. Ward to be postmaster at Macclenny, Fla., in place of R. A. Fraser, resigned.

George T. Lewis to be postmaster at Cedar Keys, Fla. Office became Presidential July 1, 1935.

Bibb E. Jones to be postmaster at Port Orange, Fla., in place of Alice Wells. Incumbent's commission expired April 14, 1936.

Clarence L. Ware to be postmaster at Saint Andrew, Fla. Office becomes Presidential July 1, 1936.

GEORGIA

John R. Jones to be postmaster at Dahlonega, Ga., in place of Fred Fitts, transferred.

IDAHO

Sara H. Huff to be postmaster at Driggs, Idaho, in place of W. L. Killpack. Incumbent's commission expired May 23, 1936.

Henry S. Detmer to be postmaster at Orofino, Idaho, in place of R. N. Molloy. Incumbent's commission expired April 12, 1936.

Harry L. Clovis to be postmaster at Craigmont, Idaho, in place of Ward Evans. Incumbent's commission expired January 7, 1936.

Katherine A. Peters to be postmaster at Post Falls, Idaho, in place of M. P. Wetherell. Incumbent's commission expired February 5, 1936.

ILLINOIS

Richard M. Laux to be postmaster at Addison, Ill. Office becomes Presidential July 1, 1936.

Charles E. Olds to be postmaster at Albany, Ill. Office becomes Presidential July 1, 1936.

Oral LaVan Dowse to be postmaster at Kempton, Ill. Office becomes Presidential July 1, 1936.

Marshall P. Kuhne to be postmaster at McNabb, Ill. Office becomes Presidential July 1, 1936.

Francis J. Keigher to be postmaster at Manteno, Ill., in place of Mode Morrison, removed.

Edward P. Devine to be postmaster at Somonauk, Ill., in place of E. P. Devine. Incumbent's commission expired April 27, 1936.

Arthur McKinney to be postmaster at Alto Pass, Ill., in place of Frank Willey, Sr. Incumbent's commission expired March 17, 1936.

Effie B. Mueller to be postmaster at De Soto, Ill. Office becomes Presidential July 1, 1936.

Edith Brain to be postmaster at Orient, Ill. Office becomes Presidential July 1, 1936.

John S. Kaler to be postmaster at Rantoul, Ill., in place of J. L. Jones. Incumbent's commission expired April 27, 1936.

George Lyons to be postmaster at Tilden, Ill. Office becomes Presidential July 1, 1936.

George M. Mader to be postmaster at Waverly, Ill., in place of V. G. Keplinger. Incumbent's commission expired January 7, 1936.

Virginia F. Dodge to be postmaster at Arlington Heights, Ill., in place of B. F. Helfers, transferred.

INDIANA

Albert L. Dobbs to be postmaster at Greencastle, Ind., in place of E. R. Bartley. Incumbent's commission expired January 22, 1936.

Andrew H. Henschen to be postmaster at Rising Sun, Ind., in place of E. A. Bodey. Incumbent's commission expired January 9, 1936.

Clyde B. Oberlin to be postmaster at Butler, Ind., in place of T. M. Long. Incumbent's commission expired April 27, 1936.

Guy Dunlap to be postmaster at Poseyville, Ind., in place of G. W. Owen, resigned.

IOWA

J. Gerald Christy to be postmaster at Coon Rapids, Iowa, in place of B. N. Smith. Incumbent's commission expired January 22, 1935. (Removed without prejudice.)

Anna T. Wieland to be postmaster at Gladbrook, Iowa, in place of C. W. Broeker. Incumbent's commission expires July 13, 1936.

Audra R. Howe to be postmaster at Greenfield, Iowa, in place of M. G. McCreight, resigned.

J. Louis Buss to be postmaster at Dow City, Iowa, in place of A. W. Michaelsen. Incumbent's commission expires June 23, 1936.

Oscar K. Dick to be postmaster at Iowa Falls, Iowa, in place of H. S. Powers. Incumbent's commission expired May 10, 1936.

Peter Peterson to be postmaster at Story City, Iowa, in place of E. L. Ericson, deceased.

Anna K. Shane to be postmaster at Ames, Iowa, in place of L. C. Tilden. Incumbent's commission expired January 12, 1936.

Alice E. Owens to be postmaster at Carlisle, Iowa, in place of A. W. Keeney. Incumbent's commission expired December 20, 1934.

Ina M. Crow to be postmaster at Norwalk, Iowa. Office becomes Presidential July 1, 1936.

KANSAS

Loraine Champlin to be postmaster at Long Island, Kans. Office becomes Presidential July 1, 1936.

Ernest F. Gerber to be postmaster at Meriden, Kans. Office becomes Presidential July 1, 1936.

KENTUCKY

George Taylor Smith to be postmaster at Beattyville, Ky., in place of F. W. Stamper. Incumbent's commission expired April 4, 1936.

Hattie D. Wood to be postmaster at Millersburg, Ky., in place of M. B. Grimes. Incumbent's commission expired June 10, 1936.

Charles W. Mitchell to be postmaster at Wilmore, Ky., in place of E. W. Peniston. Incumbent's commission expired June 1, 1936.

Ben G. Pollard to be postmaster at Eminence, Ky., in place of W. E. Keller. Incumbent's commission expired April 27, 1936.

LOUISIANA

Guy J. Prevot to be postmaster at Mansura, La., in place of E. A. Drouin. Incumbent's commission expired April 5, 1936.

MASSACHUSETTS

Arthur F. Cahoon to be postmaster at Harwich, Mass., in place of A. F. Cahoon. Incumbent's commission expired January 9, 1936.

Clarkson P. Bearse to be postmaster at Harwich Port, Mass., in place of C. W. Hardie. Incumbent's commission expired May 16, 1934.

William P. O'Grady to be postmaster at Holliston, Mass., in place of W. F. Keller. Incumbent's commission expired January 27, 1936.

Mary F. Cronan to be postmaster at Middleton, Mass., in place of E. L. Young. Incumbent's commission expired February 9, 1936.

Osgood L. Small to be postmaster at Sagamore, Mass., in place of O. L. Small. Incumbent's commission expired January 9, 1936.

Timothy J. Sullivan to be postmaster at Palmer, Mass., in place of E. W. Carpenter. Incumbent's commission expired April 27, 1936.

MINNESOTA

Walter F. Gregory to be postmaster at Backus, Minn., in place of P. P. Palmer. Incumbent's commission expired March 31, 1936.

Theodore H. Lohrke to be postmaster at Balaton, Minn., in place of E. A. Rolloff. Incumbent's commission expired February 9, 1936.

William Louis Taffe to be postmaster at Beardsley, Minn., in place of R. A. Smith. Incumbent's commission expires June 28, 1936.

John M. Gunter to be postmaster at Clara City, Minn., In place of C. H. Lepler. Incumbent's commission expired February 24, 1936.

William Spalinger to be postmaster at Clinton, Minn., in place of N. M. Watkins. Incumbent's commission expired March 31, 1936.

John R. Forsythe to be postmaster at Cohasset, Minn. Office becomes Presidential July 1, 1936.

Lawrence C. Blackmun to be postmaster at Hancock, Minn., in place of Olaf Syverson. Incumbent's commission expired March 31, 1936.

Charles A. Allen to be postmaster at Milaca, Minn., in place of C. A. Allen. Incumbent's commission expired January 25, 1936.

Marguerite Mealey to be postmaster at Monticello, Minn., in place of E. H. Anderson. Incumbent's commission expired April 29, 1936.

Andrew J. Tauer to be postmaster at Morgan, Minn., in place of F. S. Pollard. Incumbent's commission expired March 31, 1936.

Herman I. Nelson to be postmaster at Spicer, Minn., in place of A. J. Anderson. Incumbent's commission expired April 12, 1936.

Alfred Anderson to be postmaster at Twin Valley, Minn., in place of Alfred Anderson. Incumbent's commission expired March 17, 1936.

Kalervo O. Finnila to be postmaster at Floodwood, Minn., in place of E. B. Triplett. Incumbent's commission expired March 31, 1936.

Roy Peterson to be postmaster at Litchfield, Minn., in place of J. H. Phelps. Incumbent's commission expired February 24, 1936.

Ross Andrews to be postmaster at Meadowlands, Minn., in place of Ross Andrews. Incumbent's commission expired April 27, 1936.

Ida M. Chiabotti to be postmaster at Tower, Minn., in place of L. M. Helm. Incumbent's commission expired March 31, 1936.

Timothy A. Garvey to be postmaster at Wahkon, Minn., in place of M. N. Halgren. Incumbent's commission expired April 29, 1936.

Arthur F. Hernlem to be postmaster at Red Wing, Minn., in place of H. N. Nordholm. Incumbent's commission expired March 17, 1936.

MISSISSIPPI

John A. Gerard to be postmaster at Bude, Miss., in place of B. L. Scarborough. Incumbent's commission expired January 13, 1936.

Clifford E. Ball to be postmaster at Tylertown, Miss., in place of M. C. Carr. Incumbent's commission expired January 13, 1936.

MISSOURI

William S. Miller to be postmaster at Drexel, Mo., in place of Homer Beaty. Incumbent's commission expired February 9, 1936.

Jessie L. Gates to be postmaster at Urich, Mo., in place of C. A. Boyles. Incumbent's commission expired March 10, 1936.

MONTANA

Theodore R. Bergstrom to be postmaster at Baker, Mont., in place of R. E. Morris, removed.

Charles Gibson Monkman to be postmaster at Choteau, Mont., in place of G. C. Core. Incumbent's commission expired April 27, 1936.

Grace M. Ramsey to be postmaster at Denton, Mont., in place of A. W. Dehnert. Incumbent's commission expired April 27, 1936.

Paul M. McLean to be postmaster at Ekalaka, Mont., in place of W. S. Carlson. Incumbent's commission expired January 18, 1936.

George T. O'Brien to be postmaster at Sidney, Mont., in place of A. D. Ferris. Incumbent's commission expired April 27, 1936.

NEBRASKA

Frank Johnson to be postmaster at North Loup, Nebr., in place of A. H. Babcock, removed.

Irene L. Barrett to be postmaster at Greeley, Nebr., in place of A. L. Hepp. Incumbent's commission expired February 5, 1936.

NEW HAMPSHIRE

Lisle O. Moulton to be postmaster at Ossipee, N. H., in place of H. P. Gleason. Incumbent's commission expired February 5, 1936.

Bernard F. Nixon to be postmaster at East Rochester, N. H., in place of G. E. Emerson. Incumbent's commission expired January 22, 1934.

NEW JERSEY

Joseph Louis Kennedy to be postmaster at Montclair, N. J., in place of T. L. Bell, resigned.

Berkeley W. Moore to be postmaster at Somerville, N. J., in place of J. H. Masker, retired.

Christian J. Hansen to be postmaster at Bloomingdale, N. J., in place of Horace Ricker. Incumbent's commission expired February 19, 1936.

James P. Carey to be postmaster at Boonton, N. J., in place of Arthur Taylor. Incumbent's commission expired January 16, 1934.

George S. McCandless to be postmaster at Cedarville, N. J., in place of R. S. Duffield. Incumbent's commission expired February 9, 1936.

Raymond P. Jones to be postmaster at Fair Haven, N. J., in place of F. F. Dennis. Incumbent's commission expired March 17, 1936.

Elizabeth B. Egan to be postmaster at Lyons, N. J. Office became Presidential July 1, 1932.

Anna Willins to be postmaster at River Edge, N. J., in place of Elsie Brown. Incumbent's commission expired March 28, 1936.

John J. Sanders to be postmaster at Allentown, N. J., in place of A. R. Bates. Incumbent's commission expired June 10, 1936.

Sarah E. Bellis to be postmaster at Bloomsbury, N. J., in place of H. J. Mack, Jr., resigned.

Walter McCracken to be postmaster at Newton, N. J., in place of J. D. Roe. Incumbent's commission expired April 29, 1936.

Elah Collins to be postmaster at Pequannock, N. J., in place of F. M. Arthur. Incumbent's commission expired February 19, 1936.

Eleanor Earling to be postmaster at Roebling, N. J., in place of G. R. Beck. Incumbent's commission expired April 29, 1936.

Libert A. Martinelli to be postmaster at Williamstown, N. J., in place of H. H. Hilyard. Incumbent's commission expired January 26, 1936.

NEW YORK

Sidney A. Herzig to be postmaster at Beaver Falls, N. Y., in place of J. M. Steinhilber. Incumbent's commission expired March 22, 1936.

Henry E. Benedict to be postmaster at Broadalbin, N. Y., in place of G. H. Farley. Incumbent's commission expired March 22, 1936.

Milton B. Empie to be postmaster at Brownville, N. Y., in place of E. M. Phelps. Incumbent's commission expired March 23, 1936.

Ronald S. Kingston to be postmaster at Canaseraga, N. Y., in place of E. M. Bluestone. Incumbent's commission expired April 29, 1936.

Ray C. Kilmer to be postmaster at Castleton on Hudson, N. Y., in place of E. K. Hudson. Incumbent's commission expired February 17, 1936.

John K. Oakes to be postmaster at Cherry Valley, N. Y., in place of Benjamin Wightman. Incumbent's commission expired February 17, 1936.

Purdy A. Kinkaid to be postmaster at Cohocton, N. Y., in place of H. P. Wilcox. Incumbent's commission expired February 17, 1936.

Henry J. Rourke to be postmaster at Gansevoort, N. Y., in place of W. A. Patterson. Incumbent's commission expired February 24, 1936.

Anna C. Allen to be postmaster at Groveland, N. Y., in place of Carl Gardner. Incumbent's commission expired March 22, 1936.

William H. Toohey to be postmaster at Hurleyville, N. Y., in place of W. N. Durland. Incumbent's commission expired April 12, 1936.

Earl A. Guertin to be postmaster at Lakewood, N. Y., in place of J. N. Copeland, deceased.

Robert McHale to be postmaster at Marcellus, N. Y., in place of M. L. Woodford. Incumbent's commission expired January 28, 1934.

Ralph S. Washington to be postmaster at Monticello, N. Y., in place of W. W. Carpenter. Incumbent's commission expired June 1, 1936. (Removed without prejudice.)

Anna W. Cohan to be postmaster at Palmer, N. Y., in place of W. H. Mead. Incumbent's commission expired December 16, 1933.

Katherine S. Wolosik to be postmaster at Peconic, N. Y., in place of A. S. Prince. Incumbent's commission expired April 28, 1934.

Maurice H. Fanning to be postmaster at Roxbury, N. Y., in place of K. B. Preston. Incumbent's commission expired January 18, 1936.

Myra A. Barber to be postmaster at Sanborn, N. Y., in place of W. J. Pike. Incumbent's commission expired February 24, 1936.

Charles A. Gagen to be postmaster at Southold, N. Y., in place of J. M. Glover. Incumbent's commission expired January 18, 1936.

Monte Yost to be postmaster at Springville, N. Y., in place of L. J. Shuttleworth. Incumbent's commission expired April 12, 1936.

Edith C. Jones to be postmaster at Tappan, N. Y., in place of J. W. Bellis. Incumbent's commission expired February 17, 1936.

James E. Murphy to be postmaster at Wyoming, N. Y., in place of F. W. Withey. Incumbent's commission expired January 18, 1936.

Estell R. Harrington to be postmaster at Alexander, N. Y. Office becomes Presidential July 1, 1936.

Melvin C. Bundy to be postmaster at Cooperstown, N. Y., in place of B. G. Johnson. Incumbent's commission expired April 29, 1936.

Ethel M. Martin to be postmaster at Hamlin, N. Y. Office becomes Presidential July 1, 1936.

George J. Petith to be postmaster at Hillsdale, N. Y., in place of N. S. Barclay. Incumbent's commission expired March 22, 1936.

James Case to be postmaster at Little Valley, N. Y., in place of L. G. Hall. Incumbent's commission expired February 17, 1936.

Michael E. Murphy to be postmaster at Livonia, N. Y., in place of A. F. Becker. Incumbent's commission expired April 29, 1936.

William E. Mensing to be postmaster at Nassau, N. Y., in place of Albert Lynd. Incumbent's commission expired February 17, 1936.

Harriett H. Rundle to be postmaster at Odessa, N. Y., in place of C. P. Rundle, deceased.

Eugene B. Gormley to be postmaster at Phoenicia, N. Y., in place of C. F. Simpson. Incumbent's commission expired February 5, 1935.

Frederick N. Brown, Jr., to be postmaster at Stephentown, N. Y., in place of F. N. Brown, deceased.

Patrick H. McCarthy, Jr., to be postmaster at Tupper Lake, N. Y., in place of D. H. DeLair. Incumbent's commission expired March 18, 1934.

Francis J. McCarthy to be postmaster at Watertown, N. Y., in place of G. A. Hager, transferred.

Frances Pardy to be postmaster at Wawayanda, N. Y. Office becomes Presidential July 1, 1936.

Ward C. Wells to be postmaster at Barneveld, N. Y., in place of C. G. Jones. Incumbent's commission expired January 27, 1936.

Timothy B. Ryan to be postmaster at Chateaugay, N. Y., in place of H. E. Thompson. Incumbent's commission expired April 29, 1936.

J. Frederick Collins to be postmaster at Oriskany Falls, N. Y., in place of C. R. Allen. Incumbent's commission expired January 27, 1936.

Bret T. Hammersmith to be postmaster at Orchard Park, N. Y., in place of C. H. Brown. Incumbent's commission expired March 23, 1936.

James Earle Molyneux to be postmaster at Ransomville, N. Y., in place of J. E. Uline, deceased.

Cecile G. Taylor to be postmaster at Sloatsburg, N. Y., in place of R. J. Taylor, deceased.

NORTH CAROLINA

James C. McPhail to be postmaster at Red Springs, N. C., in place of C. E. Zedaker. Incumbent's commission expired March 17, 1936.

Alexander Elmo Powell to be postmaster at Whiteville, N. C., in place of David Smith, transferred.

Bethany Campen to be postmaster at Bayboro, N. C. Office became Presidential July 1, 1935.

Grover C. Haynes to be postmaster at Clyde, N. C., in place of J. M. Sentelle. Incumbent's commission expired December 20, 1934.

NORTH DAKOTA

Elmer Knorr to be postmaster at Hunter, N. Dak., in place of W. P. Osborne. Incumbent's commission expired January 26, 1936.

Otto Engel to be postmaster at Kenmare, N. Dak., in place of M. K. Retzlaff. Incumbent's commission expired February 4, 1935.

Herman E. Moyes to be postmaster at Oberon, N. Dak. Office becomes Presidential July 1, 1936.

OHIO

Emro J. Zetts to be postmaster at Campbell, Ohio, in place of F. L. Lee. Incumbent's commission expired March 28, 1936.

Robert B. Maddock to be postmaster at College Corner, Ohio, in place of O. P. Brown. Incumbent's commission expires June 23, 1936.

Ludwig Ries, Jr., to be postmaster at Dennison, Ohio, in place of W. W. McKee. Incumbent's commission expired March 10, 1936.

OKLAHOMA

Marcus L. Jarvis to be postmaster at Arapaho, Okla., in place of C. O. Thomas. Incumbent's commission expired February 5, 1936.

Frank R. Hendrickson to be postmaster at Quinton, Okla., in place of W. E. Watson. Incumbent's commission expired March 18, 1936.

Anna Wilcox to be postmaster at Seiling, Okla., in place of L. C. Mendenhall, removed.

Roy C. Grable to be postmaster at Waukomis, Okla., in place of Bernice Pitman. Incumbent's commission expired April 5, 1936.

OREGON

Frank O. Young to be postmaster at Sutherlin, Oreg., in place of J. T. Stark. Incumbent's commission expired January 22, 1936.

PENNSYLVANIA

Frame Shontz to be postmaster at Conneaut Lake, Pa., in place of W. D. First. Incumbent's commission expired February 25, 1935.

Edwin N. Dickey to be postmaster at Fredericktown, Pa., in place of H. H. Rodgers. Incumbent's commission expired May 16, 1934.

Harvey P. Hartman to be postmaster at Fullerton, Pa., in place of C. O. Wescoe. Incumbent's commission expired February 10, 1936.

John J. Sheridan to be postmaster at Hawley, Pa., in place of P. H. Kearney, resigned.

Laura M. Peacock to be postmaster at Houston, Pa., in place of L. M. Peacock. Incumbent's commission expired May 3, 1936.

Ellis Walter to be postmaster at New Enterprise, Pa. Office becomes Presidential July 1, 1936.

Layton A. Wallace to be postmaster at Nicholson, Pa., in place of B. D. Stephens. Incumbent's commission expired February 10, 1936.

Marlin W. Workman to be postmaster at Six Mile Run, Pa. Office becomes Presidential July 1, 1936.

Charles F. Mowry to be postmaster at Ulster, Pa., in place of D. W. Mills. Incumbent's commission expired March 8, 1934.

Israel J. Rohrbaugh to be postmaster at Beech Creek, Pa. Office became Presidential July 1, 1935.

Herschel C. Cowen to be postmaster at California, Pa., in place of W. W. Latta. Incumbent's commission expired February 10, 1936.

J. Seibert Barclay to be postmaster at Loysville, Pa., in place of F. P. Lightner. Incumbent's commission expired April 4, 1936.

Ralph E. Smith to be postmaster at Pittsburgh, Pa., in place of W. M. Turner, resigned.

Michael F. Doran to be postmaster at Spangler, Pa., in place of Z. K. Rodkey. Incumbent's commission expired January 9, 1935.

Emma S. Happel to be postmaster at Tatamy, Pa., in place of F. M. Butz, removed.

Claire C. Davis to be postmaster at West Alexander, Pa., in place of M. H. Guess. Incumbent's commission expired February 17, 1936.

Mary K. Roach to be postmaster at Bala-Cynwyd, Pa., in place of F. J. Roach, resigned.

Henry Oscar Broadbelt to be postmaster at Newtown Square, Pa., in place of C. J. Hanley. Incumbent's commission expired February 5, 1936.

Clinton H. Hoffman to be postmaster at Pennsburg, Pa., in place of J. J. Borntrager, deceased.

Maurice E. Sassaman, Sr. to be postmaster at Pottstown, Pa., in place of R. P. Holloway. Incumbent's commission expired January 22, 1935.

Mable L. Lake to be postmaster at Springville, Pa. Office becomes Presidential July 1, 1936.

RHODE ISLAND

Peter L. Creighton to be postmaster at Harrisville, R. I., in place of P. L. Creighton. Incumbent's commission expires June 28, 1936.

Arthur E. Osborne to be postmaster at Saunderstown, R. I., in place of E. S. Babcock. Incumbent's commission expired February 3, 1936.

Charles E. Cornell to be postmaster at Shannock, R. I., in place of L. G. Hoxie. Incumbent's commission expired January 18, 1936.

Samuel H. Pascoe to be postmaster at Wallum Lake, R. I., in place of J. F. Harrod. Incumbent's commission expired December 10, 1934.

SOUTH CAROLINA

David D. Elson to be postmaster at Chesnee, S. C., in place of T. A. Sawyer, removed.

Waddy J. Hill to be postmaster at Fountain Inn, S. C., in place of F. W. Welborn. Incumbent's commission expired April 12, 1936.

Carl W. Reeves to be postmaster at Gray Court, S. C., in place of A. W. Wallace, resigned.

Inez S. Littlejohn to be postmaster at Jonesville, S. C., in place of F. M. Ellerbe. Incumbent's commission expired March 29, 1936.

John W. Wilbanks to be postmaster at Union, S. C., in place of L. S. Hope. Incumbent's commission expires July 13, 1936.

James H. Fox to be postmaster at Lexington, S. C., in place of H. E. Wessinger, resigned.

William E. Law to be postmaster at Moncks Corner, S. C., in place of L. W. Rigby. Incumbent's commission expired January 25, 1936.

SOUTH DAKOTA

Mary E. Rounds to be postmaster at Interior, S. Dak. Office became Presidential July 1, 1935.

Carl L. Freiwald to be postmaster at Big Stone City, S. Dak., in place of B. D. Kidman. Incumbent's commission expires June 28, 1936.

Myron J. Cannon to be postmaster at Hermosa, S. Dak. Office became presidential July 1, 1935.

Rose Cole Hoyer to be postmaster at Wagner, S. Dak., in place of F. J. Farley, deceased.

TENNESSEE

Charles V. O'Neal to be postmaster at Manchester, Tenn., in place of L. A. Jernigan. Incumbent's commission expired April 29, 1936.

Nathan D. Guy to be postmaster at Bradford, Tenn., in place of C. M. Cain. Incumbent's commission expires July 13, 1936.

George Reed Canada to be postmaster at Dyer, Tenn., in place of James Rogers. Incumbent's commission expired April 29, 1936.

Joe F. Penn to be postmaster at Kenton, Tenn., in place of H. K. Dodson. Incumbent's commission expired February 5, 1936.

Harmon B. Fox to be postmaster at Obion, Tenn., in place of Colpy Upton. Incumbent's commission expired February 5, 1936.

Clarence G. Guill to be postmaster at Union City, Tenn., in place of W. E. Hudgins. Incumbent's commission expired February 5, 1936.

TEXAS

John Morgan Hall to be postmaster at Stanton, Tex., in place of Nobye Hamilton. Incumbent's commission expired January 8, 1936.

Elmer Rice to be postmaster at Wilson, Tex., in place of Fannie Dawson. Incumbent's commission expired March 10, 1936.

Curry H. Walker to be postmaster at Pampa, Tex., in place of D. E. Cecil. Incumbent's commission expired January 8, 1936.

UTAH

Nellie M. Ballard to be postmaster at Woods Cross, Utah. Office becomes Presidential July 1, 1936.

Lyman Baker to be postmaster at Eureka, Utah, in place of E. F. Birch. Incumbent's commission expired March 1, 1936.

Heber M. Rasband to be postmaster at Heber, Utah, in place of Maranda Young. Incumbent's commission expired February 9, 1936.

John C. Green to be postmaster at Park City, Utah, in place of G. G. Rosevear. Incumbent's commission expired January 7, 1936.

William Warner Mitchell to be postmaster at Parowan, Utah, in place of P. A. Clark. Incumbent's commission expired January 7, 1936.

Fred H. Jones to be postmaster at Gunnison, Utah, in place of L. N. Gledhill. Incumbent's commission expired February 9, 1936.

VIRGINIA

Abbott D. Gerberich to be postmaster at Pearisburg, Va., in place of J. J. Carper. Incumbent's commission expires July 7, 1936.

Lillian C. Ruff to be postmaster at Vienna, Va., in place of J. L. Jeffries. Incumbent's commission expired April 12, 1936.

WASHINGTON

Elmer J. Braendlein to be postmaster at Bremerton, Wash., in place of R. R. Staub, transferred.

Andrew Hunter to be postmaster at Puyallup, Wash., in place of G. W. Edgerton. Incumbent's commission expired February 19, 1936.

Alf Christian Willard to be postmaster at Stanwood, Wash., in place of Trygve Lien. Incumbent's commission expired May 23, 1936.

WEST VIRGINIA

Cicero C. Hurley to be postmaster at Anawalt, W. Va., Office becomes Presidential July 1, 1936.

Nancy Bethel Martin to be postmaster at Belle, W. Va., in place of B. F. Penix, deceased.

Ernest L. Head to be postmaster at Jenkinjones, W. Va. Office becomes Presidential July 1, 1936.

WISCONSIN

Lawrence C. Porter to be postmaster at Cambridge, Wis., in place of Eva Jensen. Incumbent's commission expired April 12, 1936.

George Medley to be postmaster at Foxlake, Wis., in place of D. J. Hotchkiss. Incumbent's commission expired January 22, 1936.

Charles S. Thayer to be postmaster at Palmyra, Wis., in place of F. W. Carlin. Incumbent's commission expired January 22, 1936.

Adolph H. Meinert to be postmaster at Albany, Wis., in place of Elizabeth Croake. Incumbent's commission expired April 27, 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16 (legislative day of June 15), 1936

UNITED STATES DISTRICT JUDGE

Vincent L. Leibell to be United States district judge, southern district of New York.

UNITED STATES ATTORNEY

John C. Lehr to be United States attorney, eastern district of Michigan.

UNITED STATES MARSHAL

Frank C. Blackford to be United States marshal, western district of New York.

FEDERAL RESERVE SYSTEM

Chester C. Davis to be a member of the Board of Governors of the Federal Reserve System.

RECONSTRUCTION FINANCE CORPORATION

Emil Schram to be a member of the Board of Directors of the Reconstruction Finance Corporation.

POSTMASTERS

CALIFORNIA

Blanche E. White, Chatsworth.
John N. Tibessart, Orland.
Walter L. Murphy, Sonoma.

COLORADO

Bailey M. Wells, Campo.

DELAWARE

George Henry Litz, Claymont.
James B. Thompson, Jr., Clayton.
Clara C. McVey, Marshallton.

GEORGIA

Colquitt G. Russell, Kingsland.

IDAHO

Marie E. McCarty, Plummer.

ILLINOIS

Ledru G. Schaeffer, Beardstown.
Frank F. Lietz, Buckley.
Clara Belle Pevehouse, Clayton.
Frank B. Laking, Grant Park.
Lloyd McCoy Wakefield, Heyworth.
William H. Cato, Homewood.
Charles J. Ator, Jacksonville.
Paul Therien, Momence.
Robert R. Lutz, Morton Grove.
William A. Schulke, Riverton.
Melville B. Carr, Scales Mound.
Claude Wilson Pyle, Sidell.
George E. Kull, Strasburg.
Frank E. Binkley, Warrensburg.

INDIANA

Henry E. White, Franklin.
William A. Maggert, Kendallville.
Joe C. Hoopingarner, Rockville.

IOWA

Arthur R. Otto, Bettendorf.
William T. Oakes, Clinton.
Leonard A. Moran, Granger.
Mary M. Hollingsworth, Marion.
Robert C. Campbell, Mount Pleasant.
Glenn C. Bowdish, Springville.
Leona B. Miller, Van Meter.
Lester P. Sauser, Worthington.

MARYLAND

Mayme B. Boulden, Cecilton.
Norman J. Hutchison, Cordova.
John Mercer Terrell, Elkton.
Raymond L. Westerfield, Port Deposit.

MINNESOTA

Joe M. Licari, Biwabik.
George D. Carroll, Blooming Prairie.
John S. Stensrud, Canby.
Mae Kirwin, Chokio.
Fred A. Gerber, Donnelly.
Alvin A. Mock, Echo.
Emma Jones, Gonvick.
Carl A. Smaby, Halstad.
Hans P. Becken, Hanska.
Earl P. Brackin, Herman.
Edward J. Farrell, Marietta.
Raymond R. Keefe, Morton.
Jeannette Schilling, Newport.
Harold L. Holmes, St. Hilaire.
Arthur Oliver Skalbeck, Sacred Heart.

MISSISSIPPI

Lucy R. Park, Merigold.

MISSOURI

Otto T. Pfefferkorn, Chaffee.
Barbara L. McLin, Willard.

NEBRASKA

Alfred A. Ristow, Scribner.

NEW JERSEY

Lemuel E. Miller, Jr., Cape May.
Fred Heckel, Ridgefield Park.

NEW YORK

Edward C. Laughlin, Akron.
Frances K. Jude, Angelica.
John F. McGrath, Auburn.
Joseph F. Murphy, Beacon.
John R. Clements, Bible School Park.
Chester T. Burnett, Burdett.
William L. Divver, Cedarhurst.
Katherine M. Raps, Clarence Center.
George F. Elwood, Cold Spring Harbor.
Matthias F. McDonald, East Williston.
Eva M. Wood, Elbridge.
Alice L. Lyon, Fort Ann.
Lee R. Smith, Hammond.
Abner B. Woodworth, Hensonville.
Glen S. McBratney, Heuvelton.
Peter J. Daub, Hewlett.
Allen M. Nesbitt, Jordan.
Frank McBriarty, Loomis.
Thomas J. Fay, Massena.
John Kenneth Hoffman, Old Forge.
Bernard H. Powers, Oyster Bay.
Robert L. Molyneux, Ransomville.
Irma R. Bennett, Ripley.
Fred Schweickhard, Rushville.
M. Polycarpa Staigele, St. Josephs.
Stephen F. Barker, Saugerties.
Anna Fallon, Setauket.
Willie Meabon, Sherman.
Robert W. Siver, Sidney.
Americo Masucci, Sparkill.
William Henry Nolan, Stillwater.
Daniel F. Sullivan, Winthrop.
William Cronin, Yonkers.

NORTH CAROLINA

Karl M. Cook, Mount Pleasant.

NORTH DAKOTA

Mabel E. Goetz, Dodge.

OKLAHOMA

Gilbert K. Stallings, Altus.
Oliver H. Graham, Dustin.
Thomas F. Lynch, Stroud.

OREGON

Leonard O. Ferguson, Arlington.

PENNSYLVANIA

Philip Joseph McNally, Aliquippa.
Clyde A. Plank, Aspers.
Ward T. Deise, Avis.
Blair L. Nagle, Birdsboro.
Ralph L. Bell, Burgettstown.
Howard W. Van Matre, Cambridge Springs.
Charles I. Donley, Carmichaels.
Joseph W. Kudasik, Central City.

John A. O'Donovan, Coraopolis.
John A. Barron, Cornwells Heights.
Foster W. Haverley, Covington.
Edna M. Transue, Delaware Water Gap.
Francis A. Fonash, Doylestown.
John P. May, East Brady.
Faye M. Slavin, Eldred.
Elijah E. Hall, Elizabeth.
Florence I. Kurtz, Elverson.
Willis C. Jack, Freedom.
Howard D. Brown, Friedens.
Della M. Sullivan, Genesee.
William J. Tye, Gordon.
John T. Painter, Greensburg.
Adam L. Winters, Holtwood.
John D. McConegly, Homestead.
Margaret Clifford Schandel, Jefferson.
John H. Boltz, Jonestown.
John W. Mills, Koppel.
Helen P. Harter, Laurelton.
James Frank Groover, Lewisburg.
Walter E. Snyder, Lykens.
Ruth Elizabeth Mackley, Manheim.
J. Merrell Mattern, Mars.
Joseph Samuel Raisner, Marysville.
Alexander Rankin, McKeesport.
Katherine M. Sherlock, Merion Station.
Genevieve C. McMahon, Mildred.
Walter S. Hattwick, Mill Hall.
Charles G. Kleckner, Millmont.
R. D. Hiram Hagenbuch, Montgomery.
Jackley L. Hines, Mount Jewett.
Charles J. Bennett, Mount Joy.
Howard R. Miller, New Ringgold.
Elmer M. Newton, New Wilmington.
William R. Kimble, Nottingham.
Michael P. Murphy, Oil City.
Ethel T. Croft, Osceola.
Edgar L. Ely, Polk.
Edward J. Donahue, Port Carbon.
Harry B. Wimer, Quarryville.
John L. Gates, Quincy.
James P. Monahan, St. Clair.
Morris A. Shappell, Shoemakersville.
Charles Q. Flickinger, Stowe.
Charles W. Johnston, Strasburg.
John T. Grady, Tobyhanna.
Harry E. Merritt, Ulysses.
James D. Brakeman, Union City.
Mary L. Carl, Vestaburg.
Charles S. Shaw, Waterford.
Catherine W. Stevenson, Waverly.
Thomas M. Hiester, Wernersville.
William T. Feaser, West Fairview.
John B. Brennen, Wilcox.
Frank E. Plankenhorn, Williamsport.
Henrietta T. McAvoy, Willow Grove.
Milton R. Luft, Wyomissing.
Ruth A. Fetter, Yardley.

PUERTO RICO

Jose Alejandro Principe, Juncos.
Enrique Rossy, San German.

TENNESSEE

Lyle S. Alexander, Ridgely.

UTAH

Eugene C. Gibson, Helper.

VERMONT

Irene M. Vaughn, Arlington.
Owen W. McShane, Poultney.

WASHINGTON

John M. Hurley, La Conner.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 16, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be the name of our Heavenly Father, whose goodness and mercy never faileth. We beseech Thee to be everywhere as an abiding power and influence, shaping the destinies of men and nations. We wait upon Thee, O Lord, that our minds and hearts may be in harmony with Thy holy will. Give us a large outlook upon life; may the needs of a better world inspire us to noble and unselfish service. With patience and fortitude may we fulfill the obligations which the citizens of our land have placed upon us. Out of Thy abundance, do Thou bestow blessings of happiness and good health upon all. Be Thou the lamp unto our pathways when our skies are overcast and the way is confused. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 8, 1936:

H. R. 12120. An act to provide for the further development of vocational education in the several States and Territories.

On June 15, 1936:

H. R. 6772. An act to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes;

H. R. 8271. An act to amend the act entitled "An act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics and related subjects, and for other purposes", approved May 22, 1928; and

H. R. 9183. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes.

On June 16, 1936:

H. R. 11687. An act to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 9483. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests;

H. R. 11614. An act to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.; and

H. R. 12073. An act to reserve certain public-domain lands in New Mexico as an addition to the school reserve of the Jicarilla Indian Reservation.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 476. An act relating to promotions of civil-service employees;

S. 2293. An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States;

S. 4552. An act to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation; and

S. J. Res. 286. Joint resolution fixing the date of meeting of the Seventy-fifth Congress.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5368) entitled "An act to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes."

The message also announced that the Senate had ordered that the Secretary be directed to request the House to return to the Senate the bill (S. 4740) to provide a graduated scale of reduction of payments under section 8 of the Soil Conservation and Domestic Allotment Act.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate no. 136 to the bill H. R. 9185, entitled "An act to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 4105. An act authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission, of Maryland, for park, parkway, and playground purposes.

LAYING OF THE CORNERSTONE, BRONX (N. Y.) POST OFFICE BUILDING

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to insert in the RECORD an address made by the Postmaster General, Hon. James A. Farley, at the laying of a cornerstone in the Bronx, N. Y., on June 13, 1936.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RICH. Reserving the right to object, is that James A. Farley? Is he the man who is running Roosevelt for President?

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Postmaster General James A. Farley at the laying of the cornerstone of the Bronx (N. Y.) Post Office Building at 12 o'clock noon, Saturday, June 13, 1936:

This is a historic day in the postal, social, and business life of the great Borough of the Bronx and it is a particularly happy day for me. I feel deeply honored in being permitted to join old friends in laying the cornerstone, which is the beginning of a magnificent post-office building—a building which will be a monument to the business enterprise of the citizens of this borough.

I understand that all of my predecessors for the past 35 years studied the problem as to whether a central post office should be located in the Bronx. When I became Postmaster General I learned that property had been acquired as early as 1910 upon which to erect an adequate post-office building, and that in 1914 additional land was purchased.

For more than 20 years the need for a central post office in the Bronx has been realized and I do not know why one has not long ago been provided. I have found no reason why the Bronx should not have as adequate postal facilities as any other city. Post-office records show that as early as the year 1900 there was correspondence and discussions about such a building as the one for which we are laying the cornerstone today, but the plans for the present building necessarily are on a much larger scale than were those contemplated 36 years ago, when the population of the borough was but 200,000.

I feel that I know the postal needs of the city of New York. This city provides one-tenth of the entire postal revenues of the United States. It is the greatest national and international business center in the world. Annually there are mailed here for dispatch to the several States of the Union and all parts of the world approximately 1,000,000,000 letters, 600,000,000 pieces of advertising mail, and 50,000,000 parcel-post packages.

The population of this borough is now estimated at more than 1,500,000, with a social, commercial, financial, and educational life requiring the very highest type of mail service. This immense population brings this borough into the group of the five greatest cities of the United States.

This splendid edifice will provide a central delivery point for mail in the entire Bronx area and for the delivery district in Manhattan north of One Hundred and Thirtieth Street. It will also be used as a distribution point for outgoing letter mail collected after delivery hours. The building will be 280 by 196 feet, with basement and three stories. The exterior walls will be of faced brick, with granite base to first-floor line and glazed or enamel-faced brick above and trimmed in limestone. There will be approximately 57,700 square feet available for post-office work space. The first floor and part of the second floor will be devoted to post-office activities, and the balance of the space will be assigned to other Government agencies and devoted to storage and miscellaneous uses. The basement space will contain a garage for our motor vehicles, and in every way the building will be a credit and an ornament to your community. It is to be constructed within 400 calendar days from September 19, 1935, which was the date of the notice to proceed with construction.

It is pleasing to me that the present administration so early and so clearly saw the necessity for such a post-office building as we are erecting. I am confident that the allotment made by the Secretary of the Treasury and myself for this building will be wisely expended and will result in many advantages to the community and the Postal Service.

The contract for the construction was awarded to the Caldwell, Wingate Co. of New York, for a building to cost $1,320,273.

At this time I would like to commend the business interests of the Borough of the Bronx who have labored so earnestly in securing what I know will be a magnificent and serviceable post-office building. When it is dedicated within a few short months a well-deserved tribute can be paid to the architects of the Treasury Department, to the contractors, and to the artisans whose skill and good work will be manifested in the building, at once imposing in appearance and designed to afford the best possible postal service. It will be so arranged that those who work within its walls will do so under the most pleasant and healthful conditions.

Realizing that efficiency is promoted by pleasant and healthful surroundings, the Post Office Department is constantly endeavoring to improve the working conditions of the men and women in the Postal Service. There are more than 250,000 of these employees, and they are, as a rule, the best type of American citizen. They are industrious, conscientious, capable, and loyal, and they take a special pride in the Service. I have visited with them in post offices, in railway terminals, and mail cars in many parts of the country and have been greatly impressed by the fine spirit in which they perform their tasks. The morale of those in the Service is really remarkable and is the source of great pride.

Recently I was privileged to speak at the dedication of the New York City Post Office Annex and I pointed out that Federal buildings to house 16 postal stations in New York City and 4 in Brooklyn were then under construction or were about to be placed under construction. These 20 postal stations, together with the New York Post Office Annex and the Bronx Post Office, make up a Federal building program which is designed to provide modern structures with ample space for present and future needs at points where it has been determined that postal accommodations of a permanent nature are required.

During the past 3 years many improvements have been made in the Postal Service. Under the act of June 19, 1934, Congress appropriated $65,000,000 for public-building construction, and on August 12, 1935, an additional sum of $60,000,000 was provided for this purpose.

Under these authorizations 713 projects will be consummated. Of this number, 89 have already been completed and more than 250 additional are under contract.

These new buildings are being erected in every State of the Union as well as in the Territorial and island possessions.

Legislation now pending in Congress contemplates an additional $60,000,000 for public buildings, which will permit construction in approximately 350 additional towns and cities.

The Railway Mail Service has been very largely reorganized during the past 3 years and much excess railway mail-car space has been eliminated.

The domestic air-mail system has been entirely reconstructed so that we have 15 percent more service than we had 2 years ago, and we are obtaining the greatly expanded service for $12,000,000 a year as against approximately $20,000,000 in 1932.

The foreign air-mail system, which connects the United States with the various countries of South and Central America, Cuba, Mexico, and Canada, is now operated with better planes and faster schedules and at a saving of about $1,000,000 a year.

Last October we inaugurated a trans-Pacific air-mail service and we expect that by next summer a trans-Atlantic service will be in operation.

In addition to these air-mail services we have established a route connecting the islands of the Hawaiian group and we are operating services in Alaska.

The Rural Free Delivery Service has been greatly improved and its cost to the Government has been reduced to the extent of several million dollars a year.

The ocean-mail service has likewise been improved and savings have been effected in this service which amount to more than $2,000,000 a year.

The system of accounting has been brought up to date so that the Department has current information as to its receipts and expenditures, whereas formerly it was at least 4 months after a given period when such information was available.

Last October a 40-hour working week for postal employees was put into effect.

These are some of the improvements which have been made under the present administration.

Postal receipts for the last fiscal year were approximately $44,000,000 more than for the preceding fiscal year. The Department's deficit for ordinary postal operations of $150,000,000 during the fiscal year 1932 was last year turned into a surplus of $4,000,000. Postal receipts show a steady and consistent increase, which is real evidence of constantly improving business conditions throughout the country.

The Post Office Department performs many services which are entirely apart from postal activities. It administers the merchant marine and aviation subsidies; it conducts a great postal savings system; it sells Government bonds for the Treasury Department; and it sells revenue stamps and migratory bird stamps. During the heavy snowstorms of the winter rural carriers feed the birds in outlying sections, and at one time the Department took a Nation-wide census for the Department of Agriculture. Through its inspectors it assists local, State, and Federal law-enforcement agencies in apprehending criminals.

Beginning Monday, the Department, through the post offices, will handle the payment of veterans' bonus bonds. This is one of the most important duties outside of its regular activities which has ever been placed upon the Department. Every effort is being made to the end that these bonds may be gotten into the hands of the veterans with as little delay and inconvenience to them as possible. The Department is ever ready and eager to serve the public.

As I think of this and other hundreds of new post-office buildings which the Government is erecting in all parts of the country for the benefit of the people and the improvement of the postal service, I wonder if those critics of the Roosevelt administration who find fault with everything it does and everything it tries to do will condemn this building program. So far they have not done so and, in fact, most of their criticisms are of a very general nature. They rarely, if ever, present a bill of particulars.

When I read the howls and moans of the so-called Liberty League, the spokesmen for the special interests, and the Old Guard Republican leaders about how the Roosevelt administration is "destroying American institutions", "wrecking the American system", and "establishing a despotic dictatorship", I naturally look around to see upon what these howls and moans are all about, and, to save my life, I cannot discover any basis whatsoever.

What do they mean by "destroying American institutions"? What do they mean by "wrecking the American system"? What do they mean by the "setting up of a dictatorship"? I am forced to conclude that these are the general terms with which they hope to create a bugaboo to frighten the American voters.

Have they condemned the saving of the banks by the Roosevelt administration?

Have they objected to the life line which the Roosevelt administration has thrown out to railroads, to insurance companies, and to many important industrial interests?

Would they repeal the law passed by this administration which insures the bank deposits of the people?

Are they willing to assert that the administration should not have protected and saved the homes and farms of hundreds of thousands of American citizens who were on the verge of being thrown out because they were unable to meet mortgages?

Will they go on record as declaring that the administration was wrong in its efforts to put the farmers of the country back on a self-sustaining basis?

Would they stop relief for destitute citizens and permit these unfortunates to starve?

Would they repeal the law which protects investors against worthless securities?

Would they repeal the law which eliminates the abuses that have characterized many of the great public utility holding companies?

Do they object to the action of the administration in providing the C. C. C. camps, which took hundreds of thousands of young men off the streets and highways and put them into useful work?

Do they condemn the efforts of the administration to bring about better working conditions, hours, and wages for labor?

Do they advocate the repeal of the social security law?

Are they opposed to the efforts of the administration to break down trade barriers between the United States and foreign countries so that American agricultural and industrial products can find a market in other countries?

Let them answer these questions specifically and unequivocally. Whether they do or do not make open and frank answers to these questions, the people of this country can determine for themselves if the enlightened and progressive policies of the Roosevelt administration are "destroying American institutions", "wrecking the American system", and "setting up a dictatorship."

Many of these critics seem to regard special privileges and indifference to the welfare of the people generally as the American system. If this is the case, the quicker we substitute a real American system the better.

It has been a great pleasure for me to be with you today. I hope to be with you again when this building is opened for business so that I may rejoice with you in the fulfillment of a hope which the citizens of the Bronx have labored so long to accomplish.

P. W. A.

Mr. BEITER. Mr. Speaker, today is the birthday of P. W. A. I ask unanimous consent to insert in the RECORD a statement by Administrator Ickes on this anniversary occasion, in which he gives account of the competence of P. W. A. since its inception.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BEITER. Mr. Speaker, today is the birthday of P. W. A.! Under leave to extend my remarks in the RECORD, I include the following statement of Administrator Ickes on this anniversary occasion, in which he gives a very competent accounting of the accomplishments of P. W. A. since its inception:

Tomorrow P. W. A. will be 3 years old and "going on 4."

P. W. A.'s first program, embracing both Federal and local projects, a number of them of monumental character and therefore requiring several years for completion, has been practically finished. The second program, entirely non-Federal in character, is climbing to its peak. A third program, likewise a cooperative effort between the Federal Government and local communities, is about to be undertaken in conformity with the policies and practices that were controlling in the second program.

This birthday statement is in the nature of a report to the people of what P. W. A. has done during the past 3 years, while affording me an opportunity, as Administrator, to express my appreciation to the country for its generous acceptance of that program. The widespread interest manifested in public works has been due to the fact that, through P. W. A., States, counties, and municipalities, even to the smallest of villages, have had an opportunity to share directly in the President's recovery program through their own planning and initiative and by the selection of those projects that they considered the most needed and useful.

P. W. A. has required tangible proof of community interest in the form of local cash and local votes before a project was undertaken. Always P. W. A. has insisted that localities pay out of their local resources the major part of the money needed. Formal declaration of local desires in many instances has also been mandatory with the result that over 10,000,000 votes have been cast in local elections on P. W. A. projects with more than 83 percent of such projects receiving endorsements. The public-works policy has been that projects must be good enough for the community to be served before they are good enough for P. W. A. That policy will be continued.

We of P. W. A. take genuine pride in our record. True, P. W. A. has had its ups and downs; its bright and dark days. But with it all the Public Works Administration has performed the task assigned to it and after 3 years it has, in my opinion, proved itself an effective instrument of recovery. No one asserts that P. W. A. has been responsible for all of the economic improvement that has taken place, but I do say that through the creation of direct and indirect employment made possible by the construction of useful public works and by the production and transportation of materials and supplies that are built into the projects the Public Works Administration has been a potent factor in the fight against the depression.

PURPOSES OF P. W. A.

Three years ago tomorrow morning President Roosevelt affixed his signature to the act of Congress which created the Federal Emergency Administration of Public Works. The title of that act declared, among other things, that its purpose was "to provide for the construction of certain useful public works." A declaration of policy, embodied in the very first section of the act, also asserted that it was the policy of the Congress "to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry and to conserve natural resources."

That was the mandate from the American people; that was the direct order from the President and the Congress; and that direction has been and will continue to be carried out.

USEFULNESS OF P. W. A. PROJECTS

It is agreed that the thousands of projects that have been built with the assistance of P. W. A. loans and grants are "useful public works." The great Triborough Bridge in New York City is a "useful public work", and so, too, are the schoolhouse at Lyme, Conn., and the disposal plant at Lumpkin, Ga.

As well as being "useful" in the accepted sense, P. W. A. projects must also qualify as "socially desirable." Usefulness and social desirability are important criteria for public works, but before we recommend a non-Federal project to the President for an allotment it must also undergo rigid tests as to legality, engineering feasibility, and, of equal importance, financial soundness.

The thousands of serviceable public facilities now in use and other thousands now under construction are the best evidence that

this policy has been sound. No contention has been made that P. W. A. projects are not "useful." Our record for 3 years on the score of the usefulness of the work we have done would meet any such challenge.

EMPLOYMENT—DIRECT AND INDIRECT

In 36 months P. W. A. has provided approximately 5,801,000 man-years of direct and indirect employment.

Over a 3-year period this is equivalent to jobs for nearly 2,000,000 men a year, many on construction sites and more in indirect labor.

Had it not been for our program many persons who shared in this work would have been forced to apply for relief.

P. W. A. has accomplished much more in providing employment than is commonly supposed. Tables of figures of the number of men working on P. W. A. projects frequently reflect only the number working at the site of the project. In reality, this site construction employment is a small part of the vast volume of work that has been created by P. W. A.

A factual study by the Department of Labor's Bureau of Labor Statistics recently, showed that the ratio of indirect to direct employment on completed P. W. A. municipal power plant projects is 4½ to 1. In other words, for every man employed on the site of these projects there are between four and five men employed off the site in mines, manufacturing plants, and transportation. The indirect labor on power projects is higher than on many other types.

I am neither an economist nor a statistician, but even a Chicago lawyer knows that the materials that go into schoolhouses, waterworks, sewer systems, bridges, and similar construction projects have to be produced and transported. Assuming that this ratio may be 3 to 1—estimates range all the way from 1 for 1, on upward—it can be readily seen that if P. W. A. has an average monthly site employment of 250,000 men, actually the total employment is 1,000,000.

One of our difficulties has been to get people to realize the existence of this "behind-the-lines" employment. But as the public-works program has grown in popular favor, people generally are coming to appreciate the fact that it is the so-called indirect labor that has benefited most from P. W. A. allotments.

After all, what difference does it make whether a man has a job on the site of a project or whether he is employed in a mill or a shop a thousand miles distant? That he has a job that he holds on merit, working just as if on a private construction task at prevailing wages, is what is important.

INDUSTRIAL REHABILITATION

P. W. A. allotments and other expenditures which have resulted from P. W. A. aid to local communities have had a tremendously beneficial effect in the construction trades and on business and industry generally.

Creation of work at prevailing wages, the purchase of vast quantities of steel, iron, lumber, cement, brick, and other building materials and orders for new machinery and other plant equipment not only have reopened fields of employment throughout industry but have provided a much-needed increased national purchasing power.

To date about $1,352,000,000 of the money allotted to P. W. A. have been expended for materials and supplies. The biggest part of this has gone directly to labor.

All of this, of course, has been of incalculable benefit to the capital-goods industries. Records are kept of orders for materials, making it possible to measure with some degree of accuracy the upward trend induced by this stimulation. Naturally it is more difficult to trace the beneficial influences that have been felt in consumers' goods, but we know that a very large proportion of the money that goes for wages soon finds its way to the grocer, the clothier, the shoe store, and in other channels of trade.

LOCAL CONTRIBUTIONS

The local contribution to every one of the more than 8,000 non-Federal P. W. A. projects has been considerably more than the amount granted by the Federal Government.

P. W. A. loans for local projects are regarded as local contributions, because the borrower in good faith contracts to and will repay the amount of the loan, plus interest at 4 percent. Instead of borrowing from P. W. A. the amount of its loan, a local community frequently draws upon its own cash reserves or raises money through the sale of its securities to some purchaser other than P. W. A.

In the first public-works program, where the grant was 30 percent of the cost of the labor and materials involved in the project, the local public bodies provided, either from their own resources or through the sale of bonds to P. W. A. or outside sources, $870,083,862 to supplement P. W. A. grants of $275,917,501. Thus P. W. A., through the granting of slightly over $275,000,000, enabled States, counties, municipalities, and other public bodies to construct useful public-works projects valued at $1,146,001,363.

P. W. A. also loaned approximately $200,000,000 to more than 30 railroad companies for steel rails and equipment, and to date has sold more than $180,000,000 worth of the securities it held as collateral.

In the so-called second public-works program, P. W. A. received from the $4,880,000,000 works-relief appropriation some $336,000,000 for 45-percent grants. Local communities, however, either borrowed from the P. W. A. revolving fund or supplied from their own resources funds to the extent of $468,580,679 enabling them to proceed with a construction program estimated to cost $805,246,679.

By granting $612,583,501 since June 1933 to approximately 8,000 community projects, P. W. A. has set in motion a Nation-wide construction program, the value of which is estimated at nearly $2,000,000,000. The exact figure at the close of April was $1,951,248,042.

STATUS OF P. W. A. PROGRAM

It is a mistaken idea that all of the funds appropriated in the national industrial recovery and subsequent acts have gone for public works. To June 1 of this year a little less than $3,000,000,000 has been allotted through P. W. A. for construction purposes, or about $1,000,000,000 a year during the past 3 years. About half of this total, or $1,558,051,270 was allotted for Federal projects, including large outlays for naval vessels, Army housing, rivers and harbors, Federal-aid highways, and other regular activities of the Government. P. W. A. allotments for non-Federal construction purposes have been $1,215,200,396, exclusive of railroad loans.

The estimated expenditures on P. W. A.'s Federal and non-Federal program amount to $2,292,000,000. Of nearly 17,000 projects started during the first program, 86.7 percent are completed and in use, including 14,149, or 90.8 percent of the Federal projects, and 2,786 or 70.7 percent of the non-Federal undertakings. About three-fourths of the money allotted under the first program has been expended.

More than 90 percent of the 4,031 projects under the second program are under construction. More than 100 of these new projects have been completed. With the exception of a few of the larger engineering structures all of the projects in the second program will be completed by this winter.

P. W. A. has never made forecasts. It is now ordered to continue its work and undertake a new program. It again refrains from prophecies and will make no promises as to how many new projects it will approve or when or for what amounts. As has been customary, the record will be written on the basis of performance.

The same established policies and methods of administration that have prevailed in the past 3 years will continue in the future. P. W. A. will not fail to give the country its best.

PRODUCTION OF SUGAR AND RICE

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a letter from Secretary Hull, which has to do with reciprocity, and tables showing imports and exports of commodities and production within continental United States and abroad.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. RICH. Reserving the right to object, it seems to me if you put in the tables showing the imports and exports, which will show the great amount of imports that are coming into this country, it would be a mighty fine thing for the people of the country, and they will stop these one-man reciprocity-trade agreements.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. DEROUEN. Mr. Speaker, I have in mind particularly a discussion of the problems of our cane-sugar production as well as our rice production. We are the largest cane-sugar and rice-producing State in the Union. We feel that we are not receiving our just dues with the present quota of 220,000 tons when in fact the State produces 350,000 or 450,000 tons of sugarcane.

Secondly, it is the only sugar-producing State that does not receive benefit payments on its entire production. We receive those payments on less than 50 percent of our production. I feel I must protest and put into the RECORD that particular phase of the situation.

Of course, I have in mind particularly to deal with Cuba as our rice market. Cuba is our closest neighbor. Cuba has received many concessions from the States producing sugar, and it seems to me that Cuba ought to reciprocate to the extent of allowing us to recoup some of the losses made on our sugar, by entering the Cuban market with a certain quantity of our rice free of duty.

The Cuban market is our salvation. There are many reasons why Cuba should permit our United States rice to

enter free of duty. For instance, as I previously stated, the State of Louisiana is the largest rice-producing State in the Union, and it is also the largest cane-sugar-producing State in the Nation. Cuba has enjoyed for years many concessions on sugar, while Louisiana has always and is now suffering and penalized in the present sugar quota of 220,000 tons allotted to us, when, in fact, the State produces 350,000 tons to 450,000 tons of sugar, and besides it is the only State producing sugar which does not receive benefit payments on its entire production.

I shall now proceed with the world picture of American rice as the industry and myself view it, and I now read a letter I received from the Honorable Cordell Hull, of the Department of State:

DEPARTMENT OF STATE,
Washington, April 4, 1936.

The Honorable RENÉ L. DEROUEN,
House of Representatives.

MY DEAR MR. DEROUEN: I have received your letter of March 23, 1936, with reference to the United States exports of rice to Cuba. I am glad that you have given me this opportunity to point out several facts in connection with our rice exports to Cuba, and to comment upon bilateral balancing of foreign trade and upon the Government's trade-agreements program.

Under the trade agreement with Cuba, the Cuban duty on unhulled rice from the United States was reduced from ₱1.92 to ₱1.60 per 100 kilograms, and on hulled or semihulled rice, from ₱2.22 to ₱1.85 per 100 kilograms. Furthermore, the Government of Cuba guaranteed that rice from the United States should enjoy a preferential reduction of 50 percent from the lowest duty applicable to imports of rice into Cuba from any other country.

These reductions in duty have already resulted in a substantial increase in United States exports of rice to Cuba. In the year preceding the conclusion of the trade agreement, September 1933 to August 1934, our shipments of rice to Cuba amounted to 71,400 pounds, valued at $2,493. In the year following the effective date of the Cuban agreement, September 3, 1934, our exports of rice increased to 36,307,117 pounds, valued at $980,512.

It may interest you to note that since the conclusion of the trade agreement with Cuba that country has been able to increase its purchases from us by more than 100 percent. In 1933 our exports to Cuba were valued at $25,092,862, and by 1935 they had increased to $59,847,674. While the value of our imports from Cuba increased from $58,497,548 in 1933 to $111,500,992 in 1935, the relationship of imports to total trade has remained approximately the same. Through larger shipments of lard, wheat flour, rice, and similar commodities, agriculture received a good share of this increased export trade with Cuba.

I may point out a fact which should interest the rice producers of your State. Concessions on rice have been secured in 6 of the 11 agreements which have been concluded. In addition to the Cuban concession, Belgium has bound rice on the free list, and the Netherlands, Sweden, and Switzerland have bound (guaranteed against increase) the moderate prevailing rates. Switzerland has also bound an annual quota of 20,000 metric quintals, which is large enough to take care of the normal Swiss demand for American rice. Under the Canadian agreement, a 28 percent decrease, from $1 to 72 cents per 100 pounds, was granted on cleaned rice.

You, of course, appreciate the fact that the duties, quotas, or other restrictions which a foreign government may impose upon the products of a third country are within the competence of that government. The keynote of this Government's trade-agreements program is the reciprocal reduction of arbitrary and uneconomic restrictions and discriminations against international trade. In view of our Government's policy of seeking the removal of existing discriminations against American trade and guarantees against new discriminations, and of obtaining, through reciprocal negotiations, reductions in excessive barriers to our exports, you will undoubtedly recognize the inconsistency of any endeavor to secure new discriminations and barriers to trade in the form of higher Cuban duties on rice imported from other countries.

You are doubtless familiar with the Government's policy of granting equality of trade opportunity, on the basis of the unconditional most-favored-nation principle, to all countries which do not discriminate against American commerce. To attempt a bilateral balancing of our trade with individual countries would not only be contrary to that policy but would lead to retaliation, and otherwise have severe repercussions on our domestic economy. Agriculture would suffer most severely, because normally 15 percent of its products are exported as compared with 7 or 8 percent of its output which industry exports.

Bilateral balancing of trade leads inevitably to an effort to equalize the value of exports and imports between individual countries, which, in many instances, would be extremely disadvantageous to the United States. Our foreign trade is inherently triangular. As an example I shall cite our trade with the principal and essentially industrial countries of western Europe. In 1935 our exports to the United Kingdom, France, Germany, Italy, Belgium, and the Netherlands, including large quantities of our raw materials, such as cotton, wheat, hog products, and fruits, amounted to $821,000,000. Our imports from the same countries were valued at $405,000,000, giving us an export balance with those countries of approximately $400,000,000. With other sections of the world, notably the tropical countries producing coffee, tea, rubber, tin, and the like, our unfavorable balance is approximately $300,000,000. It is evident that any attempt to equalize either the favorable or the unfavorable balance would be harmful to the economic life of the United States.

That agreements for the purpose of effecting a bilateral balancing of trade are not successful in increasing trade has been proved by a number of major foreign countries during the past few years. It is becoming increasingly clear that the sound method of restoring and expanding foreign trade is by tariff adjustments and by a liberalization of international trade practices to permit commerce to flow in the natural channels of multilateral trade.

Sincerely yours,

CORDELL HULL.

Mr. DEROUEN. Mr. Speaker, I wish to call your particular attention to two underlying facts that the record brings out; first, that aside from the price structure, our exports are being adversely affected by import and currency restrictions of other countries; secondly, that Brazil as a producer of Blue Rose rice is rapidly supplanting us in world markets. Their growth in the past 3 years has been phenomenal, and they are now well entrenched in every foreign territory once dominated by American rices. Brazil is the only country of the world that so far has been able to produce quality comparable to ours, and it is my opinion that from now on they must be recognized as serious competitors.

From my files I submit the following information on the world markets of American rices:

AFRICA

There is a limited market on the west coast. The business is slightly hazardous, but so far it has been satisfactory and offers our millers an outlet of approximately 2,000 tons maximum yearly.

ARGENTINA

This territory at one time was a heavy consumer of American rice but is now definitely closed to us on account of exchange and currency control, plus heavy duties placed on milled rice in order to protect their rapidly developing home industry.

I quote the following from a letter of the American consul general, Mr. A. M. Warren, dated Buenos Aires, Argentina, July 17, 1935:

According to statistics compiled for 1934, Argentine imports of rice were as follows:

Bags of rice imported during 1934 and source

Brazil	416,952
Italy	308,076
Spain	142,027
Egypt	55,444
Germany	3,048
United States	300
Japan	231
Total	926,078
Total during 1933	1,135,457

AUSTRIA

This was a limited but steady outlet up to last year, but there has now been formed a monopoly, tied in with a reciprocal-trade agreement with Italy, and while American importations are not prohibited they are made difficult because Italy is a rice-producing country itself, and we can only secure the business when the Italian importers are not in a position to supply the desired quality. Recently, by reason of the Italian-Ethiopian war, Brazil has been a sizeable shipper to Austria, using the medium of the Italian importers.

BELGIUM

This is one of the few large markets for United States of America rices where no restrictions of any nature are in force. The market, however, is highly competitive and has recently been completely monopolized by Brazilian rices.

CHILE

This country at one time was a sizeable market. Exchange restrictions, credit hazards, and competition from foreign rices have completely destroyed the business at present.

COLOMBIA

Although a producer of limited quantities of rice, its consumption exceeds its production. Colombia at one time offered a fair market. Unfortunately, due to import restrictions and disastrous competition from foreign rices, this territory has now completely slipped from us. However, a reciprocal-trade agreement became effective May 20, 1936.

CANADA

On account of heavy duties on milled rices, to protect the home industry, business with Canada is only possible on rough and brown rice, principally rough rice, and while it offers to the United States farmers an outlet for a sizeable quantity of rough rice each year, by reason of the fact that rough rice moves in duty free, still it offers no market for rice in any other form. Not even under a subsidy export arrangement, due to the Canadian antidumping law, which requires that any product moving into Canada under a subsidy must be sold in Canada at the same basis of prices that it is sold within the country of its origin. These same conditions are also true of British Columbia.

CENTRAL AMERICA

Rice being one of the prime necessities of life in these countries, and the station of life of the majority of the population being such as to make necessary the securing of food at the lowest possible prices, the rice business of these countries goes to the Orient. They are not considered quality markets and for American rices to participate in the business it will be necessary that our prices compare favorably with the lowest-priced foreign production. Business with these countries under present circumstances seems impossible.

DOMINICAN REPUBLIC AND HAITI

These communities are heavy consumers of rice, but their supplies are drawn from the Orient. They do not present very favorable markets, as quality plays no part whatever. It is entirely a price market, and in order to get the business it will be necessary for American rice to sell at the low point of world levels.

DENMARK

Import restrictions have completely cut off any sizeable volume of business. Denmark is only a limited market, but in the last 3 years the importers of American rices have bought very little, and the importations have fallen off to such an extent that this season they were practically nil. This is a quality market, and were it not for restrictions, and regardless of prices, it would probably be possible for us to do some little business.

ECUADOR

This country is also a rice producer. The production is not equal to the consumption, but the surplus is drawn from Asiatic sources. This is a price market entirely and except at a disastrous basis of prices United States rices cannot be sold successfully.

UNITED KINGDOM, ENGLAND, IRELAND, SCOTLAND

A peculiar condition exists. The English people have cultivated a taste for the better grades of rice and therefore have preferred the Brazil and United States rices. The English Government has heavily taxed the United States and Brazil grades, with the hope of increasing the consumption of British colonial rices. Only fair success has been attained because the quality of the British colonial production has been inferior to what the English people have demanded, but on account of the heavy duties the importation of the United States and Brazil grades have been adversely affected.

FRANCE

In order to protect French rice millers, France for the past several years has been prohibiting the importation of milled rices from the United States in any form. There has, however, prevailed up to a few months ago a very splendid market for United States brown and undermilled grades suitable for remilling, for the reason that these grades move into France for a small duty.

Since the early part of October, however, the exports of United States rice into France have been practically nil for the reason that France has effected a trade arrangement with Brazil whereby the Brazilian rices of all grades and descriptions enter France at half of the duty that is imposed upon the United States grades. It was difficult—in fact, well-nigh impossible—for the United States millers to compete with the Brazilian millers on an equal tariff, and, consequently since the Brazilian shippers now enjoy a half tariff, the United States industry has been completely eliminated and the business with this nation lost, unless it is possible to get on an equal footing with the Brazilian shippers. It is unfortunate, because in the last 3 years records indicate that France took 40 percent of our total exports of brown and undermilled rices, quite a substantial tonnage.

GERMANY

Germany some several years ago was our best customer, and a tremendous amount of satisfactory business in both brown undermilled and milled rices, also byproducts, each year was transacted. Today, by reason of the scarcity of currency and import restrictions, business in a barter form only is possible; and, though several attempts have been made at business on a barter basis, to the best of my knowledge nothing has as yet definitely resulted. I am advised that the German Government now has a delegation in New York City, who have managed to work out a few small trades.

GREECE

In the past several years the exportation of United States rice into Greece has been quite heavy. The volume of the market seems to have been expanded, probably because this business was coming direct to the United States millers and exporters, whereas several years ago, when the exportation of United States rices was general, the business was being done by continental European importers, located principally at Hamburg, Germany. With the elimination of these importers at Hamburg, the business has taken on a direct relationship, and in the past few years, so far as our business is concerned, Greece has been one of the best customers in the export field of the American rice industry.

HOLLAND

This is a sizable market for United States rices, which up to the middle of April was closed or, in fact, was sharply reduced on account of import restrictions. However, a reciprocal-trade agreement has been effected recently between the two Governments, the terms of which permitted the United States to double her rice exportations, in consideration of which Dutch brewers were to come into the United States at half duty.

The duty on brewers' rice is 65 cents per 100 pounds, and the Dutch brewers are moving in at 32½ cents per 100 pounds. Unfortunately the work-out thus far on the reciprocal trade has not proven very satisfactory, because in the treaty the Dutch Government had the privilege of anticipating their requirements in the United States grades, either direct from the United States or any other country, the only provision being that the rice must be a product of the United States. The result has been that Holland has been buying United States rices from other countries, principally England and Greece.

It is true that these rices were originally produced in the United States and their sale could be counted as export business, but these foreign importers who have been securing the Dutch sales on American grades sold the United States grades to Holland and anticipated their requirements in Brazilian rices at cheaper prices, so the United States rices have really not profited to any great extent as yet.

On the other hand, the Dutch brewers have found a ready outlet for tremendous quantities of brewers' rice. Recently our brewers' market has steadily declined, and our stocks of broken and brewers ordinarily used for brewing purposes are heavy and our market sluggish, notwithstanding the fact that the market on table grades has advanced approximately a cent a pound in the past 90 days. Ordinarily under such circumstances the brokers and brewers markets, in sympathy with the advance in the table grades, would likewise have improved, but unfortunately importations at the lower range of prices made advances in these grades impossible.

HUNGARY

This also was a sizable market for milled rices and undermilled and brown rice suitable for remilling purposes, but for the past several years this market has been closed completely to us on account of a commercial treaty effected between Hungary and Italy. We are only permitted to do business in Hungary when Italy cannot supply the rice.

ITALY

Although a rice-producing nation, business in the past has been possible with the Italian importers because of the clientele built up by the United States industry in Jugoslavia. The volume is small, but the general out-turn of the business has been more or less satisfactory; but within the past year, although no restrictions exist, the financial status of the Italian Government has made shipping for payment against documents impractical, forcing the United States millers and exporters to demand payment against an irrevocable confirmed credit, which the Italian importers have not been able to do.

LATVIA

While this country has never been directly associated with the consumption of United States rice, there are sizable milling institutions located there who were buyers of our brown and undermilled grades several years ago, before the entry of United States rices was prohibited.

MEXICO

No business is possible, the country being both a producer and exporter.

NORWAY AND SWEDEN

Although restrictions exist in a minor degree, business is still possible with these two countries, but, unfortunately, the consumption of rice is not very great. The business is available only around the Christmas period; consequently, the importance of the market, while not underestimated, should not be overestimated. Brazilian rices are each year becoming more serious competition, and this season, after the subsidy was removed, dominated both countries.

PORTUGAL

Up to 1934 free trade was permitted, but thereafter, in order to encourage the production of rice in Portugal, restrictions were placed upon importations, and so stringent have become these restrictions that no business at present could possibly be done except in case of a crop failure there. As yet the production does not equal the consumption, but it is fast approaching that point.

RUMANIA

A fair-size volume of business was possible up to a few years ago with this country, both on the milled rices and rices for remilling purposes. Now, on account of trade restrictions, the business has been completely lost. It is only possible to do business with Rumania through countries which enjoy a favorable trade balance with Rumania. Several attempts to do business through English and Holland agents of the United States rice industry proved fruitless, despite the fact that both countries are on satisfactory standing with Rumania.

We are given to understand by our connections in Rumania that an excellent opportunity exists for a reciprocal trade treaty, particularly so if the proper financial arrangements could be made.

SPAIN

The nation offers no business whatever, being both a producer and exporter.

SWITZERLAND

For many years Switzerland offered a limited volume of business on United States milled rices, but restrictions have been imposed and few transactions have been made during the last 2 years. Within the past several months, however, a reciprocal-trade arrangement has been effected between the United States and Switzerland whereby an annual importation of not to exceed 2,000 tons of United States rice may move into Switzerland each year.

This arrangement was effected after the heavy crop movement and at the time when our market was reacting. As a result, both Holland and England have thus far benefited, because they had afloat then purchases of United States rice made before the elimination of the export subsidy. I consider this simply a coincidence and am sincere in my belief that the reciprocal-trade arrangement that now exists with Switzerland is going to make possible business to the extent of 2,000 tons each year, and, although the volume involved is not great, still from a trading standpoint, Switzerland, by reason of the reciprocal trade, today represents one of the few countries of continental Europe where a satisfactory business on United States rice can be conducted.

BRAZIL

This country is now producing far in excess of its normal requirements, and, as has been indicated throughout these pages, is our chief competitor in world markets, because it is the only country in the world that produces grades and qualities very similar to United States Blue Rose rice.

The other countries of the world not mentioned offer no prospective market. Those that consume rice secure their supplies from the Orient and at prices that make the territories unattractive, even as a dumping ground.

CUBA

This is the high spot on the export horizon. It is the one and only market that we know of that offers an outlet for enormous quantities of rice, providing a proper understanding can be arrived at between the two Governments. Developments within the past 2 years convey the impression that there is a serious desire on the part of the present Cuban Government to work out an arrangement whereby the rice supplies of Cuba may be procured from the United States.

Rice is considered a prime necessity in Cuba. There was promulgated some 20 months ago by the Cuban Government a law no. 14, establishing a sliding scale of import duties bearing on the relationship of imports and exports into Cuba.

The United States, by reason of the fact that her imports from Cuba exceeded her exports to Cuba, enjoyed the 100-percent preferential, whereas in the case of the Asiatic countries now supplying Cuba with rice, the conditions were just the reverse. These Asiatic countries buy nothing of Cuba, whereas Cuba is a heavy purchaser from them. The effect of this tariff arrangement would increase the duty on Saigon and Siam rices to $7.40 per 100 kilos, as compared to the present duty of $3.70 per 100 kilos. At a glance it is evident that such a duty on these Asiatic rices would make business impossible, whereas U. S. A. rices would enjoy the maximum preferential, which, as we calculate it, would under no conditions exceed 40 percent of the import duty imposed upon rices from the Orient.

The significance of these figures is apparent, and had this law remained in full force and effect it would have resulted in Cuba anticipating her full requirement ultimately, in rice, from the United States, but unfortunately, the consumer resistance was so forceful as to accomplish the suspension of the law. Since that time, two additional suspensions have occurred. It will now be October 2, 1936, before the higher duties can be assessed on any of the Asiatic importations into Cuba, provided, of course, that the presently suspended law no. 14 is not canceled or nullified. We further understand that under the terms of the law, only three suspensions are permitted. Consequently, if the Cuban Government intends to continue to permit Asiatic rices to move into Cuba after October 1936, on the present basis of their tariffs, it will not only be necessary to nullify law no. 14, but further legislation will have to be enacted. The Cuban market, by virtue of its geographical position, is truly our market, and it will be ours if law no. 14 can be made to stand.

Considering the volume of business available from Cuba on rice, it is our opinion that the industry need go no further if that market can be opened up, because the importations into Cuba of rice from the United States will, in all probability, exceed normal exportations of rice from

the United States to all other markets of the world. In fact, at a glance it would appear henceforth that our opportunities for business lie within the Americas, principally the West Indies, Cuba, Central and South America, for the general set-up abroad is not favorable, nor can I see at any time in the immediate future any possibility of reinstating it to its former position of some 15 to 20 years ago; but getting back to Cuba, your particular attention is called to decree no. 716 of the Cuban Treasury Department, which extended the suspension of law no. 14.

This decree no. 716 is quite plain in its intent and it is our hope that further capitalization may be permitted by our industry on the opportunities presented. This is particularly true of the incoming season where production, barring crop failures and harvest hazards, bids to exceed considerably the normal supplies required by our present trade channels.

Mr. Speaker, rice is produced in the United States in the area bordering the Gulf of Mexico; and since the United States produces about 18 percent in excess of the quantity consumed in the continental United States and its Territorial possessions—the Philippine Islands excepted—our industry must look to some foreign market to absorb this excess production.

Trade relations between the United States and Cuba are favorable, and since Louisiana and the rice-producing area of the United States is very much closer to Cuba than any other country, and because Cuba enjoys certain concessions on sugar, it seems to me Cuba should permit our rices to enter duty free, or at least admit a quota of, say, 2,000,000 pockets of rice, from the United States duty free.

Since sugar and rice are produced in the same Gulf States of the United States—and let us not forget the imports of sugar in 1935 were very large—and I quote from a letter received from Mr. Sidney Morgan, Secretary, United States Tariff Commission, under date of April 21, 1936, to wit:

The present rate of duty on 96° sugar from countries other than Cuba is 1.875 cents per pound. The rate of duty on 96° sugar from Cuba is nine-tenths of 1 cent per pound. The latter rate became effective September 3, 1934, under the reciprocity agreement with Cuba and is contingent upon a quota or an equivalent limitation on imports from Cuba. Should this limitation on imports become inoperative the duty on Cuban sugar would revert to 20 percent under the rate effective on imports from countries other than Cuba.

The imports of sugar from Cuba in 1935 amounted to 1,995,444 short tons, valued at $80,449,827, regardless of polarization. Of this quantity approximately 336,000 short tons were refined sugar and the balance was raw sugar intended principally for further refining in this country.

Mr. Speaker, I wish to submit some very interesting data, together with the source of information, and to be numbered tables 1, 2, 3, 4, and 5.

TABLE 1.—*Cuba, rice imports*

[Source of information: Department of Commerce, Bureau of Foreign and Domestic Commerce, Washington. Source for years 1931–35: Comercio Exterior, Republica de Cuba]

Year	Quantity	Value
	Pounds	
1921	255,014,054	$15,655,391
1922	386,199,589	12,145,583
1923	442,984,275	12,625,469
1924	444,706,801	12,314,883
1925	451,933,091	14,672,324
1926	475,701,279	15,989,202
1927	434,752,982	15,238,977
1928	512,243,059	15,709,257
1929	451,764,896	14,771,229
1930	441,469,519	14,337,716
1931	354,951,535	7,538,172
1932	314,452,195	5,354,024
1933	279,453,817	4,369,087
1934	368,609,627	5,316,197
1935 [1]	487,071,633	7,568,669

[1] Source: Special report of Commercial Attaché at Habana, no. 32, May 19, 1936. Figures are for "unbilled and semibilled" rice.

Imports from—	*Percent of total*
British India	68
United Kingdom	12
Siam	12
United States	4
Spain	2
Germany	1
China	1
Total	100

TABLE 2.—*Cuban imports of rice without husk from 7 leading countries*

[Source of information: Comercio Exterior, Republica de Cuba]

Country	1927	1928	1929	1930	1931	1932	1933	1934	Total 8-year period
	1,000 lbs.	*1,000 lbs.*	*1,000 lbs.*	*1,000 lbs.*	*1,000 lbs.*	*1,000 lbs.*	*1,000 lbs.*	*1,000 lbs.*	*Pounds*
British India	318,292	368,001	317,053	300,636	198,691	187,382	168,394	212,268	2,070,717
United Kingdom	48,365	63,972	57,293	72,178	49,707	37,964	20,847	17,374	367,700
Siam	11,203	16,964	21,996	22,585	37,231	53,919	75,129	118,891	357,918
United States	25,243	41,729	18,400	2,814	9,563	17,741	5,491	433	121,414
Spain	11,754	8,765	7,091	12,298	9,519	6,479	3,567	330	59,803
Germany	8,067	3,673	5,155	3,132	2,999	3,257	567	790	27,640
China	9,350	2,586	9,844	2,117	1,397	920	1,164	1,944	29,322
Total									3,034,514

TABLE 3.—*Cuban rice imports—comparative table of quantity and amount of 10 principal sources of supply. Quantity in kilos (1 kilo equals 2.204 pounds), amounts in dollars*

	1935 [1]		1934		1933		1932		1931		1930	
	Pounds	Value	Pounds	Value	Pounds	Value	Pounds	Value	Kilos	Value	Kilos	Value
British India	171,971,359	$2,486,809	212,268,383	$2,960,625	168,394,112	$2,980,118	189,465,685	$3,287,805	90,415,730	$4,335,808	136,367,965	$9,699,545
Great Britain	17,189,150	249,907	17,373,866	203,653	20,846,717	223,041	37,963,768	544,749	22,547,284	1,030,306	32,740,013	2,227,383
Siam	217,547,821	3,252,949	118,890,952	1,702,431	75,128,890	892,009	56,322,113	1,036,571	16,598,296	889,749	10,244,522	793,740
Spain	2,040,202	51,265	330,018	8,382	3,580,350	64,092	6,479,452	144,529	4,318,082	241,744	5,578,633	359,984
United States	57,782,833	1,331,706	432,803	11,362	5,965,919	113,621	19,781,261	261,816	4,337,880	111,116	1,276,812	72,285
Indo-china	15,949,047	228,502	9,308,617	237,992	159,834	1,949			1,238,301	60,354	2,786,937	175,488
Germany	(2)	(2)	789,791	14,390	567,338	9,055	3,256,547	61,557	1,360,697	64,111	1,421,096	127,084
China	(2)	(2)	1,943,908	24,559	1,163,766	13,873	919,539	12,452	633,844	31,681	960,438	65,467
Holland	(2)	(2)	583,317	10,785	249,254	5,357					1,179,658	89,363
Italy [3]	(2)	(2)					229,609	4,007	10,070	339	350,047	29,044
Japan [3]	(2)	(2)	3,076,574	71,448								

[1] 1935 figures from Special Report of Commercial Attaché at Habana, No. 32, May 19, 1936, and are for imports of "unhulled and semihulled rice"—the total imports in that year.

[2] Not available.

[3] Italy was the tenth most important country in 1932; Japan in 1934.

Source (other than 1935): Comercio Exterior, Republica de Cuba.

TABLE 4.—*Quantity of rice grown in Cuba*

[Source of information: Cuban Department of Agriculture]

Year	Production, rough or paddy rice	Production or out-turn of clean rice
	Pounds	*Pounds*
1928	7,187,185	4,436,000
1929	50,000,000	30,864,000
1930	61,747,685	28,116,000
1931	100,000,000	61,728,000
1932	33,709,000	20,808,000
1933	(1)	(1)
1934	(1)	41,181,928

[1] Not available.

1935 not yet available.

TABLE 5.—*Showing comparison of Cuban domestic production of rice, with her importations*

Year	Domestic production, clean rice	Importation, clean rice
	Pounds	*Pounds*
1928	4,436,000	507,752,537
1929	30,864,000	441,317,293
1930	38,116,000	425,867,161
1931	61,728,000	314,170,910
1932	20,808,000	[1] 450,000,000
1933	(2)	279,453,817
1934	41,181,928	368,609,627

[1] Estimated. [2] Not available.

The United States imports annually from Cuba better than $80,000,000 of sugar, and Cuba now imports about 92 percent of its rice consumption. If, then, on the one hand, we are to permit Cuban sugars to come into the United States, by the same token Cuba should grant every preferential asked on rice from the United States, so that the farmers of the States which produce sugar might at least offset a part of their losses by increasing their rice income.

The possibility of getting into the Cuban market with our rice is of vital importance to the rice industry of this country. That the rice industry needs help seems very obvious, as rice is one of the commodities included in the administration's agricultural relief bill. I feel that the present administration has done much for agriculture, and I am firmly of the opinion that with proper representations to the Cuban Government a quota of 2,000,000 pockets of rice from the United States would be admitted free. I earnestly urge the aggressive cooperation of the State Department to bring this result.

Gentlemen, this is a world picture of the position occupied by United States rice. It is far from a satisfactory one, particularly in the light of increased production.

Cuba is the salvation of the industry. Its importance cannot be overestimated, and it is my opinion that if this market can be opened up on a satisfactory basis the future of the industry is assured. It will permit expansion in the milling and distributing end of the industry. In fact, it will allow rice to take its position among the industries of this country, and unless this territory is opened up production will have to be retarded until such time if and when some other export outlets now closed can be opened up to us.

CLAY COUNTY, GA.

Mr. CASTELLOW. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASTELLOW. Mr. Speaker, for the edification of any who have concluded that economical government is a lost art, I desire to read a short extract from one of Georgia's best weekly papers, the Dawson News, published in Dawson, Ga. It is as follows:

CLAY COUNTY HAS AN UNUSUAL DISTINCTION—ONLY COUNTY IN GEORGIA THAT DOES NOT LEVY TAX FOR COUNTY PURPOSES

Clay County commissioners have gone on record against levying taxes for county purposes this year. The county is out of debt and has sufficient money to operate upon without making any levy.

Clay County is one of the few in the State that has no bonded indebtedness and money in the bank. For many years it has held the record of having the lowest tax rate of any county in the State.

[Applause.]

Mr. Speaker, I desire to congratulate the splendid commissioners of that excellent county and its most worthy citizenship. It is one of the small counties. My observation in regard to these matters is that the smaller the unit of government the less the per-capita expense of operation. [Applause.]

The SPEAKER. The time of the gentleman from Georgia has expired.

AGRICULTURE

Mr. CROWE. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. CROWE. Mr. Speaker and Members of the House, the farmer is the mainstay of the Nation. Nothing has ever yet been found to fill the stomach and to clothe the back successfully except by the toil of the farmer and the farmer's wife. Bread is still the staff of life, and regardless of the attitude of the industrialist and the great bankers of the Nation, nevertheless the Nation prospers when the farmer prospers and the Nation becomes bankrupt when the farmer is bankrupt.

This present administration, under the leadership of President Roosevelt, found the farmers broke and agriculture in its all-time low. Three years under a safe, sound, fair, and equitable program for the farmer and agriculture shows them definitely coming back. The index price for farm products has more than doubled since February 1933. Gross farm income of the United States has increased nearly $3,000,000,000 since 1932. The farm real-estate market has been increasingly active, with advancing prices, until now the average value of farms in the United States is 82 percent of the pre-war years of 1912 to 1914, while during the period ending in 1932 it was very difficult to tell what, if any, value the farms of the United States had. Likewise, the farm mortgage debt, which was nine and one-half billion dollars in 1928, is now listed at seven and one-half billion dollars, a reduction of more than 20 percent. Interest reductions to the farmers of the United States in the past year amount to more than $68,000,000.

Further proof of the recovery of agriculture is the steadily increasing demand for farm real estate. This is shown by the fact that the 12 Federal land banks during the first quarter of 1936 sold 60 percent more farms than in the first quarter of 1935, and, likewise, there was a large gain in 1935 sales over the preceding year.

The statements just made are broad statements giving results and benefits to agriculture of the Nation. I will now briefly set out some of the major things that this administration has done for the State of Indiana. Farmers of Indiana, as well as the laborer and almost everyone else, were in a state of rout and destruction when the Roosevelt administration was ushered in; and today all farm prices are materially improved, farm lands are salable, and, with increased selling prices, decreased taxes and interest charges, the farmers of Indiana are now well on the way out; and when the farmers of Indiana are prosperous we find a good and ready market for the products of the factory and mill; so it is an endless cycle, and the spiral is going up, and prosperity is not around the corner any longer but is among us everywhere.

Cash receipts from the sale of principal farm products in Indiana increased from $136,000,000 in 1932 to $247,000,000 in 1935. This is an increase of 87 percent. I want to compare some prices of farm products and base my figures on the prices of March 15, 1933, and show you the favorable comparison as of December 15, 1935; and I will say the

prices today are averaging approximately what they were in December 1935. I quote as follows:

Commodity	Mar. 15, 1933	Dec. 15, 1935
Wheat (per bushel)	$0.43	$0.89
Corn (per bushel)	.17	.45
Oats (per bushel)	.13	.24
Potatoes (per bushel)	.45	.70
Hogs (per hundredweight)	3.60	9.10
Hay (per ton, all loose)	4.70	7.00
Beef cattle (per hundredweight)	4.15	7.60
Milk cows (per head)	30.00	51.00
Chickens (per pound)	.084	.16
Butter (per pound)	.19	.33
Eggs (per dozen)	.082	.283
Wool (per pound, unwashed)	.10	.26

The above figures were obtained from the United States Department of Agriculture. During the 3-year period ending March 15, 1933, the number of forced farm sales in Indiana was 44.9 per thousand, whereas they have now declined to 26.1 per thousand. The bettered farm conditions also reflect themselves in labor. The average farm wage in Indiana has also improved with improved conditions and is now 25 percent higher than during the depression years.

Approximately $50,000,000 have been available to the United States under the A. A. A. for the eradication of cattle diseases, of which Indiana has received $595,000.

We have read and heard much propaganda in newspapers and otherwise ridiculing the corn-hog program. It developed, however, that in Indiana the official returns showed that 67,000 farmers approved the program while only 8,000 opposed it. A total of more than $36,000,000 of benefit payments were disbursed among the farmers of Indiana.

We find some chambers of commerce in the larger cities who become greatly concerned and excited when there is indication that the farmer is receiving a fair price for his products. They immediately begin to howl and wring their hands and sympathize with the laborer. The facts are that there is only one-half cent more cost to the flour that goes in a loaf of bread when wheat is $1.75 a bushel than there is when wheat is 35 cents a bushel. The trouble is that when the wheat is 35 cents and 40 cents and when the price of all farm products is down, the farmer has nothing with which to buy the product of the factory. Consequently, the secretary of the city chamber of commerce who complains because the farmer is fairly remunerated for his product is ignorant and knows nothing of his subject. I desire to give you some proof of the statement just made and will give it to you in the automobile sales in the State of Indiana. The comparison shows very clearly that when the farmer receives a fair price for his product, he at once spends it for his home and for his farm and for his comfort. The following gives the automobile sales for the State of Indiana for the past 4 years:

1932	34,051
1933	46,297
1934	64,270
1935	109,038

The increase from 1932 to 1935 was 220 percent. The increase in the use of gasoline in 1935 over the year of 1933 amounted to 13 percent.

Prosperity to the farmer in Indiana is further reflected in his use of fertilizer, which shows an increase of 95 percent over 1933.

A further indication of the prosperity of Indiana is shown through the Chicago Federal Reserve district, which includes the greater part of Indiana, which amounted to $38,000,000,000 in 1932, while in 1935 the figures totaled $49,000,000,000, an increase of 30 percent over 1932 figures.

A further indication of the return of prosperity to Indiana is shown in time deposits and postal-savings deposits, which show an increase in 1935 of 54 percent over 1933.

Another barometer is reflected in the commercial failures in Indiana and shows them to be rapidly declining. In 1932 there were 563 such failures in Indiana. During the year 1935 they were reduced to 160, which shows there was only 28 commercial failures in Indiana in the year 1935 where there had been 100 in the year 1932.

Newspaper propaganda and political barnstorming would attempt to frighten the farmer, telling him of his loss of foreign markets and telling him that he has been regimented and attempt to make mountains out of molehills. In the face of present-day prices and in the face of the prosperity of the farmers of my State, it will not be possible to fool them by such foolish newspaper propaganda and political harangue. It will be difficult to fool the housewife who sold her eggs for 6 to 8 cents a dozen and is now getting from 25 cents to 35 cents a dozen. It will be difficult to fool the farmer who sold his wheat at 35 cents to 45 cents a bushel, who of late has been getting 80 cents to $1 a bushel. It will be difficult to fool the farmer who sold his hogs for $2.25 to $3 per hundredweight, but who is now getting from $9 to $12.

The farmer has been promised relief for a number of years. He has been promised help when he was sinking under the burden of high taxes and high interest and suffering because of receipt of the lowest prices for his product in all history. All he got from the party in power were promises to be broken more quickly than they were made. Promises were again made to the farmer in 1932, and it was left for President Roosevelt and this administration, of which I am glad to be a part, to have supported the program promised the farmer and to pass laws for his benefit. These laws, including all the other legislation which has been passed for the general good, have brought not only the farmer but the Nation from a nation of bankruptcy and fear to a nation of prosperity and confidence.

EXTENSION OF REMARKS

Mr. HAINES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. The gentleman already has that permission.

INCREASE OF FACILITIES FOR INTEROCEANIC COMMUNICATION THROUGH THE CENTRAL ISTHMUS

Mr. CARTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain quotations from the United States Board of Engineers which surveyed the Nicaraguan Canal.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CARTER. Mr. Speaker, the construction of an additional interoceanic ship canal through the Central American isthmus, across the Republic of Nicaragua, is of such importance to the future commercial and maritime welfare and development of our country and to our national security that it should receive our most serious attention and action.

Surveys have been made and reports completed and have been on file with the Congress since December of 1931. The survey was made under the direction of Col. Dan I. Sultan, of the Corps of Engineers of the United States Army. He and his staff did their work thoroughly, and his report is detailed and exhaustive. The War Department is continuing the gathering of hydrographic data at Nicaragua.

The total cost of building the canal, including costs of acquiring rights, franchises, and land, is estimated at $722,000,000, with an annual total maintenance cost of $10,800,000.

The investigation and survey was authorized by Public Resolution 99, Seventieth Congress (S. J. Res. 117), approved March 2, 1929.

The purpose of the investigation was to determine—

The practicability and probable cost of increasing the facilities for interoceanic communication through the Central American isthmus either by an interoceanic ship canal across the Republic of Nicaragua or by additional locks and other facilities at the Panama Canal.

The report on increasing the capacity of the Panama Canal was, under the instructions of the Secretary of War, made by Col. Harry Burgess, Corps of Engineers, Governor of the

Panama Canal Zone. The report on the Nicaraguan route was made by Lt. Col. Dan I. Sultan, Corps of Engineers. A provisional battalion of engineer troops was employed on the work in Nicaragua for a period of 2 years.

The reports of Colonels Burgess and Sultan were referred to the Interoceanic Canal Board, appointed by the President, for review. Col. Ernest Graves, United States Army, retired, served as chairman of the Board, and the other members of the Board signing the report were Sydney B. Williamson, Anson Marston, Roy G. Finch, and Dan I. Sultan, lieutenant colonel, Corps of Engineers, United States Army.

The conclusions and recommendations of the Board follow:

CONCLUSIONS AND RECOMMENDATIONS

72. The board believes that the plans prepared by the Governor of the Panama Canal for an additional set of locks and for the conversion of the Panama Canal into a sea-level canal are the most practical solutions of these problems. An additional set of locks at the Panama Canal would cost $140,000,000. To transform the Panama Canal into a sea-level canal would cost $1,000,000,000. The board concurs in the plans and estimates submitted in the report of the officer in charge of the investigation of the Nicaragua Canal route. The most practical route for an interoceanic ship canal across the Republic of Nicaragua is from Greytown on the Atlantic Ocean to Brito on the Pacific Ocean by way of the Deseado and San Juan Rivers and the Great Lake of Nicaragua. A lock canal over this route is practicable. Its cost, exclusive of rights, franchises, land, etc., would be $697,000,000, and the maintenance cost would be $10,800,000 per year. The approximate cost of acquiring rights, franchises, land, etc., would be $25,000,000.

73. The present conditions of world trade, the necessity for economy in expenditure of public funds, and the facts that traffic through the Panama Canal now requires only about 50 percent of its capacity and that full capacity when demanded by traffic will be assured by the additional water supply from the Madden Reservoir (at Alhajuela), with the indication that thus the Panama Canal can serve the needs of interoceanic traffic for some time to come, lead to the conclusion that no immediate steps must be taken to provide increased facilities for passing water-borne traffic from ocean to ocean.

74. The study of the precipitation and run-off in the watersheds of the proposed Nicaragua Canal should be continued.

75. When increased interoceanic canal facilities are actually needed, in view of the advantages of two canals for shipping during both war and peace times, as well as the intangible but nevertheless considerable value of another canal in Central America, the Nicaragua Canal should be favorably considered for the following reasons:

(a) A majority of the ships passing from ocean to ocean would save time and money by using the Nicaragua route.

(b) The intercoastal trade of the United States would be benefited.

(c) The improvement of the Mississippi River and connecting waterways, together with the construction of the Nicaragua Canal, would benefit the midsection of the United States. Growth of commerce between Gulf ports and our west coast would be stimulated.

(d) Both in war and in peace two canals would give greater assurance of uninterrupted waterway passage between oceans.

(e) Two interoceanic canals would reduce the danger of a complete stoppage of water-borne traffic by reason of sabotage or accidents, slides, and earthquakes. The probability of the simultaneous blocking of traffic on two canals is very remote. The water necessary to operate a lock canal up to its capacity should be available during the dryest years. It is not sure that the driest year possible has been recorded either in Panama or in Nicaragua. The ample water supply in Nicaragua and the improbability of extreme dry conditions affecting both Nicaragua and Panama at the same time would eliminate any apprehension as to possible water shortage.

(f) The sizes of ships are increasing. In time larger locks than those now at Panama will be needed. When this need develops one set of larger locks at Panama may not accommodate the demand of larger ships during the period that the larger locks are out of commission for overhauling or other reasons. A Nicaragua Canal with all locks larger would not have this disadvantage.

(g) The construction of the Nicaraguan Canal, with the establishment of a canal zone by the United States, would tend to stabilize the Government of Nicaragua, which would have a beneficial effect on the stabilization of all Central American Governments and thus greatly benefit international relations. The economic conditions of these countries would be improved, with a consequent benefit to the foreign trade of the United States.

(h) When the United States acquired the right to build a canal in Nicaragua, it precluded the construction by anyone else of a feasible canal as a rival to the Panama Canal and indicated that it was sound national policy to construct when warranted the Nicaraguan Canal.

(i) With both the Panama Canal and the Nicaraguan Canal in service, if it should then develop that interoceanic traffic demanded still further enlarged facilities either canal could be closed or partially closed during the construction period necessary to increase its facilities. In the event of a conversion of a lock canal into a sea-level canal, the closing of the canal would permit the work to be done a great deal more cheaply than under maintenance of traffic conditions.

(j) The building of the Nicaraguan Canal is entirely feasible from both an engineering and a construction standpoint.

76. It is recommended that the complete reports of the investigations just made, with their drawings and maps, be published so that full information will be available when consideration of additional facilities for interoceanic traffic becomes necessary; and that provision be made by legislation for the continuous collection of hydrographic data for the Nicaragua route.

ERNEST GRAVES,
Colonel, United States Army, Retired,
Chairman of Board.
SYDNEY B. WILLIAMSON,
ANSON MARSTON.
ROY G. FINCH.
DAN I. SULTAN,
Lieutenant Colonel,
Corps of Engineers, United States Army.

The compelling reason for the construction of the Panama Canal was the importance of this canal to our national defense. The commercial utility and importance has far exceeded all of the estimates of the early advocates and engineers. Since the year 1500 men had discussed the commercial desirability of an interoceanic ship canal through the Central American isthmus. Various routes were studied and some surveyed, and some attempts at building a canal were actually started, but prior to the construction of the Panama Canal each failed due to lack of engineering skill or mechanical devices and equipment, through inability to supply adequate medical service and sanitary safeguards for the men engaged, and for lack of financial resources to carry so great a project to successful consummation.

Events of the Spanish-American War and our national development thereafter forced us to the realization that we had to be prepared for war in either the Atlantic or Pacific. To maintain an adequate naval force in each ocean capable of waging successful war in either would be prohibitively costly, and it was for the primary purpose of maintaining a sufficient fleet readily available for action in either ocean that we built the Panama Canal.

Colonel Sultan in his report points out that—

Since the construction of our first canal at Panama the weapons of attack against canal structures, particularly the airplane, have increased in power, in effectiveness, and in the strategic element of surprise. The Panama Canal is not so invulnerable now as it was at the time of completion. The ability to concentrate our battle forces and the power of access to either ocean is, therefore, no longer beyond the possibility of prevention.

The colonel further states:

In time of war the Canal fulfills its national-defense mission in the opening phases of the conflict in securing the concentration of forces in the chosen ocean. A war in the Atlantic would attract the world's shipping to that ocean, as it did in the World War, leaving a reduced commerce to transit the Canal. A war in the Pacific would, because of the greater industrialization of the Atlantic seaboard, make a more continued use of the Isthmian Canal for supply purposes.

The report further states:

A hostile power would find it very difficult to capture or destroy both of two canal systems. After conquering and garrisoning one of the defenses the attacker would have to have a sufficiently large force remaining to attack the other, with the further handicap that the possibility of a major surprise would be lacking. In case the principal attack was by air the Nicaraguan Canal would be nearer for reinforcing planes from the United States.

To be completely successful, sabotage would probably have to be accomplished just prior to the outbreak of war. Secrecy and surprise being essential elements, the timing would have to be perfect for sabotage to be successful at two canals. Sabotage should not be capable of the destruction of two canals, but it might cripple one.

The report also states:

It must, therefore, become increasingly apparent that with the growing power of the offensive against canal structures the construction of a second canal has great justification in the added security it gives to the United States in time of war by assuring to the United States Battle Fleet surer access to both oceans, so that it may apply, at all times, united strength in naval operations and gain the full strategic value of choosing the theater of activity.

Thus it seems perfectly obvious that if there were no immediate commercial justification for the construction of an additional canal, there is certainly an impelling reason for

our doing so in the interest of our national security, and that without delay. And it should be borne in mind that this is a commercial justification.

It is estimated that it will take 10 years to construct the Nicaragua Canal and 2 to 5 years in the preliminary work of passing the required legislation and negotiating necessary treaties. Thus, if a start is made during the early days of the next Congress, allowing for some slight and usually inevitable delays in negotiations, without taking into consideration any possible unexpected delays that may be encountered in the course of actual construction, we should have the Nicaragua Canal open for commerce and for the use of our fleet by about 1955.

By the convention between the United States and Nicaragua, signed August 5, 1914, the United States acquired by the payment of $3,000,000 the following rights:

First. Exclusive proprietary rights in perpetuity, necessary and convenient for the construction, operation, and maintenance of an interoceanic canal.

Second. A 99-year renewable lease on the islands known as Great Corn and Little Corn in the Caribbean.

Third. The right to establish a naval base at such place on the territory of Nicaragua bordering upon the Gulf of Fonseca as the Government of the United States may select.

A further treaty with Nicaragua would be necessary before construction could begin covering the acquisition of a canal zone and the rights and privileges necessary for constructing and operating and defending the canal.

The United States would also be called upon to enter into negotiations with Costa Rica, Salvador, and Honduras.

It is estimated by canal authorities in a report submitted by Sydney B. Williamson covering future traffic through the Panama and Nicaragua Canals that the Panama Canal will be operating to the limit of capacity by 1960, and that additional capacity for interocean traffic must be provided.

On the basis of this report, if we immediately start negotiations and arrangements leading to the construction of the Nicaragua Canal, it can be completed and in operation about 5 years prior to the date that the Panama Canal has reached the limit of capacity in service.

Colonel Sultan points out in his report that—

> Developments in world trade and interoceanic commerce in the past have exceeded the forecasts. * * * The commerce through the Panama Canal increased during the first 10 years to over twice the tonnage which had been forecast when the work started.

It is a known fact that any improvement in transportation facilities tends to stimulate and increase commerce. The Nicaragua Canal would provide a shorter route from port to port for two-thirds of the traffic now using the Panama Canal. A ship of 10 knots speed, allowing 23 hours for transiting a Nicaragua canal and 8 hours for transiting the Panama Canal, would save 1¼ days on each trip between San Francisco and New York and 2¼ days on each trip between San Francisco and New Orleans. This reduction in time and distance would be of immense benefit to all intercoastal trade and very particularly to intercoastal trade in perishable products. It is stated that the following trade routes would use a Nicaragua canal with a saving of time over use of the Panama Canal:

First. United States intercoastal trade.

Second. Europe and west coast of North America.

Third. West coast of United States and east coast of South America.

Fourth. East coast of United States and Far East.

Fifth. West Indies and Pacific coast of North America.

Sixth. North American intercoastal (exclusive of item 1).

The size of the locks in the Panama Canal are 110 feet by 1,000 feet, with a minimum depth of 41 feet on the miter sills. The proposal for the Nicaragua Canal is for locks 1,200 feet long by 125 feet wide, with a minimum of 42½ feet of water over the sills.

It is noted that the U. S. S. *Saratoga* is 888 feet long and 107.9 feet wide, which leaves very little room for it to safely squeeze through the Panama Canal. The locks proposed for Nicaragua are estimated to be sufficiently large to accommodate the ships of the future, both commercial and naval.

The route recommended by the Intercoastal Canal Board as the most practical for a canal across the Republic of Nicaragua is from Greytown on the Atlantic to Brito on the Pacific. The total distance across will be 172⁹/₁₀ miles, of which 70 miles will be through the Great Lake of Nicaragua.

Three twin locks are provided at Miramar, on the Pacific side, about 5 miles from deep water at Brito. At the east divide, 15 miles from deep water in the Caribbean near Greytown, three twin locks are also planned.

The route as laid down is given as follows:

> Starting at Brito on the Pacific, the route follows the valley of the Rio Grande to the low divide (elevation 153 feet) between the basins of the Rio Grande and the Las Lajas, thence down the valley of the Las Lajas to Lake Nicaragua; crosses Lake Nicaragua to Fort San Carlos, keeping to the south of the island of Ometepe and northward of the Solentiname group. From Fort San Carlos to the vicinity of Conchuda Hills the canal route follows the San Juan River; leaving the San Juan, the route passes through the Conchuda Hills, crosses the valleys of the Danta and San Francisco Rivers, and follows the valley of the Limpio to the divide (center line elevation, 383 feet; maximum elevation, 410 feet). From the divide it goes down the valley of the Deseado to the Caribbean Sea just north of Greytown.

Artificial harbors are required at both Brito and Greytown and are provided for in the plans.

There is an abundant water supply in Nicaragua for all of the purposes of the canal, and in this connection it is of interest that it is pointed out the rainfall conditions differ from those at Panama, so that extreme droughts would not occur both at Panama and Nicaragua at the same time, and thus any possible shortage of water for lockage purposes is entirely eliminated.

The construction of the Nicaragua Canal would add greatly to our national security, it would develop and promote our commerce and our merchant marine, further strengthen our friendly relations with South and Central American countries, improve the economic condition of Central American Republics and tend to stabilize their governments, and stimulate our mutual trade and commerce.

It brings closer together by water transportation the ports of both coasts of the United States. I know of no project that our Nation could undertake so likely to inspire the renewed commercial activity essential to the resumption of our normal economic life.

ROADS FOR ALASKA

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an excerpt of about 10 lines from an official report concerning the building of a highway to Alaska.

The SPEAKER pro tempore. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. DIMOND. Mr. Speaker, it is the mere repetition of a truism to say that the development of an orderly and material civilization depends to some extent upon roads; for without means of communication, a humanized culture can scarcely come into being or endure. This repetition is justified only because men so often forget the value of the elementary and essential things. Few people anywhere have ever managed to both establish and maintain a high degree of material civilization not accompanied by the enlarged facility in means of transportation which may be brought about only through the construction and maintenance of roads and highways. Civilization and road building go hand in hand, and the best example of that lies in the history of the Roman Empire. Economic development has followed the building of roads. I know of no exception to that rule, and so it has long been my considered judgment that not only are roads a necessity for the development of the Territory of Alaska but that one way, and the surest way, to bring about that development is by building roads.

In saying this I make but one reservation, and that is with respect to the new art of flying and to the new industry of air transportation. It is true that to some extent—in

fact to a substantial extent—the facilities of transportation furnished by the development and use of the airplane will compensate for the lack of good highways, but we all realize that airplanes and air transportation can never take the place of roads, and that in fact the two means of transportation—that made available by roads and that furnished by airplanes—really supplement each other, and that seldom, if ever, is there any true competition between them. Therefore, until roads are built in Alaska, the Territory can be most speedily and immediately benefited by the establishment of a comprehensive system of air transport in the Territory, embracing the construction of airfields and the installation of a modest amount of lighting equipment and radio control for the guidance of those engaged in flying.

Alaska, as we all know, is a vast country, approximately one-fifth the size of the United States, and equal in area, as I have often remarked, to that part of the United States which lies east of the Mississippi and north of the southern boundary of Tennessee and North Carolina, plus the additional States of South Carolina and Georgia. I do not assert that Alaska is of the present economic value of the States included in the area above mentioned, but the value of Alaska is very great, indeed, and is commonly underestimated by most of the people of the United States.

Now, in all of this vast Territory of Alaska there at present exists only approximately 2,400 miles of motor roads, 1,500 miles of sled roads, and 7,000 miles of trails. By trails I mean just that—pack paths through the forests and over the tundra, and not capable of being traversed by vehicles of any description. Two thousand four hundred miles of road in a region embracing about 589,000 square miles surely is not much. The State of Delaware, with a proportionate road mileage, would have just about 10 miles of highway in the entire State. Even Delaware would feel rather cramped with only that much in the way of roads.

The sum immediately required for building roads in Alaska, when compared with the benefits to be derived therefrom, is not really large. Judging by the very substantial amounts of money which have been spent in recent years on various types of public works, I suggest that the Alaska program for road building ought not be longer delayed. The expenditure of approximately $2,000,000 in Alaska a year for road building for a period of 10 years without intermission or break would give Alaska a really efficient and useful system of roads and one that would be bound to stimulate speedily the settlement and the economic development of the Territory. It is to be observed that the amount which I have mentioned, $20,000,000, is not to be spent all at once, and when entirely spent Alaska will not have all the roads needed, but the building of this system of roads would give us such a substantial start, and would, in my opinion, stimulate so materially the economic exploitation of the Territory that we need not at the present time look beyond the 10-year period to determine what may be needed for the future. Eventually, of course, I hope to see a highway over which one can drive from New York City to Bering Sea without a break. But that is for the future. For the present we must be more modest, and the plan which I have in mind for immediate road development in Alaska has nothing in it of the unreasonable or extravagant.

The ultimate expenditure for the period mentioned—namely, $20,000,000—is designed to cover not only the cost of construction but also maintenance from year to year, and does not include the substantial contributions made by the Territory of Alaska for Territorial roads. In this connection, Mr. Speaker, it may not be irrelevant to say that, except as to roads built in the national-forest areas of Alaska and in Mount McKinley National Park, the people of Alaska have paid approximately 32.3 percent of the entire cost of construction and maintenance of all Alaska roads, as shown by the last annual report available of the Alaska Road Commission for the fiscal year ended June 30, 1935.

In presenting, as I do, the outline of a program for the building of roads in the Territory of Alaska I do not attempt to include all the roads the building of which can be justified at the present time. The Territory is so large and many parts of it are so almost totally undeveloped that one is not able to look confidently many years in the future and see that a road will not be needed in one part of the Territory or another. And hence, if it be found that some road-building projects are omitted from this statement, I trust it will be understood that it is not practicable within moderate bounds to mention and describe every conceivable road project in the Territory that is worthy of consideration; and, moreover, an attempt is herein made to bring the program presented within reasonable fiscal limits.

Mr. Speaker, I am appending below a list of roads in Alaska the construction of which ought to be undertaken without delay, giving the location of the road either by mention of termini or other general description and an estimate of the amount needed to complete each project. First will be set out a list of the smaller local roads, 24 in number, the total cost of construction of which is estimated to be $343,000. These roads are all needed, much needed, but practically all of them serve local requirements only. After that I am giving a list of the larger projects which in a sense may be considered as parts, either presently or ultimately, of a complete and comprehensive road system for the Territory, and am stating briefly the justification for each project.

No complete program for the construction of roads in Alaska can omit or overlook the great road project for connecting Alaska by motor road with the United States proper. This road has been referred to by several different names, including the International Highway, the Pacific-Yukon Highway, and the British Columbia-Yukon-Alaska Highway. The last name is probably as closely descriptive as one can be since the road to be built lies entirely in British Columbia, Yukon Territory, and the Territory of Alaska.

Following is a list and brief description of the several roads or portions of the road systems, the building of which is proposed:

Name of project:	*Amount*
Valdez-Mineral Creek	$20,000
Kanatak-Becharof Lake	10,000
Campbell Creek Road	4,000
Lake Otis Road	3,000
Faith Creek Road	6,000
Porcupine Creek Road	12,000
Cleary-Summit-Chatham Creek	6,000
Happy-Goldstream Road	15,000
Farmers-Birch Hill Road	14,000
Bettles-Coldfoot	20,000
Bessie-Snake River Road	20,000
Marvel Creek Trail	5,000
Vault Creek Road (3 miles)	3,000
Mason Creek Road (5 miles)	5,000
Grant Creek Road (4 miles)	4,000
Nenana-Mission Road	4,000
Cripple-Cripple Mountain	20,000
Homer Road extension	38,000
Marshall Road	6,000
Candle Creek Road extension	12,000
Marsh Branch, anchorage	6,000
Pt. Gustavus Road	15,000
Teller-Bluestone	20,000
Seldovia-McDonald Spit	75,000
Total	343,000

OLNES-LIVENGOOD

Estimated to complete $215,000

This road is necessary, indeed absolutely necessary, for the development of the extremely promising Livengood mining region. The work was commenced with public-works funds; $295,000 of such funds having been spent thereon. It is estimated that $215,000 is necessary to complete the work. This project is surely entitled to a high degree of priority and should be undertaken without delay. The road can be completed economically in 18 months from the date the work begins.

SHELTON-DAHL

Estimated to complete $35,000

This project was estimated to cost in the beginning $170,000, and an allotment from public-works funds of $135,000 was obtained and spent. The project provides for the construction of 6 miles of tram as an extension of the Nome-

Shelton tram, a ferry over the Kuzitrin River, and the construction of 10 miles of tractor road east of the river. Completion of this road will provide easier access to a known productive placer field, reducing the present freight rate thus enabling operators to work lower-grade gravels and thus, in turn, provide employment for a very considerable number of persons in an industry where competition does not exist.

KANTISHNA-PARK BOUNDARY

Estimated to complete..... $50,000

This project calls for the construction of 6 miles of road, and when completed it will connect with the road which traverses Mount McKinley National Park. The completion of this road will unquestionably stimulate the Kantishna mining district, which is one of great promise. The Kantishna district is the only district in Alaska which holds excellent prospects of being developed for its silver ore. The road would be an important feeder to the Alaska Railroad, a point worthy of consideration. The road can be completed within 5 months after construction begins.

TALKEETNA-CACHE CREEK

Estimated to complete..... $150,000

The district supplied by this road affords employment in the placer fields for 100 men during the summer months. The present poor road has been in existence for 14 years as a passable wagon road. It is planned to improve it to a truck-road standard and to extend it to existing placer operations, enabling operators to materially reduce freight costs, thus again permitting the working of lower-grade gravels and an increase in employment and additional tonnage for the Alaska Railroad. The plans call for construction of the road in a period of 15 months after commencement of work thereon.

CANTWELL-VALDEZ CREEK

Estimated to complete..... $345,000

This road will connect the very important mining district of Valdez Creek with the Alaska Railroad. The building of the road is certain to furnish additional traffic to the Alaska Railroad, and thus make the railroad what it was designed to be, a large factor in the development of the country through which it passes. Some money, approximately $25,000, from public-works funds has been expended on the project for bridge construction. The road is of distinct merit. An estimate has been made that 30 months will be required for construction, embracing three summer working seasons.

HOT SPRINGS ROAD SYSTEM

Estimated to complete..... $75,000

An allotment of $10,000 from P. W. A. funds has been expended on this project for preliminary construction of a tractor road. Recent developments in placer mining in the area indicate the necessity for a truck road, and the estimate has been increased accordingly. The road will serve a producing placer camp which has been handicapped due to lack of adequate transportation. If the work is started on June 1, it may be completed within 16 months.

WILLOW CREEK SYSTEM

Estimate to complete..... $80,000

The Willow Creek system supplies an outstanding mineral region of Alaska with the necessary roads, but the system is far from being complete. The additional amount estimated, $80,000, allows for the improvement and graveling of the Willow Creek-Lucky Shot Road and for the construction of the proposed 2-mile Willow Creek Spur Road, which will serve new lode properties now having no road. This road system also is a feeder to the Alaska Railroad. Work can be completed in one working season.

TAKOTNA-NIXON FORK

Estimated to complete..... $150,000

The town of Takotna is situated 65 miles up the Takotna River from the Kuskokwim River. It supplies the entire mining community in the vicinity of Takotna and Ophir and is the terminus of a road leading to Ophir and the Yukon watershed. The Takotna River on its upper reaches is a very unreliable means of transportation due to swift water and bars. In dry seasons it is impossible to get freight by river to Takotna, and in several instances spring freight has had to lay at McGrath until November and then has been hauled on the snow. The first 20 miles of the Takotna River—from McGrath to the mouth of the Nixon Fork—is always navigable. It is proposed to build a road 15 miles long from Takotna to this point, doing away with 45 miles of very uncertain river travel and making this community accessible at all times in summer. The work can be completed within two working seasons of 5 months each.

POORMAN-RUBY

Estimated to complete..... $200,000

The construction of a passable wagon road 56 miles between these two points was recently completed, reducing the freight rate from 12 to 6 cents a pound. It is proposed to improve and gravel this road, which will further reduce the freight rate to not more than 2 cents a pound. This will allow lower grade ground to be worked and stimulate gold production in this vicinity, leading again to material increase in employment in working the low-grade placer grounds which will be made available for operation by the road. Work can be completed in two working seasons of 5 months each.

M'CARTHY ROAD SYSTEM

Estimated to complete..... $84,000

This road system is connected with the Copper River & Northwestern Railroad near its terminus at the Kennecott mine—the point of departure of the railroad being at the town of McCarthy. These roads serve operating placer mines which have been worked for years, and lead to numerous promising gold-lode prospects. A large part of the expenditure in this region has been made in building and maintaining a bridge across the Nizina River. This bridge is absolutely necessary. In former years it was crossed by fording or swimming, and many lives were lost. No large-scale operations can be carried on under such circumstances. The work may be completed in two working seasons. This system embraces much-needed construction to supply road facilities for the important Bremner mining district.

ILIAMNA BAY-ILIAMNA LAKE

Estimated to complete..... $50,000

This is a part of a transport route to connect Bristol Bay with the Gulf of Alaska through Cook Inlet. The use of this route saves approximately 2,000 miles of travel by sea around the end of the Alaska Peninsula. The construction of this road, coupled as it is with travel by boat on Iliamna Lake and on the Kvichak River into Bristol Bay, gives facilities for a great saving in transportation costs. The route is already extensively used. The work may be completed in one working season.

NEWHALON-LAKE CLARK

Estimated to complete..... $40,000

This project will require the construction of 7 miles of road providing a portage from Lake Iliamna to Lake Clark. There is a large native settlement on Lake Clark; at the present all supplies for the Lake Clark area are packed across this portage on men's backs. Work can be completed within 6 months.

GULKANA-NABESNA

Estimated to complete..... $245,000

Estimated cost, $450,000; allotted from public-works funds, $205,000; balance unallotted, $245,000. The balance required will complete this road to one of the most promising hard-rock sections in Alaska. One mine is now milling $1,000 per day. According to the Geological Survey, there are many possibilities of additional deposits being found. With the completion of the road, the district will see an influx of prospectors who will undoubtedly prove the prediction of the geologists. Work can be completed within 18 months from commencement, provided it is started at the beginning of a working season.

GOODNEWS BAY-PLATINUM CREEK

Estimated to complete..... $35,000

This project provides for the construction of 9 miles of road connecting placer platinum mines with ocean boats at Goodnews Bay. One of the larger mining companies has tentatively agreed to provide the balance of the funds required above this estimate for completion. Work can be completed within 6 months.

CHISTOCHENA-SLATE CREEK

Estimated to complete..... $40,000

This provides for the improvement of an existing trail, 40 miles in length, to provide for freighting by tractors to serve a producing placer-mining area. Work can be completed within 6 months.

COLORADO STATION-WELLS MINE

Estimated to complete..... $75,000

This project provides for the construction of 10 miles of road from the Alaska Railroad to a lode mine now being developed on a very considerable scale. The road is an absolute necessity for the mineral development. The working of the lode property in question, now apparently amply financed, will give employment ultimately to several hundred men and will not throw anybody out of employment. The road is eminently justified from an economic standpoint. It has been estimated that by commencing work on the project at the beginning of the season the work can be completed within 18 months.

KENAI LAKE-KENAI-HOMER

Estimated to complete..... $1,100,000

This is one of the most important road projects in all of Alaska. A road has heretofore been built from Seward to the east end of Kenai Lake and from Moose Pass, which is approximately 12 miles from the east end of Kenai Lake to Sunrise and Hope on Turnagain Arm. A branch of this road has been constructed—the construction is not completed—to the west end of Kenai Lake. From the west end of Kenai Lake the plan is to build the road to the town of Kenai on Cook Inlet and thence south to a small settlement called Homer, on Kachemak Bay. This would open up and make available for settlement some of the best agricultural land in Alaska. It should be noted here that the so-called "missing link" between the east end of Kenai Lake and Moose Pass is now under construction. With the completion of the "missing link" and the building of the Kenai Lake-Kenai-Homer road, all of that very large region will be rendered accessible to settlers, and, more important, the settlers will have access to the market which will be afforded through Seward and through other towns along the Alaska Railroad. It is to be noted here that Seward is situated on the shores of Resurrection Bay and is the southerly terminus of the Alaska Railroad and is the northerly terminus of the main steamship line which serves Alaska. Out of Seward runs another steamship along the shores of the Alaska Peninsula and into Bristol Bay, as well as smaller motor vessels to other parts of that general region. The Kenai Peninsula district has probably attracted more attention as a farming region in recent years than almost any other part of Alaska, except the Matanuska Valley in which the Government has recently aided in establishing a number of farm families. The climate of Kenai Peninsula is comparatively mild, the soil is deep and fertile, and the rainfall sufficient without being excessive. It is reported that 58 families moved into this region last year immediately north of Homer. At the present time, however, the country is not accessible because, except for a very short distance out of Homer, no roads exist. A farmer away from a road on the Kenai Peninsula is so effectively isolated that the settlement of the country cannot proceed until the road is built.

Moreover, the adjoining waters of Cook Inlet and Kachemak Bay contain plentiful supplies of salmon and herring. The packing season for both species of fish is so short that the settlement of farmers in the region would aid greatly to a balanced economic life. The construction of this road is absolutely necessary for the development of the district to be served, and the district in question is one which, according to all present indications, would be rapidly settled and would maintain in comfort a considerable population if the road were built. The chamber of commerce of the village of Seldovia, situated on the south shore of Kachemak Bay, has received hundreds of letters from prospective settlers inquiring about conditions in the region, and more than 1,300 people already residing in the district who would be directly or indirectly benefited by the road have joined in a petition for its construction.

The period of construction of this road would probably cover three working seasons in order to do the work economically and without the establishment of an unduly large working force.

FAIRBANKS-CHENA HOT SPRINGS SYSTEM

Estimated to complete..... $530,000

This route is now supplied by winter train and is entirely inaccessible in summer except for airplanes. Agitation for a summer road has been going on for 16 years. The construction of such a road would provide access to a known health resort and to producing placer fields, thus providing increased employment. If work is commenced at the beginning of any season it may be completed economically in three seasons or within a total period of 30 months.

RAMPART-LIVENGOOD-CHENA HOT SPRINGS

No complete engineering data is available, and therefore no reliable estimate of the ultimate cost can be given.

While the Fairbanks-Chena Hot Springs system is stated separately and the Livengood road is considered, and properly so, as an individual project, in reality the Fairbanks-Chena Hot Springs-Livengood system should all be included in one set-up of roads for that region. It is realized, of course, that not all of it can be put into construction at once, so particular emphasis has been placed, first, upon the completion of the Livengood road, and, second, the Fairbanks-Chena Hot Springs project. But ultimately Rampart should be connected with the others, and when that is done the larger part of the road-building program for that particular region will be well taken care of.

NENANA-BONNIFIELD COUNTRY

The Bonnifield country has definite possibilities for both placer and lode development. The Alaska road system should be extended into that district. Such a road, like many others described, is bound to lead to largely increased mining operations and thus to increased employment.

SNAG POINT-LAKE ALEKNAGIK

Estimated to complete..... $125,000

This proposed road would connect Snag Point on Bristol Bay with Lake Aleknagik, out of which Hood River flows, thus more adequately opening to development a mining and fishing region. Recently a road was built between Snag Point and Kanakanak which would be extended on to Lake Aleknagik by the proposed construction. The population of the region is increasing, and by reason of the wealth of its fisheries and prospects inland for mineral development there is ample justification for construction of the road desired.

NAKNEK-EGEGIK

Estimated to complete..... $200,000

Naknek and Egegik are settlements on the shores of Bristol Bay. Large salmon-packing operations are carried on at each place. Traveling in the summertime is confined to small boats, either those using sails or powerboats. No shelter is available for 40 miles. In this connection it is worthy of note that commercial fishing in Bristol Bay is confined to sailboats, and no powerboats are permitted to be used. A reindeer company owns a herd of approximately 5,000 reindeer stationed at Naknek. The surplus deer of this herd could be quite extensively used by the people employed in the salmon-packing operations, but under present conditions no market can be obtained by reason of lack of transportation. If the road were built, the reindeer owners would be able to sell their meat to the canneries. A road through this part of the country would be easy to build, since it is mostly flat country, containing some graveled hills, with no heavy rockwork to be done and no large streams to be crossed. Many sturdy pioneers already make their homes in that region. Their comfort and material welfare would be greatly enhanced and the population of the district enlarged by the building of the proposed road.

GEORGETOWN-FLAT (50 MILES)

Estimated to complete..... $500,000

The construction of this road would effect a saving of 2 cents per pound on all freight going into the Flat district (annual gold production over $400,000) and make it possible

for lower-grade placers to be worked. More than 1,000 tons of freight were required last year. It would also provide much cheaper transportation for placer workings on the immediate route and make accessible promising quicksilver prospects. It would allow the Flat district to receive freight from 2 to 4 weeks earlier in the spring, and 2 to 4 weeks later in the fall. Its construction would solve the problem now being agitated of changing the course of the Iditarod River to permit small boats to reach Iditarod City. At present they are obliged to discharge their cargo on the banks three-fourths of a mile from the warehouses except at high-water stages. If work is commenced about June 1 of any year it can be completed in three working seasons, or within a period of 30 months.

NOME-COUNCIL

Estimated to complete---------- $200,000

The Nome-Council Road is a road commencing at Nome extending back to the foothills and then taking an easterly direction crossing the Flambeau, Eldorado, and Bonanza Rivers to Solomon River, up that river across the Divide to the Casa De Paga River, and thence on to Council on the Niukluk River, a total distance of about 75 miles. Out of Nome a road now exists about 43 miles and the balance of the route is supplied, after a fashion, by a sled road. The motor road should be completed to Council in order to furnish adequate transportation for that entire region. All of the rivers crossed have been and still are producing placer gold and some of them, like Solomon River and Ophir Creek, have produced many millions. With respect to many of them, on account of the existing high cost of operation due in part to high cost of transportation, only the high-grade ground was worked. Here again is a field for operating low-grade ground and thus furnishing employment to many people.

NOME-TELLER

Estimated to complete---------- $360,000

Teller is quite an important settlement on Port Clarence—the harbor is measurably protected. The distance between Teller and Nome is approximately 80 miles. A road would be of very much benefit to all of the people of that region. At the present time a road has been built out of Nome going by way of Little Creek and turning westward across Snake River to the Third Beach line of Sunset Creek, a distance of 12 miles, which is the end of the road at present. The road should be extended westward across Penny, Cripple, and Sinrock Rivers to the Bluestone and Gold Run Creeks, and thence on to Teller. All of the creeks mentioned have been producing gold for more than a quarter of a century but only the richest spots could be mined under the conditions that have existed in regard to roads.

COPPER CENTER-CHICKALOON-PALMER

The Richardson Highway, extending from Valdez on the southerly seaboard of Alaska to Fairbanks in the interior, passes through the settlement of Copper Center, about 103 miles north of Valdez. The Anchorage-Matanuska Valley region is supplied by a local road system recently materially enlarged and expanded. No connection exists, however, between the Matanuska Valley-Anchorage region and the main highway system of Alaska, of which the Richardson-Steese Highway is the principal part. Eventually a road should be built from Copper Center by way of Tazlina River over the summit, which is not high, down the Chickaloon, and thence on to Palmer, there to connect wtih the Anchorage-Matanuska roads. (No estimate is given of the cost because engineering data are not available.)

CORDOVA-THOMPSON PASS

Cordova is a substantial city on the southern seaboard of the main body of Alaska. It is the seaboard terminus of the Copper River & Northwestern Railway. Eighty miles to the north lies the city of Valdez, which is the seaboard terminus of the Richardson Highway. In order to give the Cordova region access by highway to the interior of Alaska, a road, if geographically feasible, should connect Cordova with the Richardson Highway, and that connection can probably be made at or near Thompson Pass, about 26 miles northerly from Valdez. At the present time no sufficient survey of such a connection has been made to determine whether the building of such a road is practicable, but many who are acquainted with the country through which the road will pass say that it is. Therefore it is included in this list of road projects for Alaska.

BEAVER-CABO-LITTLE SQUAW

Estimated to complete---------- $290,000

Total estimated cost $300,000, of which $10,000 has already been allotted from public-works funds. A winter sled road now serves placer operators and quartz prospects in this district. Recent developments indicate that prominent mining concerns have done sufficient work on one of the lode prospects to warrant a continuation of expenditure probably leading to actual mining. This will necessitate summer traffic to this district. It is proposed to construct a summer tractor road for this purpose at a cost of $300,000. The total distance is 120 miles. If work is commenced at the beginning of any season it may be completed economically within three seasons.

M'CARTY-CANADIAN BOUNDARY

Estimated to complete---------- $2,250,000

This proposed road is part of the so-called International Highway through British Columbia and Yukon Territory, Canada, into Alaska to connect with the present Richardson Highway in Alaska at McCarty. The road is described in the Report of the Commission to Study the Proposed Highway to Alaska. This project is of the greatest importance to Alaska as a whole, and if constructed under a general agreement with Canada to construct the portion of the route through that country necessary to reach the United States, it should be given very early priority. It seems likely that not less than four summer seasons will be required to complete the Alaskan sections requiring 182 miles of new construction accessible now at only two points. It seems also probable that the same length of time will be necessary for the construction of the proposed highway which lies in British Columbia and in Yukon Territory.

The construction of the McCarty-Canadian boundary road in, of, and by itself is amply justified and construction should be undertaken immediately even though the remainder of the International Highway is not built at the present time, for the reason that the building of this road, which lies entirely in Alaska, will make accessible for development enormous areas of placer-mining ground, some of which has been worked for years, and will make available for exploitation and development large areas of what is generally referred to as low-grade ground, thus very largely extending placer operations and leading to greatly increased employment. One feature of road building in Alaska is that the construction of most of the roads under consideration will not only give employment during the construction period but the building will make available for development large areas of mining country as well as agricultural lands, and in the mining country alone it is estimated that the building of the roads will give employment to at least 2,000 additional men for many years to come. Hence, the benefits of the building of the roads here recommended are of very large scope and extend indefinitely in the future. In this connection it should be noted that, according to a report of the Department of Agriculture, the building of this road will make available and accessible for settlement approximately 750,000 acres of the best agricultural land in Alaska located in the Forty-mile country. The building of this road would give direct road connection with the very important city of Dawson in Yukon Territory, Canada, since an existent low-grade road extends westerly from Dawson to a point very close to the boundary between Yukon Territory and Alaska.

In addition to its local benefits, as above indicated, the McCarty-Canadian boundary road is an integral part of the proposed British Columbia-Yukon-Alaska Highway.

INTERNATIONAL HIGHWAY

A road already exists from the southerly boundary of British Columbia to Hazelton in that Province which is approximately 830 miles north of the city of Vancouver, British Columbia, and 882 miles north of the city of Seattle, Wash. Of the International Highway there remains to be built approximately 520 miles in British Columbia, 480 miles in Yukon Territory, and 182 miles in Alaska. The total mileage thus remaining for construction is 1,182. It is estimated that the total cost of this construction for a coach road with gravel surface and transversable in all weathers is approximately $12,000,000, though higher estimates have been made.

The highway to Alaska has been referred to as "visionary." The term is an inapt one, though it is true that only men of vision have ever accomplished anything constructive in the world from the dawn of recorded history until the present time. In the sense that one must have vision in order to understand the possibilities of any great highway, the appellation may be justified but not otherwise.

The father of the International Highway idea is Donald MacDonald, of Fairbanks, Alaska, an exceptionally capable engineer who has been for some years employed in that capacity with the Alaska Road Commission. To the vision, energy, and industry of Mr. MacDonald must be ascribed in ample measure the present state of development of the idea of the highway, and to the impetus which he gave to the plan and the actual reconnaissance which he made over the several alternate routes of that part of the road to be built in Alaska must be attributed in equally full measure the definite steps which have been taken toward its consummation.

Following Mr. MacDonald's lead, the Legislature of Alaska made a small appropriation for promotion of the highway, and in 1930 Congress passed an act (Public, No. 228, 71st Cong.) authorizing the President to designate three special commissioners to cooperate with representatives of the Dominion of Canada in a study regarding the construction of the highway, with a view of ascertaining whether such a highway is feasible and economically practicable, and providing that upon completion of such study the result should be reported to Congress. Accordingly the President appointed as the American members of the Commission Mr. Herbert H. Rice, of Detroit, Mich., chairman; Mr. Ernest Walker Sawyer, then Assistant to the Secretary of the Interior; and Maj. (now colonel) Malcolm Elliott, Corps of Engineers, United States Army, then President of the Alaska Road Commission. These commissioners, in cooperation with the Canadian authorities, carried on the necessary investigations, and under date of May 1, 1933, the American commissioners made their report to the President, who in turn transmitted it to Congress. To the engineering skill of Colonel Elliott and to the exhaustive work which he did, and which was done under his direction, in investigation of the project must, I believe, be largely ascribed the very lucid and comprehensive report made on the project, in which the road was found to be feasible and that it could be built at reasonable cost, estimated in the report at $12,000,000, and setting forth facts indicating that the construction of the road was economically practicable and, indeed, justifiable. This is said of Colonel Elliott's work without detracting in the least from the very valuable services given by Mr. Rice and Mr. Sawyer, the other American members of the Commission. In the report, on page 41, we find the Commission saying, with respect to the building immediately of that part of the road which lies in Alaska, the following:

> While the objective should be the ultimate completion of the entire route, the local benefits to be derived from early completion of individual sections should not be ignored. Thus the early completion of the Fairbanks-Dawson road on its own merits for the purpose of developing the intermediate territory and providing a much-needed connection between the two communities as well as a vital link in the proposed through highway is considered highly desirable.

Before this report had been made, most Alaskans believed that the part of the road to be built in Alaska should be constructed without delay. This was warmly advocated by Mr. MacDonald and by many others, including myself. Accordingly, shortly after I became Delegate from Alaska in March 1933, I introduced in Congress a bill calling for the construction immediately of the part of the road in Alaska and for the building of the entire highway as soon as proper arrangements with the authorities of the Dominion of Canada could be made. No action was taken on this measure during the Seventy-third Congress, and so it was reintroduced in both House and Senate in the Seventy-fourth Congress. The measure, after some amendments, particularly one which eliminated an appropriation for the immediate construction of the Alaska portion of the road, passed both Houses and was approved by the President on August 26, 1935.

The act so passed by Congress and approved by the President requests the President, through such channels as he may deem proper, to negotiate and enter into an agreement or agreements between the Governments of the United States and the Dominion of Canada for the survey, location, and construction of a highway to connect the Pacific northwestern part of the continental United States with British Columbia and Yukon Territory, in the Dominion of Canada, and the Territory of Alaska; and that upon the completion of the negotiations and the execution of the agreement or agreements in the act authorized to designate such existing agency of the Government of the United States as he may select for the purpose, or such officials or agency as he may specially appoint or create for the purposes of the act, to carry on the work of survey and location of the route for the highway and of the construction thereof after such route shall have been determined and approved by the President. The act, as above noted, carried no appropriation, but it is clear evidence of the intent and desire of Congress and of the administration to have the road built, provided, of course, suitable and proper arrangements can be made for the construction of that part of the road which lies in the Dominion of Canada. It will be noted from the figures given above that nearly 1,000 miles of the road yet remain to be built is in British Columbia and in Yukon Territory and less than 200 miles of it in Alaska.

The construction of the proposed highway to Alaska is in entire harmony with the road construction now going on through Mexico and Central America and projected ultimately to reach at least to the Panama Canal—a truly Pan American highway. No Territory of the United States except the Panama Canal Zone, which can be adequately served by sea, lies to the southward, but to the northwest of the United States lies a region of great actual, and still greater potential, value and in area more than twice the size of Texas; in fact, so large that many of the residents of the United States fail to comprehend it. As one very eminent Member of Congress observed to me, there are 10 times as many strong reasons for aiding in the construction of the highway to Alaska as there are for aiding in the construction of a highway through Mexico and Central America to the Panama Canal. For in the one case we connect up with and we serve our own citizens, while in the other no citizens of ours in the lands to be joined by the road will receive any material benefit. No system of road construction in Alaska will be complete or fully effective without the building of this great highway. The internal road plan for Alaska and the highway to Alaska ought to be considered as component parts of an indivisible thing. If we have our system of internal roads, and then if these roads can be reached from the United States by a road northerly through British Columbia and Yukon Territory into Alaska, it is not difficult to realize the profoundly stimulating effect which the traffic northerly to the Territory will have upon Alaska and incidentally, equally great effect and perhaps greater immediately beneficial effect upon British Columbia and Yukon Territory.

It is not necessary, Mr. Speaker, to draw upon the imagination in order to foresee what the system of roadbuilding which I have attempted to present here would do for Alaska. And may I here remind the Members of the House that with the very large benefits certain to follow the building of the International Highway and the extension and enlargement of roads in the interior of Alaska, the American citizens who will benefit most largely by such construction are not those who live in Alaska but those who reside in the United States, for

they, through the building of these roads, will be able to find for themselves new frontiers of opportunity, of satisfaction, and of wealth. One has only to read the data as to the number of American motor cars which pour yearly southward into Mexico over the highways recently constructed in order to understand the absolute inevitability of a like flood of people to Alaska over the British Columbia-Yukon-Alaska Highway when built—people going not into a strange land but into a part of their own country, of which most of them know little, and there finding, as I am certain they will find, economic and other attractions which will detain a considerable percentage of them in Alaska and make them permanent residents of the Territory.

Mr. Speaker, statehood for Alaska may not be so far off after all. When one who knows Alaska considers what may reasonably be expected to follow the construction of an adequate system of roads to Alaska and in Alaska, the construction of a like system in the immediate future of air fields and air facilities, a reasonable amount spent in improvement of our harbors for the protection of commerce and navigation, it requires no effort of the vision to see Alaska being admitted as a State in this present generation.

BEHIND THE POLITICAL SMOKE SCREEN

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address by Senator GEORGE W. NORRIS, of Nebraska, over the Columbia Broadcasting System, Sunday, June 14, 1936. Senator NORRIS' topic was Behind the Political Smoke Screen. He spoke from the studios of WJSV, Columbia's station for the Nation's Capital:

Some eminent gentlemen behind a smoke screen at Cleveland have been engaged in adopting a national platform and nominating a candidate for President of the United States. The unbounded enthusiasm of that convention upon the appearance before it of ex-President Hoover demonstrates beyond a shadow of doubt that the convention was in favor of Hoover and Hoover principles of government. If they had carried out their wishes and expressed their true sentiment, if they had had the courage of their convictions, they would have nominated Mr. Hoover for President. They knew, however, that the Hoover lesson of despair, of failure in governmental affairs, is still too fresh in the minds of the American people for them to succeed in any such reactionary program. They cheered to the limit Hoover's description of European methods. They gave unstinted approval to his idea of Europe. They were undoubtedly right in that. Hoover ought to know about Europe. He lived there long enough. From his own experience he is far better qualified to speak of European conditions than he is to discuss American questions. The American people have not forgotten that it was Hoover who, while he was President of the United States, tipped off to our European debtors the idea that they should repudiate the debts they owed America. It was Hoover's idea, in the interest of foreign debtors, that culminated in the repudiation of more than $11,000,000,000 of foreign debts.

The American people have not forgotten the dreary picture of the Hoover administration. They remember how it failed. The chicken in every pot, the two cars in every garage, pictured by Hoover, will not satisfy the hunger of the unemployed or bring relief to suffering mothers and ragged children, who can so clearly trace their suffering and their misery to Hoover's unfulfilled prophecies. No amount of fantastic dancing around that mysterious corner, looking for prosperity, can change the situation. As the smoke screen at Cleveland gradually rises, the American people will realize that though the voice of that convent.on is Jacob's voice, the hands are the hands of Esau.

How those eminent gentlemen cheered the ex-President, when in glittering generalities he discoursed on the precious value of human liberty! How they applauded when he praised the Supreme Court for its action in nullifying New Deal measures designed to bring relief to a suffering people! His comment on these Supreme Court decisions brought unlimited joy to those eminent gentlemen at Cleveland, particularly when they recalled its most recent decision which nullified any attempt to limit the hours of labor by any of the States of the Union. The same Court had practically held, only a few days before, that the Federal Government did not have this power and, therefore, the sacred doctrine of liberty had been preserved, and the freedom of the man or the woman to enter into a contract with big business to engraft human slavery upon the toilers of the Nation had been upheld.

How precious is such a liberty to the humble toiler, faced with ruin and starvation, thinking of the sufferings of his wife and children, which protects him in his right to sign himself and his posterity into human bondage?

These eminent gentlemen did not give consideration to the fact that other unemployed millions will be deprived of a living wage by the precious liberty exercised by the few who sign on the dotted line at the demand of organized monopoly and human greed!

When any monopoly or combination is able to control economic conditions so as to compel our people to sign away their right and their liberty of action, then the rights of society must be preserved by legal means, in order to restrain the oppression of the powerful over the weak. To preserve our Constitution and to preserve our democratic form of Government, such reactionaries as these must be kept from control of the situation.

The keynoter at that convention had no constructive note in his address. He devoted all of his great abilities to faultfinding and to criticism which was neither just nor constructive. He said, it is true, he himself had voted in the Senate for some of the New Deal measures, but the people of this country should not charge that up against the New Deal because, in the same speech, the Senator afterward apologized for such votes. In opening his address before these eminent gentlemen at Cleveland, he enumerated very beautifully in a general way some of the economic reforms he desired to bring about, and then he asked the question, "How can we achieve this objective?"

He never answered that question, but the answer is very simple, and for the benefit of these eminent gentlemen behind the smoke screen at Cleveland, let me say that the way to achieve the moral, intellectual, and spiritual objectives of our people is simply to reelect Franklin D. Roosevelt.

The very able gentleman who was permanent chairman of that convention delivered a beautiful speech of glittering generalities, filled with criticism, but without a single constructive idea. All of these gentlemen failed to suggest a single remedy for existing conditions. They all admit that at the time Hoover went out and Roosevelt went in, the country was in a deplorable condition. Any fair-minded man must admit that it was on the verge of destruction. Something had to be done, but these men, leaders of a great party, have failed, even by innuendo, to suggest any remedy for the depression.

If the New Deal is wrong on the unemployment question, for instance, what suggestions have they to make to solve this perplexing problem? If the New Deal has not functioned properly, what have they to offer that will function properly? What specific remedies have they to offer to bring relief to a suffering people?

Constructive criticism should always be welcomed. However, men who do nothing but throw monkey wrenches into the machinery, without offering any remedy, are not making constructive criticisms. The keynoter in that convention, for instance, promised the people that if his crowd were successful, it would reduce taxation. Everybody concedes that a reduction in taxes would be a good thing, but just how and where shall the reduction take place?

This keynoter admitted they should feed the hungry and take care of the unemployed. Does he expect to do these things without money? Can they be done without taxing the people? If so, give us the formula. Come out from behind the smoke screen, and tell the barefaced truth to the American people.

When President Roosevelt took control of this Government on the 4th of March 1933 he was confronted with a condition never before faced by mortal man. Every remedy of Hoover had failed; every promise he had made to the American people remained unfulfilled. Banks were closing all over the country. Unemployment was increasing at a rapid rate. Business was at an absolute standstill. But it must be admitted that Mr. Hoover, as he said in that memorable campaign, had preserved the gold standard. To him this was more precious than the welfare of his people. Banks might fail, business might go into the hands of a receiver, the army of unemployed might increase, mobs driven to desperation by cold and hunger might be organized, yet he had preserved the gold standard.

When President Roosevelt took over the helm of government he had no precedents to guide his footsteps. He had to sail the ship of state into an uncharted sea. Naturally, he made mistakes. In setting up, almost overnight, machinery to cover the entire country from ocean to ocean, necessarily there were in it many cogs of inefficiency and some of graft.

However, as one of the results of the Roosevelt administration, the banks, for instance, were put on a firm foundation, and today a bank failure has become almost a thing unknown except in bitter memory. But we see now a great combination of bankers, having had their own business preserved by governmental action, uniting to prevent the Government from doing anything to help anyone else. Yet it was these same bankers of the United States in the first days of the depression who came, hat in hand, to the Government, begging for help.

They were not opposed then to having the Government go into business, but when they had been placed upon an honest footing, when their own business had been saved from ruin by Roosevelt's action, then many of them, with greedy hearts and itching palms, combined to destroy every action of the New Deal.

When Roosevelt took the helm in March 1933 the farmer was in a deplorable condition. The men who produce the food we eat and the raw products out of which our clothing is made were in practical financial ruin. All promises of Hoover had been tried. They had all failed. Every remedy suggested by Mr. Hoover proved disastrous when put to the test. When for the first time in "3 long

years" the farmers were beginning to get the benefit of New Deal policies, the Supreme Court nullified the Agricultural Adjustment Act and brought joy and jubilation to the hearts of these eminent gentlemen behind the smoke screen at Cleveland. I do not mean by that they had any malice toward the farmer. I do not mean to say they were not interested in the well-being of the farmer. But I do mean that if they could get any partisan advantage from the nullification of any of the New Deal measures designed to help the farmer, they would be jubilant beyond expression.

And this brings me to the proposition which I have often stated, both publicly and privately. I get it from my experience of more than 30 years in Congress. The one greatest evil of government is partisanship. It was condemned originally by Washington, the Father of his Country. The spirit of party, as George Washington said, if unrestrained, will eventually burst into flame and destroy the very foundation of the Government itself.

So, after all, these eminent gentlemen behind the smoke screen in Cleveland to a great extent were imbued with a partisan spirit which is more or less common to all of us. But they have carried this party feeling so far, they are so completely controlled by it, they would see the farmer fail rather than give any credit to any other party or organization which has been instrumental in bringing him relief.

This was clearly exemplified when the keynoter of that convention offered an apology in his speech for having voted for some of the New Deal measures. When he voted for them he undoubtedly believed in them. But, as he himself said, it was early in the session and at that time the approaching national convention was so far off that it was unthought of and his party spirit had not asserted itself. If these partisan gentlemen want to be fair, if they have supported some of the New Deal measures, why are they not frank enough to approve them instead of offering an apology? When the Supreme Court nullified the Farm Relief Act these same partisan gentlemen went into hysterics of joy because a New Deal measure which had brought relief had failed to receive the approval of the Supreme Court.

Let me enumerate some of the acts passed by Congress on the recommendation of President Roosevelt: The Holding Company Act, acts for farm relief, the Tennessee Valley Authority Act, the Railroad Retirement Act, Securities and Exchange Act, Farm Credit Administration Act, Home Owners' Loan Act, Federal Housing Act, Federal Deposit Insurance Act, Social Securities Act, Rural Electrification Act, and many others.

Will these eminent gentlemen behind the smoke screen at Cleveland, if given the power of government, repeal any of these beneficial laws? Will they, for instance, nullify the Holding Company Act, by which people are given relief from an autocracy and a monopoly of the greatest and most unholy combination ever put together by human hands? Will Mr. Hoover and his vociferous admirers, behind the smoke screen, repeal the Federal Housing Act? Will they repeal the Tennessee Valley Authority Act, an act which, when completely carried out and applied to our inland waterways, will give to America the greatest and cheapest method of inland water transportation ever devised by man; a system of navigation that will make it possible to carry the products of Minnesota, for example, by water to the Gulf of Mexico, to Omaha, Nebr., or to Knoxville, Tenn.; a law that, in addition to its immense navigation possibilities, will hold in subjugation and control the enormous floods which heretofore have done such great damage in the Tennessee Valley; a law which already, through the instrumentality of one great dam, holding back flood waters amounting to 3,500,000 acre-feet, has saved many millions of damages which would otherwise have been suffered by the residents of the States in that great fertile plain; a law that, as an incident to navigation and flood control, has brought relief to millions of people who have been suffering under the hardships and injustices of an unconscionable Power Trust? Will the men behind the smoke screen repeal that law?

Will these eminent gentlemen, if given the power, repeal the Rural Electrification Act, by which the farmer and the farmer's wife are given relief from the drudgery and hardships of farm life hitherto imposed upon them by an unjust and unconscionable monopoly?

Will these eminent gentlemen repeal the laws providing for the public-works program, by which the people of the entire country have been given assistance in making internal improvements? Will they repeal the Roosevelt law passed for the benefit of the farmer after the Supreme Court had so ruthlessly set aside the Agricultural Adjustment Act? Will these eminent gentlemen behind the smoke screen at Cleveland, if given the power, repeal the Social Security Act, which gives pensions to millions of our aged citizens? Will these eminent gentlemen continue to shout with joy every time the Supreme Court nullifies any one of these beneficent laws? Will they continue to shed crocodile tears every time any of the New Deal measures receives judicial sanction and approval? Why not be explicit? Why not be concrete? In condemning the New Deal, why not make a bill of particulars?

In a nutshell, the efforts of President Roosevelt have been to put some humanity on the statute books. These measures which I have enumerated are only examples of this attempt to make government human. The people of the country must not forget that in this program of humanity in which President Roosevelt is engaged, he has incurred the animosity and bitter hatred of all monopoly, of all combinations, of all special interests, which are trying to get a financial advantage out of legislation and which are financially interested in shifting the burden of government from their own shoulders to those of the poor, whose rights they have so long trampled under foot.

One of the great reforms now pending which comes from the earnest recommendation of President Roosevelt is the one which has to do with the taxing of undistributed profits by corporations which have so far to a very great extent escaped through a legal loophole from paying their just share of income taxes. The eminent gentlemen behind the screen at Cleveland are all opposed to this reform measure. The interests behind them have so long escaped their just share of the tax burden that they are alarmed when Roosevelt undertakes to stop up the loopholes that have made it possible in the past for selfish interests to shift the burden of taxes from the rich to the poor. This is not a partisan question. There are unnumbered thousands of Republicans who are behind the President in his noble attempt to bring happiness and comfort to the firesides of millions of our citizens. There are many Democrats who are opposed to this program. They will give secret help and assistance to these eminent gentlemen behind the smoke screen at every opportunity.

I am not asking support of Roosevelt on a party basis. I am pleading with my countrymen to forget partisanship and come to the support of the man who more than any other man in recent years has stood for the welfare of the common people. I want you to remember that these eminent gentlemen behind the smoke screen at Cleveland will attempt to buy the electorate at the coming presidential election. They will be supplied with funds from special interests which have come into conflict with the reform measures of President Roosevelt. The amount of their subscriptions will, to them, not be material. The only question they will ask is how can their subscriptions be used for the purpose of bringing about the defeat of Mr. Roosevelt.

They will be careful in this coming campaign not to appear in the open, wherever they can conceal their attempts. They will wrap themselves in the American flag, stand on the housetops, cry out for liberty of contract, denounce the Government for going into business, and do everything they can, directly or indirectly, which will enable them to maintain the stronghold they held under Hoover, and upon which Roosevelt has gradually but surely loosened their grasp.

These eminent gentlemen behind the smoke screen in Cleveland adopted a platform. Within the limits of my time I cannot discuss that platform in any detail. A few things in it, mostly glittering generalities, will be approved by fair-minded men. Some things in it are absolutely unworkable, and many things in it are deceptive and so indefinite as to permt of almost any construction. For instance, the platform says, "We advocate a sound currency to be preserved at all hazards." The wildest inflationist who believes in unlimited expansion of the currency and the most narrow-minded stand-pat reactionary who believes in deflation both claim, and I presume believe, that they are advocating a sound currency "to be preserved at all hazards." No man, reasonable or unreasonable, will have any difficulty in standing on that plank. It covers everything, and does not touch anything. Similar misleading planks on almost every subject are found in this platform. We should consider, not only the platform, but the men who made it.

In this connection we should not forget that the leaders of those eminent gentlemen, most of the members of the platform committee, belong to the reactionary element of the party. Some of them have had experience for many years in Congress, and the record shows they have bent all their great abilities in the direction of the protection of monopolistic principles as against the welfare of the common man.

These eminent gentlemen behind the smoke screen at Cleveland nominated a man for President whose greatest asset is that nobody knows him, and nobody knows what he stands for. It does not necessarily follow from this that the nominee is not a good man. But it does mean that if he will not take orders from the undisclosed bosses who made him, then these eminent gentlemen have been deceived. The very fact that reactionary alleged leaders from Maine to California, from Minnesota to Florida, and from all other sections of our great country tumbled over one another to endorse a man they did not know and had never heard of before is conclusive proof that somewhere behind the scene the representatives of special interests issued the commands that percolated down through the reactionary organization to the lieutenants in local control, and they obeyed the recognized voice of their masters.

I think Mr. Landon is entitled to credit for his stand upon the merit system. In his message to the convention he takes a definite stand upon this subject. For this I commend him. But I call attention to the fact that his stand upon the merit system is not binding upon the convention which nominated him. Some of the leaders on the platform committee have shown by their past official activities that they are bitterly opposed to the merit system in all its details.

This is not peculiar to any one party. Both parties have fought the enactment into law of any legislation which would put an effective merit system upon the statute books. This is particularly true of the Post Office Department. That ought to be taken out of politics entirely from top to bottom; and the President, whoever he is, will have to battle the leaders of his own party to bring about this reform.

I am firmly of the belief that President Roosevelt is an ardent believer in the merit system and that he would be glad to have the proper legislation enacted so that the civil-service system may be firmly embedded upon the statute books, and particularly that the Post Office Department, from Postmaster General down to janitor, should be taken completely out of the domain of partisanship. There has been a gradual sentiment developing, I think,

even in Congress, that this should be done, and I welcome Mr. Landon's assistance in that direction. I firmly hope and sincerely believe that the next Congress of the United States, under the guidance of President Roosevelt, will enact such a law.

In spite of all the partisan criticism, in spite of the ardent attempts of monopolies, of special interests, and of partisan politicians, I do not believe the American people are going to change horses while crossing the stream of depression. President Roosevelt's sincerity of purpose, the humanity of his heart, his desire to relieve the distressed, his fidelity to the common man will bring to his standard, regardless of politics, all sincere, liberty-loving, patriotic people of America, many of whom love him for the enemies he has made, all of whom have faith in his declared purposes. Out of the New Deal, under his leadership, will come a new civilization for America.

CATEGORIES OF VESSELS LIMITED BY TREATIES, ETC.

Mr. VINSON of Georgia. Mr. Speaker, I call up the conference report on the bill (H. R. 5730) to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", and ask that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5730) to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, and 3.

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same.

CARL VINSON,
P. H. DREWRY,
GEORGE P. DARROW,
Managers on the part of the House.

DAVID I. WALSH,
M. E. TYDINGS,
FREDERICK HALE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5730) to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934, submit the following statement in explanation of the effect of the action agreed upon and recommended as to each of such amendments in the accompanying conference report, namely:

On amendments nos. 1, 2, and 3: Restores the proposal of the House that net losses on contracts or subcontracts completed within any income-taxable year shall be allowed as a credit in determining the excess profit, if any, for the next succeeding income-taxable year.

On amendment no. 4: Specifies effective dates of the law as amended, as proposed by the Senate.

This amendment will not affect contracts completed prior to January 1, 1936. The profits on such contracts will be determined as provided in the original Vinson-Trammell Act; that is, on the basis of each separate contract. The amendment will apply to all contracts entered into between March 27, 1934, and the date of the enactment of this amendment, which had not yet been completed on January or before December 31, 1935.

CARL VINSON,
P. H. DREWRY,
GEORGE P. DARROW,
Managers on the part of the House.

Mr. VINSON of Georgia. Mr. Speaker, unless there are some questions, I shall move the previous question on the conference report.

Mr. SNELL. Mr. Speaker, I think the gentleman ought to explain to the House a little about what happened in the conference.

Mr. VINSON of Georgia. Mr. Speaker, I may state to the gentleman from New York and to the membership of the House that the Senate inserted amendments nos. 1, 2, and 3 to the House bill. At the conference the Senate abandoned its position, and the bill in its present form is exactly as it passed the House except for the Senate amendment clarifying and stating what is meant by the income taxable year.

Mr. SNELL. Which amendment is that?

Mr. VINSON of Georgia. That is amendment no. 4 of the Senate, to which the House conferees agreed.

Mr. SNELL. Just how does that affect the situation?

Mr. VINSON of Georgia. That requires the Treasury Department to make its calculations as to excess profits from the date of the passage of the original Ship Construction Act of March 27, 1934. The income taxable year on all contracts of the Navy, including whether or not they will have to pay the 10-percent excess profit, are to be calculated from the original act which was approved March 7, 1934.

Mr. SNELL. And will be calculated on the completion of the contracts?

Mr. VINSON of Georgia. The gentleman is correct.

Mr. SNELL. Taking in that year's income.

Mr. VINSON of Georgia. That is right.

Mr. Speaker, I may state to the gentleman from New York that the amendment was suggested by the Treasury Department to clarify their accounting and to enable them correctly to carry out the intent of Congress in reference to the 10-percent-profit feature.

Mr. SNELL. That is all there is to it.

Mr. VINSON of Georgia. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to, and a motion to reconsider was laid on the table.

CONDITIONS FOR THE PURCHASE OF SUPPLIES BY THE UNITED STATES, ETC.

Mr. GREENWOOD, from the Committee on Rules, reported the following resolution (Rept. No. 2995), which was referred to the House Calendar and ordered to be printed:

House Resolution 549

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3055, a bill to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

ORDER OF BUSINESS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, when the House completes its business this afternoon it is planned to stand in recess until 7:30 this evening to consider the Private Calendar. First on the calendar are five omnibus bills. If they are completed the individual bills will be taken up thereafter. It is important, of course, to maintain a quorum tonight in case any quorum calls are made necessary by objections to bills.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. COCHRAN. There is going to be a point of no quorum made tonight, so it would be advisable to have the Members here.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. BLANTON. Could we have an understanding that at the night session nothing but bills on the Private Calendar will be considered, that no other business will be taken up?

Mr. O'CONNOR. That is the understanding.

Mr. BLANTON. That will be the understanding—we can go away with that assurance?

Mr. O'CONNOR. Yes.

INTERSTATE COMMERCE IN BITUMINOUS COAL

Mr. GREENWOOD. Mr. Speaker, I call up House Resolution 535 for immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 12800, a bill to regulate interstate commerce in bituminous coal, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. GREENWOOD. Mr. Speaker, I yield to the gentleman from New York [Mr. O'CONNOR] such time as he may need.

Mr. O'CONNOR. Mr. Speaker, the rule provides for 2 hours of general debate. Having conferred with certain Members interested, I hope the time can be reduced to 1 hour so we may expedite final action. The bill is quite lengthy and its reading under the 5-minute rule will afford plenty of opportunity for debate.

Mr. Speaker, I ask unanimous consent that time for general debate be reduced from 2 hours to 1 hour.

Mr. SNELL. Mr. Speaker, reserving the right to object, the gentleman from New Jersey [Mr. BACHARACH] advises me he thought there was to be 2 hours of general debate.

Mr. O'CONNOR. We discussed yesterday the proposition of reducing it to 1 hour and I thought that was satisfactory to the gentleman from New Jersey.

Mr. BACHARACH. Mr. Speaker, if the gentleman will yield, we have had some requests since then which alters the situation. I think it would probably be better to make the time an hour and a half.

Mr. SNELL. I think 1 hour is a little too short a time.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that time for general debate be reduced to 1 hour and a half.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GREENWOOD. Mr. Speaker, I yield 15 minutes to the gentleman from Pennsylvania [Mr. RANSLEY] and a like time to myself.

The SPEAKER. The gentleman from Indiana is recognized for 15 minutes.

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JENKINS of Ohio. I thought the time on the rule had been fixed at 10 minutes to the side?

Mr. GREENWOOD. It was fixed 3 or 4 days ago at 10 minutes, but we have liberalized the time and added 5 minutes to each side.

Mr. Speaker, this rule is for the consideration of what is sometimes called the revised Guffey coal bill for the regulation of interstate trade and distribution of bituminous coal. It has for its purpose the continuation of the stabilization policy that has been established under the bill previously passed by the Congress known as the Guffey coal bill. It has been found very beneficial for the stabilization of the business and the working out of a harmonious arrangement between the management and the employees. Very much to the regret of the proponents of that bill, the Supreme Court held the former bill unconstitutional because of its regulation of labor as to hours and working conditions. The Court held these labor regulations were local and incidental to production under State control.

The committee has reported a bill now which eliminates all of those provisions to which the Court raised objection. It is not undertaken in the present bill to regulate labor as to hours, as to wages, or as to working conditions. It has for its purpose the regulation of the distribution and the sale under code provisions very similar to the former code regulation of bituminous coal. Those who have drawn the bill have looked into the Court decision very carefully and feel this meets all the objections which the Supreme Court raised to the former bill.

The N. R. A. undertook similar provisions with reference to industry. The Supreme Court in the Schechter case based its decision upon the question of State control. I have always felt in my own mind had that case been based on a code governing the regulation of bituminous coal the Supreme Court might have sustained it.

In the first place, bituminous coal is a natural resource very much like water power and electrical energy and belongs to the Nation as a whole. It necessarily follows it must be produced in certain localities, although its consumption is Nation-wide. Being a natural resource, there is a national significance attaching to the production and consumption of coal that is not found with reference to the regulation of local business such as involved in the Schechter case. We have eliminated the provisions to which the Supreme Court raised objection in the former bill and have the assurance of those who have studied the matter that this bill will meet the necessary constitutional requirement.

This bill sets up a board of seven to regulate the matters of price and distribution, two to be selected by the employees, two to be selected by the producers, and three to be appointed from the public who have no interest whatever either in coal, in oil, or in the distribution of electrical energy. This board will formulate a code for the stabilization of the coal industry and has the power to set up minimum prices, taking into consideration the cost of production, the peculiar features of any particular quality of coal, or any of the necessary costs that enter into the production.

It sets up 13 unfair trade practices of which the board will take cognizance. In some respects it is very similar to the recent Robinson-Patman bill in that its object is to promote fair trade practices as between different producers in the various coal fields. It is true there is no labor regulation in this bill, but if the business is stabilized and the industry knows what the the prices are to be, it will have a very good effect and labor will take care of itself. Coal is sold under long-time contracts ordinarily, and if the industry knows what the price will be, it can fix the prices and reach an agreement with the employees on a long-time basis so that harmony prevails in this particular industry. Stabilization and understanding is the object of this particular law. The whole business will be organized on a fair, comparative basis as between the producers in the various fields, taking into consideration the cost of production, quality of the coal, and the various items that necessarily may create differentials between one class of coal in one section of the country and another class of coal in another section.

There is to be a conservator appointed under the law who will have the interest of the consuming public under his jurisdiction. He may appear before the Commission and present all of the facts which will take care of those who purchase the coal. The Board may set a minimum price, having in mind a fair return in profit to the various producers.

Mr. SNELL. Will the gentleman yield?

Mr. GREENWOOD. I would prefer to wait until after I have finished my statement.

The conservator set up under this law will take care of the consuming public. The minimum price will be based upon a fair return and a fair profit to the various producers. The Board can in emergencies fix a maximum price. The law clearly provides maximum prices are made to prevent exploitation of the consumers, prevent price skyrocketing in emergency or under weather conditions which may arise. Fair competition will protect consumers.

Mr. Speaker, the committee should be complimented for endeavoring to take care of all the different factors or groups which will operate under this law. The employees are protected. The employers are taken care of so that they may make a fair return and pay fair, living wages. The consuming public is taken care of so that they shall not be exploited because of price fluctuations.

Mr. MAY. Will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Kentucky.

Mr. MAY. The gentleman comes from a State which is a large producer of coal, and he knows, as a matter of fact, that coal is one industry that is affected by weather conditions as much as any other. Is it not a fact that the mere existence of the Bituminous Coal Commission during the last cold-weather period had a decisive effect on the regulation and control of prices and kept them from going to an unreasonable point?

Mr. GREENWOOD. It is very true, and the gentlemen on the Ways and Means Committee have statistical tables which show the comparative prices since the operation of this law. There has not been a fluctuation in any of the large centers of consumption of more than 25 cents a ton, and in many instances there has been a reduction in price under the present law that was declared unconstitutional. Stabilization of price and publicity of methods of distribution are helpful of fair trade practices.

Mr. O'MALLEY. Will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Is it not a fact that one of the principal points of the Supreme Court decision was the taxing power of the Federal Government could not be used for penalty purposes? Does not this bill tax coal and then make a refund of that tax if certain codes are agreed to?

Mr. GREENWOOD. The same provision was in the old law, but it is conceded by all who read the recent decision and former decisions that if the Congress has the delegated power to pass a regulation, then it has the power to use the taxing power of the Constitution to enforce that regulation.

This measure rests upon the commerce clause of the Constitution.

They have eliminated those features to which the Supreme Court raised objection with reference to labor, and the revised law is based upon the commerce clause of the Constitution and on the theory that we are not exceeding our authority in the regulation of commerce; and if the bill is upheld on that basis, then there can be no question about our using the taxing power to enforce the authority which is contained in the measure.

Mr. O'MALLEY. Of course, the gentleman knows that as the Supreme Court is constituted now we can keep on voting for these measures for labor and to regulate industry and the Supreme Court will knock them out. The only way we can get laws of this kind enacted is by a constitutional amendment.

Mr. GREENWOOD. That may be true, but there are others who believe that we have formulated this law upon the delegated authority which Congress has, and having such authority under the interstate commerce clause to regulate commerce and create a free flow of products in the channels of interstate commerce we can use the taxing power to enforce such delegated powers.

Mr. SNELL. Mr. Speaker, will the gentleman from Indiana yield?

Mr. GREENWOOD. I yield to the gentleman from New York.

Mr. SNELL. It seems to me the important question before the people now is how much these new regulations and conditions that you are setting up are going to raise the price of coal to the ultimate consumer. Can the gentleman tell us that?

Mr. GREENWOOD. Just a few moments ago I commented on that, I may say to the gentleman from New York, and stated that a gentleman on the Ways and Means Committee has a statistical table showing the cost of coal for many years, by month; and during the operation of the law which was declared unconstitutional by the Supreme Court, the former Guffey Act, there has not been a fluctuation in price in any large city where there is volume consumption of more than 25 cents a ton; and the statistics also show that the former price was reduced in as many instances as it was increased, showing that stabilized prices with an understanding on the part of the producer as to what the price shall be has benefited even the consumers by affording them a stabilized price. I do not think there need be any fear along that line.

Mr. SNELL. Then the gentleman is firmly convinced that the price to the consumer will not be any higher under this bill than it was before?

Mr. GREENWOOD. Well, the law provides that it can be raised 2 cents a ton by the Board, but no more than that, upon a hearing.

Mr. SNELL. I am referring to the price to the ultimate consumer.

Mr. GREENWOOD. We all know that there have been times of emergency and times of extreme weather conditions when it has not been unusual for the price of coal to be boosted as much as $1 or $2 a ton. Nothing like that has happened under the present law.

Mr. SNELL. I know that, but that was not the matter I was trying to find out about. I was inquiring about the average price to the ultimate consumer on account of these added regulations and the cost of production. I was interested in knowing how you are going to get by and sell the coal to the consumer cheaper.

Mr. GREENWOOD. The added cost of production is not nearly as great as the losses that have arisen on account of strikes and misunderstandings, and under the bill you will have a better understanding and stability by putting it on a uniform basis, even though it costs the management something because operations under the old system have been considerably more expensive.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. MAY. The gentleman knows, as a matter of fact, that the coal producers will be interested in making the price of their products such as to enable them to compete with the cleaner fuels, such as fuel oils, gas, and electricity, and it would only destroy their industry if they increased their prices unreasonably.

Mr. GREENWOOD. The only way to have a reasonable price to the consumer is to have stabilized prices under fair trade practices so that nobody can take advantage of their consumers, either to skyrocket prices or to undersell their competitors so as to drive someone out of business. The consumer will be protected by this law as much as any other group.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. If the price to the consumer does not go up, and I understand it does not, where does the money come from to add the amount that the producer or the laborer or the miner is to receive?

Mr. GREENWOOD. That is not the question at all. They are not particularly going to pay labor more.

Mr. HOFFMAN. They are not?

Mr. GREENWOOD. But with a stabilized price they can enter into long-time contracts for the sale of coal and with their labor for 1 or 2 or 3 years.

Mr. HOFFMAN. Will the miner get any more under this bill?

Mr. GREENWOOD. Not any more than the union prices that have been paid.

Mr. HOFFMAN. Will he get steadier work?

Mr. GREENWOOD. I think so.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from New York.

Mr. MARCANTONIO. Will the gentleman explain what effect the enactment of this bill will have on the antitrust laws, if any?

Mr. GREENWOOD. The antitrust laws are administered by the Government. This law will be administered by a commission of the Federal Government, and, while it proposes to maintain a complete competitive system under the the regulation of the commission whereby the price of coal will be fixed and stabilized, it is not a question of monopoly or of the driving out of one producer by another, but every producer will stand before the board or the commission on an equal basis to present his case, and this measure is to promote fair trade practices of competition rather than monopoly.

Mr. CRAWFORD. Will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. CRAWFORD. You speak of stabilizing the price. It fixes the minimum price, but has it the power to fix the maximum price in an emergency?

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. RANSLEY. Mr. Speaker, I yield 15 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, this is price-fixing legislation pure and simple. The Government never has succeeded in its attempt to fix prices heretofore, and there is no reason to believe that it will be any more successful in fixing the price of coal.

In effect, this bill proposes to allow those engaged in the industry to fix the price of their own product. The majority of the commission that is created by the bill and given authority to fix minimum prices and in some cases the maximum prices of bituminous coal is made up of interested parties or those directly engaged in the industry.

The commission is to consist of seven members, two of whom are to be producers of coal, two of whom must be miners, and the other three, or a minority of the commission, are to be selected outside the industry.

The Supreme Court declared the labor provisions of the original Guffey law unconstitutional. One of the objects sought to be accomplished by this bill is to get around the decision of the Supreme Court in the original Guffey Act. It is proposed to accomplish that purpose by leaving out of this bill the provisions of the original act relating to labor and to retain only those relating to price fixing. Of course, the majority of the Commission composed as it will be of producers and miners will cooperate to raise the price of coal in order to give the producers more profits and enable them in turn to pay the miners better wages. In that scheme of things it is easy to see what will happen to the consuming public. Of course, the public will have to pay more for its coal and the average man is having more than he can do to get enough coal to keep him warm as it is.

The gentleman from Indiana [Mr. GREENWOOD] referred to the decision of the Supreme Court in the original Guffey Act, and made the statement as I understood him, in effect that this bill was drafted for the purpose of complying with the decision of the Court in that case.

In that connection it should be kept in mind that the majority opinion did not pass on the power of the Government to fix the price of coal at all. It specifically reserved that question for future consideration.

Let me read what the Court said on that point. I quote:

> The price-fixing provisions of the code are thus disposed of without coming to the question of their constitutionality; but neither this disposition of the matter, nor anything we have said, is to be taken as indicating that the Court is of opinion that these provisions, if separately enacted, could be sustained.

Mr. Speaker, it is a violent assumption to assume from that language that the Court will hold that the Government has the right to fix the price of coal that enters into interstate commerce. I do not know whether the Government, under the Constitution, has the right to fix the price of coal and other commodities that enter into interstate commerce or not, but I am satisfied that it ought not to exercise it if it has the right to do so. See where the policy of this legislation will lead us, if we once adopt it. If we fix the price of coal, we will be asked sooner or later to fix the price of other commodities that enter into interstate commerce. We will be asked to fix the price of manufactured products, of furniture, of automobiles, of shoes, of wearing apparel, and of farm products. In fact, if we once get started there will be no place to stop.

Mr. GREENWOOD. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes; for a short question.

Mr. GREENWOOD. Is the gentleman willing to concede that there may be a difference between coal, which is a natural resource, and a manufactured product?

Mr. MAPES. There is little difference in theory. This morning, Mr. Speaker, there came to our desks a copy of a speech delivered over the radio on June 5 by Senator BURTON K. WHEELER. Let me read just two paragraphs of what he had to say about the policy of price fixing by the Government. I quote from his speech:

> Consider the implications of ultimate price fixing for trade and industry by either the Government or private groups. It radically changes our form of government.
>
> The Government would be forced into a system of regimentation of industry that would not only be onerous to the people but that might very well be inefficient. Certainly the greatest totalitarian, bureaucratic state the world has ever seen would be the result. Price fixing by private groups will inevitably lead to price fixing by the Government. It will be a fascist state in every sense of the word.

That is the language of the Senator from Montana [Mr. WHEELER].

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I am sorry, but I have not the time. This legislation is a striking illustration of the way some of the New Deal policies head in opposite directions. We are developing hydroelectric power which must necessarily take the place to a large extent of bituminous coal. Of course, that raises serious problems for the bituminous coal industry. It has been estimated, I believe, that some 40 million tons of bituminous coal will be displaced by the TVA development, and on the assumption that 1,000 tons of coal furnishes employment to one man per year, that will take out of employment in the bituminous coal fields, 40,000 people. Fixing the price of bituminous coal will have a tendency also to cause the consuming public to use substitutes for it, such as anthracite coal, fuel oil, natural gas, as well as hydroelectric power. In fact the passage of this legislation will tend to defeat its own purpose. It will tend to reduce the amount of bituminous coal consumed and thereby reduce the number of men employed to produce it. We cannot fix the price of coal without limiting the production of it.

Mr. MAY, Mr. VINSON of Kentucky, and Mr. GREENWOOD rose.

Mr. MAPES. Mr. Speaker, I am sorry, but I cannot yield. My time will not permit. I want to call attention to the similarity of the policy of this bill to that laid down in the Esch-Cummins Act a few years ago relating to the railroads. The Esch-Cummins Act divided the country into regions and contemplated the fixing of uniform rates for the transportation of commodities over all the railroads in a given region. It had in mind that the rates would be high enough to provide a reasonable return on the aggregate value of the railroads in the region. The act specifically stated that in order to accomplish that purpose the rates would have to be high enough to give the roads more favorably situated an unreasonable return, and provided that the surplus over and above a reasonable return to those roads should go to the weaker roads. This bill is based upon the

same theory. It divides the country into 23 different districts and provides that this Commission shall fix the price of coal so as to equal the average cost of production in a given district. Of course, that will enable the low-cost mines to make an unreasonable return and may result in putting the high-cost ones out of business. Experience demonstrated that the provisions of the Esch-Cummins Act, to which I have called attention, would not work and they were repealed. I predict that this legislation will meet the same fate in time.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Not now. The gentleman from Indiana [Mr. GREENWOOD] said that there would be competition between the different districts. That may be true, but there certainly will be no competition as between individual producers in the same district if this bill goes into effect, and it will either allow the low-cost mines in a given district an unreasonable return or force the high-cost ones to go out of business.

The bill does not stop with fixing the minimum price. It provides for the fixing of a maximum price as well. It provides that the commission, if it sees fit or if it deems it in the public interest to do so, may fix a maximum price, and then it contains this provision:

Provided, That no maximum price shall be established for any mine which shall not return cost, plus a reasonable profit.

In other words, the price must be high enough to allow the highest-cost mine to make a reasonable profit, plus the cost of production. Anyone can see what such a price will mean to the low-cost mines. A price that will provide a return which will enable a high-cost mine to get a return of cost, plus a reasonable profit, will certainly provide the low-cost mine an unreasonable profit.

Mr. Speaker, we cannot embark upon the policy of price fixing for the coal industry unless we are willing to do the same thing for other industries that are in distress and fix prices for their commodities as well. I am not willing to embark on such a policy.

Mr. Speaker, I yield back the balance of my time.

Mr. GREENWOOD. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12800) to regulate interstate commerce in bituminous coal, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12800, with Mr. MEAD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from Kentucky [Mr. VINSON].

Mr. VINSON of Kentucky. Mr. Chairman, the bill under consideration, H. R. 12800, is offered as the administration's substitute for the Bituminous Coal Conservation Act of 1935, which was invalidated by the Supreme Court May 18, 1936.

The provisions of the Bituminous Coal Conservation Act of 1935, which sought the stabilization of the prices of bituminous coal moving in interstate commerce and the regulations of the unfair methods of competition therein, were not directly passed upon by the majority in the Supreme Court's decision. The entire act was invalidated, as the prevailing opinion states, because of its inability to separate the labor provisions of said act from the regulation of prices and unfair methods of competition. The majority opinion held that, even though Congress segregated the distinct problems under separate headings, parts I, II, III, IV, and further separated these parts with sections numbered therein, and further had the separability clause usual and customary, which heretofore had never been found wanting in setting forth the expressed intention of Congress as to separability, the Court in the prevailing opinion substantially said that Congress did not show to their satisfaction that the stabilization of the industry through regulation of prices and of unfair methods of competition as it affected bituminous coal in interstate commerce was separate and apart from the labor provisions thereof; that, holding invalid the labor provisions as beyond Federal power, the stabilization features secured by regulation of prices and removal of unfair-trade practices would likewise fall. For the first time in our observation of the Supreme Court's history did we wince at the failure of this great tribunal to measure up to its responsibility and pass upon an issue truly vital to our economic life.

The gentleman from Michigan [Mr. MAPES] made the statement that the majority opinion of the Supreme Court did not pass upon the price-fixing features of the old act. That is true, but let me ask you as practical men that, with the temper of the Supreme Court as it is, with the divisions which we know obtain in that Court, is anybody, even the distinguished gentleman from Michigan [Mr. MAPES], prepared to say that if they had had five votes on that Court to strike down the price-fixing sections of this act, they would have hidden behind the separability clause to invalidate the act?

Ah, we are in respectable company when we say that Congress has the power to regulate interstate commerce, and in so doing the power to fix prices, unless they are arbitrary, discriminatory, and in violation of the fifth amendment to the Constitution of the United States. We are in respectable company when we say Congress has the power to pass this piece of legislation. Chief Justice Hughes stands there with a lucid opinion saying that Congress has that power. Three other Justices—Mr. Justice Brandeis, Mr. Justice Cardozo, and Mr. Justice Stone—say there is no question about Congress having that power. So I say to you that all of the Justices who spoke upon this subject said Congress had the power. The majority opinion is silent upon that proposition.

Unless the Taft philosophy set forth in the cases of Hill against Wallace, Chicago Board of Trade against Olsen, Stafford against Wallace, and the Coronado cases were followed, it was admitted by proponents of the measure that the labor sections in said act were subject to attack; but even if stricken down, the proponents urged the stabilization features through price regulations and the removal of unfair-competition methods. In fact, the general counsel of the United Mine Workers of America, Hon. Henry Warrum, made such statement very clearly in the hearings before the House committee preceding the enactment of the legislation. Mr. Justice Cardozo very clearly pointed out this frank statement by this learned lawyer and splendid gentleman. We quote from the dissenting opinion of Mr. Justice Cardozo:

At a hearing before a subcommittee of the Committee on Ways and Means, House of Representatives, Seventy-fourth Congress, first session, on H. R. 8479, counsel for the United Mine Workers of America, who had cooperated in the drafting of the act, said (p. 35):

"We have, as can be well understood, a provision of this code dealing with labor relations at the mines. We think that is justified; we think it is impossible to conceive of any regulation of this industry that does not provide for regulation of labor relations at the mines. I realize that while it may be contested, yet I feel that it is going to be sustained.

"Also, there is a provision in this act that if this act, or any part of it, is declared to be invalid as affecting any person or persons, the rest of it will be valid, and if the other provisions of this act still stand and the labor provisions are struck down, we still want the act, because it stabilizes the industry and enables us to negotiate with them on a basis which will at least be different from what we have been confronted with since April, and that is a disinclination to even negotiate a labor wage scale, because they claim they are losing money.

"If the labor provisions go down, we still want the industry stabilized so that our union may negotiate with them on the the basis of a living American wage standard."

To back up the attitude of the United Mine Workers of America toward the 1935 act, they stand here today in that same fair attitude toward this proposed legislation, asking

for its passage as a means of stabilizing the industry. It is their position that unless the industry is stabilized, the old cutthroat competition methods relegated to the scrap heap will be revived and they will have great difficulty in securing a reasonable wage for the dangerous and arduous service rendered. We read from a letter written by Hon. John L. Lewis, president of the United Mine Workers, dated June 13, 1936:

[United Mine Workers of America. Affiliated with A. F. of L. John L. Lewis, president. 712 Tower Building]

WASHINGTON, D. C., *June 13, 1936.*

Hon. FRED M. VINSON,
Member of Committee on Ways and Means,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: The United Mine Workers of America advocated before Congress the passage of the Bituminous Coal Act of 1935, not merely because of the labor provisions it contained but because its marketing provisions fixed a floor level of production cost for the interstate marketing of coal. The recent decision of the Supreme Court in the Carter case invalidated the act because the regulations relating to labor were held beyond the power of Congress and were considered to be so interwoven with the marketing provisions as to invalidate them. In the hearings before your committee upon the legislation of 1935 our representative made it plain that if the labor provisions should fail that they were still interested as wage earners in the marketing provisions of the act.

By the decision in the Carter case the bituminous-mine workers are thrown back upon their own resources and ability to organize and collectively bargain for their wages. But, however they may be able to meet this problem unsheltered by the law, they are still helpless to secure a living wage from an industry whose product has for years been marketed in a senseless cutthroat competition which finds its opportunity particularly in a competitive cutting of wages.

It is for this reason that the United Mine Workers of America are again asking Congress to reenact this legislation with the labor regulation deleted. The price provisions provide a minimum base which, after all, is a limitation upon the meanest manifestation of unfair practices in the interstate commerce of bituminous coal—practices which are wasting the coal resources of the Nation and which depend primarily upon a free hand with the wages and working conditions of mine labor.

Very truly yours,

JOHN L. LEWIS.

We also read a letter written by Hon. Charles O'Neill, chairman, special legislative committee of National Conference of Bituminous Coal Producers, under the same date, June 13, 1936:

NATIONAL CONFERENCE OF BITUMINOUS COAL PRODUCERS,
Washington, D. C., June 13, 1936.

Hon. FRED M. VINSON,
House of Representatives, Washington, D. C.

DEAR SIR: The Guffey-Vinson Bituminous Coal Act of 1936 provides a constitutional method of price regulation of the bituminous-coal industry under direct governmental supervision on the basis of reasonable standards, established by Congress, that have been proven by the test of actual experience to be fair to all districts, practical in operation, and which call for the absolute minimum of Federal power necessary to make such regulation effective.

The bill will prevent the monopoly of the industry by a few large financially entrenched corporations occasioned by the monopolistic device of eliminating smaller and weaker companies through price-cutting tactics.

The bill will prevent unjust discrimination in the cost burden to more than 10,000,000 unorganized household consumers as against the several thousand large, powerful, organized industrial consumers whose purchasing power enables them to break down prices of industrial coal and forces that loss to be made up by higher prices on domestic household coal.

The bill will provide adequate consumer representation in the final determination of prices by the Government, with full publicity after public hearings as to the facts and authoritative data of the industry which will best tend to prevent unduly high prices or wage levels.

This bill will provide for the orderly economic liquidation of such excess capacity as is not necessary to the needs of the Nation without allowing the death throes of the liquidation of such mines to destroy all other property and human values within the industry.

The bill will foster fair, healthy, intense, but intelligent competition that should best tend to provide the public with an increasingly superior product at a steadily decreasing annual cost and a product better designed to meet the force of competition of laborless fuels.

This bill will prevent the inexorable wage reductions caused by declining price levels which necessitate such action by sheer absence of cash to meet union pay rolls.

This bill will tend to promote the economic welfare of the Nation by preventing the waseful exploitation of a natural resource at a loss when, in fact, the wealth of any nation must come from the products of the earth and soil.

Very truly yours,

CHARLES O'NEILL,
Chairman, Special Legislative Committee.

THE NEW BILL—H. R. 12800

Immediately after the Supreme Court had knocked down the labor sections of the 1935 act, the preparation of H. R. 12800 was begun. The language of the invalidated act relating to labor was physically picked up and removed from the act. This was done with interlining by pencil and with a pair of scissors so that H. R. 12800 substantially is the bill passed in the last session with the labor provisions stricken therefrom to meet the Supreme Court's opinion. Further, the present bill has sought to conform with the opinions of the Court.

We set forth herein the important changes from the text of the 1935 act:

Section 1: The declaration of policy has been limited to the "regulation of the sale and distribution in interstate commerce" in order "to promote interstate commerce in bituminous coal and to remove burdens and obstructions therefrom."

Section 2 (a) provides for a commission of seven instead of five members—two to represent the producers, two the employees, and three the public.

Section 3 of the bill—the tax provision—changes section 3 of the 1935 act in order to clarify the procedure for revocation of the right to the draw-back and emphasize that code members waive no constitutional rights. The changes remove a compulsory feature of the code acceptance by coal producers by striking out the requirement of acting "in compliance with the code", in order to be entitled to the draw-back, and in lieu thereof authorize the draw-back to be paid to any producer who has filed his acceptance of the code, and whose membership and right to draw-back have not been revoked under section 5 (b), under which the right to review in court such revocation is recognized, and under which, by the addition of the sentence at the end of section 5 (c), the code member has the right to raise constitutional issues and to show that matters or transactions involved are not in or do not directly affect interstate commerce.

Section 4, first paragraph, provides that the code shall be "promulgated" rather than "formulated * * * into a working agreement."

Section 4, second paragraph, is changed to more clearly and specifically limit the application of price regulations "only to matters and transactions in or directly affecting interstate commerce in bituminous coal." Section 4–A, in this connection, has been added, following the language of section 13 (4) of the Interstate Commerce Act, to assure that intrastate rates in competitive markets will not cause "any undue, unreasonable, or unjust discrimination" against the interstate rates in bituminous coal. This is designed to protect interstate traders and interstate commerce (*The Shreveport Case*, 234 U. S. 342, 351, 352; *Wisconsin R. R. Comm.* v. *Chicago, etc., R. Co.*, 257 U. S. 563, 588; *United States* v. *Louisiana*, 290 U. S. 70, 75; *Florida* v. *United States*, 292 U. S. 1).

Section 4, part I (a), fifth paragraph, is revised to more clearly provide for the rearrangement of "price areas" as well as "districts" by the Commission after hearing.

Sections 5 (a), 6 (b) and (d), and 8 (a) and (b): References to the Labor Board have been eliminated to comply with the decision of the Supreme Court.

Section 5 (c): At the end of the first paragraph a sentence has been added to assure specifically that in any action of the Commission to enforce the price regulations—

Any code member shall be entitled to raise all issues of constitutional power or right, and particularly to show that the matters or transactions with reference to which an order of the Commission was issued are not in or do not directly affect interstate commerce (*I. C. C.* v. *Ill. Cent. R. Co.*, 215 U. S. 452, 470).

Section 9 has been revised to state the labor policy set forth in the Norris-LaGuardia Anti-Injunction Act and pro-

vides against any implied repeal of that act or other acts "regarding labor relations."

Section 14 (b) has been rephrased in its final clause for purposes of clarity with respect to compliance by Government contractors.

Section 15, the separability clause, is retained in a more specific and detailed form.

Section 20, prescribing the effective date of section 3, has been revised to be more definite and certain.

Section 22 has been expanded to provide for the repeal of the Bituminous Coal Conservation Act of 1935 and to provide for the transfer of funds to the new commission.

Section 23: The citation of the act has been shortened.

Annex schedule of districts: Arizona has been added to district 18, Idaho to district 19, and Oregon and Alaska to district 23. This constitutes no extension of the act, since sections 3 and 4 apply to all coal transactions in interstate commerce.

Dates have been changed for obvious reasons in sections 4, part I (a) and part II (a), 16 (5), and 23.

It is intended to offer an amendment on line 19, page 39, of the bill to strike the figure 4 and insert the figure 2. This would limit the life of the act to 2 years from the date of its approval.

THE CONSTITUTIONAL QUESTION

The regulation of prices and the unfair methods of competition as set forth in the 1935 act were not held invalid by the Court. The prevailing opinion did not pass upon such question. Their opinion is silent upon these provisions. The minority opinion of Mr. Chief Justice Hughes and Messrs. Justice Brandeis, Justice Stone, and Justice Cardozo very definitely upheld the constitutional validity of such provisions. We quote Mr. Chief Justice Hughes' opinion relating to this:

But that is not the whole case. The act also provides for the regulation of the prices of bituminous coal sold in interstate commerce and prohibits unfair methods of competition in interstate commerce. Undoubtedly transactions in carrying on interstate commerce are subject to the Federal power to regulate that commerce and the control of charges and the protection of fair competition in that commerce are familiar illustrations of the exercise of the power, as the Interstate Commerce Act, the Packers and Stockyards Act, and the Antitrust Acts abundantly show. The Court has repeatedly stated that the power to regulate interstate commerce among the several States is supreme and plenary (*Minnesota Rate Case*, 230 U. S. 352, 398). It is "complete in itself, and may be exercised to its utmost extent, and acknowledges no limitations, other than are prescribed in the Constitution" (*Gibbons* v. *Ogden*, 9 Wheat. 1, 196). We are not at liberty to deny to the Congress, with respect to interstate commerce, a power commensurate with that enjoyed by the States in the regulation of their internal commerce. (See *Nebbia* v. *New York*, 291 U. S. 502.)

Whether the policy of fixing prices of commodities sold in interstate commerce is a sound policy is not for our consideration. The question of that policy, and of its particular applications, is for Congress. The exercise of the power of regulation is subject to the constitutional restriction of the due-process clause, and if in fixing rates, prices, or conditions of competition that requirement is transgressed, the judicial power may be invoked to the end that the constitutional limitation may be maintained (*Interstate Commerce Commission* v. *Union Pacific R. R. Co.*, 222 U. S. 541, 547; *St. Joseph Stock Yards Co.* v. *United States*, decided Apr. 27, 1936).

In the legislation before us, Congress has set up elaborate machinery for the fixing of prices of bituminous coal sold in interstate commerce. That provision is attacked in limine. Prices have not yet been fixed. If fixed, they may not be contested. If contested, the act provides for review of the administrative ruling. If in fixing prices due process is violated by arbitrary, capricious, or confiscatory action, judicial remedy is available. If an attempt is made to fix prices for sales in intrastate commerce, that attempt will also be subject to attack by appropriate action. In that relation it should be noted that in the Carter cases, the court below found that substantially all the coal mined by the Carter Coal Co. is sold f. o. b. mines and is transported into States other than those in which it is produced for the purpose of filling orders obtained from purchasers in such States. Such transactions are in interstate commerce (*Savage* v. *Jones*, 225 U. S. 501, 520). The court below also found that "the interstate distribution and sale and the intrastate distribution and sale" of the coal are so "intimately and inextricably connected" that "the regulation of interstate transactions of distribution and sale cannot be accomplished effectively without discrimination against interstate commerce unless transactions of intrastate distribution and sale be regulated." Substantially the same situation is disclosed in the Kentucky cases. In that relation the Government invokes the analogy of transportation rates (*The Shreveport Case*, 234 U. S. 342; *Wisconsin Railroad Commission* v. *Chicago, Burlington & Quincy R. R. Co.*, 257 U. S. 563). The question will be the subject of consideration when it arises in any particular application of the act.

Upon what ground, then, can it be said that this plan for the regulation of transactions in interstate commerce in coal is beyond the constitutional power of Congress? The Court reaches that conclusion in the view that the invalidity of the labor provisions requires us to condemn the act in its entirety. I am unable to concur in that opinion. I think that the express provisions of the act preclude such a finding of inseparability.

This is admittedly a question of statutory construction, and hence we must search for the intent of Congress. And in seeking that intent we should not fail to give full weight to what Congress itself has said upon the very point. The act provides (sec. 15):

"If any provision of this act or the application thereof to any person or circumstances is held invalid, the remainder of the act and the application of such provisions to other persons or circumstances shall not be affected thereby."

That is a flat declaration against treating the provisions of the act as inseparable. It is a declaration which Congress was competent to make. It is a declaration which reverses the presumption of indivisibility and creates an opposite presumption (*Utah Power & Light Co.* v. *Pfost*, 286 U. S. 165, 184).

* * * * * * *

In this view the act and the code for which it provides may be sustained in relation to the provisions for marketing in interstate commerce, and the decisions of the courts below, so far as they accomplish that result, should be affirmed.

I quote from the minority opinion of Mr. Justice Cardozo, in which Mr. Justice Brandeis and Mr. Justice Stone concur:

First: I am satisfied that the act is within the power of the central government insofar as it provides for minimum and maximum prices upon sales of bituminous coal in the transactions of interstate commerce and in those of intrastate commerce where interstate commerce is directly or intimately affected. Whether it is valid also in other provisions that have been considered and condemned in the opinion of the Court I do not find it necessary to determine at this time. Silence must not be taken as importing acquiescence. Much would have to be written if the subject, even as thus restricted, were to be explored through all its implications, historical and economic as well as strictly legal. The fact that the prevailing opinion leaves the price provisions open for consideration in the future makes it appropriate to forego a fullness of elaboration that might otherwise be necessary. As a system of price fixing the act is challenged upon three grounds: (1) Because the governance of prices is not within the commerce clause; (2) because it is a denial of due process forbidden by the fifth amendment; and (3) because the standards for administrative action are indefinite, with the result that there has been an unlawful delegation of legislative power.

(1) With reference to the first objection, the obvious and sufficient answer is, so far as the act is directed to interstate transactions, that sales made in such conditions constitute interstate commerce and do not merely "affect" it (*Dahnke-Walker Milling Co.* v. *Bondurant*, 257 U. S. 282, 290; *Flanagan* v. *Federal Coal Co.*, 267 U. S. 222, 225; *Lemke* v. *Farmers Grain Co.*, 258 U. S. 50, 60; *Public Utilities Commission* v. *Attleboro Steam & Electric Co.*, 273 U. S. 83, 90; *Federal Trade Commission* v. *Pacific States Paper Trade Association*, 273 U. S. 52, 64). To regulate the price for such transactions is to regulate commerce itself, and not alone its antecedent conditions or its ultimate consequences. The very act of sale is limited and governed. Prices in interstate transactions may not be regulated by the States (*Baldwin* v. *Seelig*, 294 U. S. 511). They must therefore be subject to the power of the Nation unless they are to be withdrawn altogether from governmental supervision. (Cf. *The Head Money Cases*, 112 U. S. 580, 593; Story, Commentaries on the Constitution, sec. 1082.) If such a vacuum were permitted, many a public evil incidental to interstate transactions would be left without a remedy. This does not mean, of course, that prices may be fixed for arbitrary reasons or in an arbitrary way. The commerce power of the Nation is subject to the requirement of due process like the police power of the States (*Hamilton* v. *Kentucky Distilleries Co.*, 251 U. S. 146, 156; cf. *Brooks* v. *United States*, 267 U. S. 432, 436, 437; *Nebbia* v. *New York*, 291 U. S. 502, 524). Heed must be given to similar considerations of social benefit or detriment in marking the division between reason and oppression. The evidence is overwhelmingly that Congress did not ignore those considerations in the adoption of this act.

(2) The commerce clause being accepted as a sufficient source of power, the next inquiry must be whether the power has been exercised consistently with the fifth amendment. In the pursuit of that inquiry, *Nebbia* v. *New York* (291 U. S. 502), lays down the applicable principle. There a statute of New York prescribing a minimum price for milk was upheld against the objection that price fixing was forbidden by the fourteenth amendment. We found it a sufficient reason to uphold the challenged system that "the conditions or practices in an industry make unrestricted competition an inadequate safeguard of the consumer's interests, produce waste harmful to the public, threaten ultimately to cut off the supply of a commodity needed by the public, or portend the destruction of the industry itself" (291 U. S. at p. 538).

All this may be said, and with equal if not greater force, of the conditions and practices in the bituminous-coal industry, not only at the enactment of this statute in August 1935, but for many years

before. Overproduction was at a point where free competition had been degraded into anarchy. Prices had been cut so low that profit had become impossible for all except a lucky handful. Wages came down along with prices and with profits. There were strikes, at times Nation-wide in extent, at other times spreading over broad areas and many mines, with the accompaniment of violence and bloodshed and misery and bitter feeling. The sordid tale is unfolded in many a document and treatise. During the 23 years between 1913 and 1935 there were 19 investigations or hearings by Congress or by specially created commissions with reference to conditions in the coal mines. The hope of betterment was faint unless the industry could be subjected to the compulsion of a code. In the weeks immediately preceding the passage of this act the country was threatened once more with a strike of ominous proportions. The plight of the industry was not merely a menace to owners and to mine workers; it was and had long been a menace to the public, deeply concerned in a steady and uniform supply of a fuel so vital to the national economy.

Congress was not condemned to inaction in the face of price wars and wage wars so pregnant with disaster. Commerce had been choked and burdened; its normal flow had been diverted from one State to another; there had been bankruptcy and waste and ruin alike for capital and for labor. The liberty protected by the fifth amendment does not include the right to persist in this anarchic riot. "When industry is grievously hurt, when producing concerns fail, when unemployment mounts and communities dependent upon profitable production are prostrated, the wells of commerce go dry" (*Appalachian Coals, Inc.*, v. *United States*, 288 U. S. 344, 372). The free competition so often figured as a social-goods imports order and moderation and a decent regard for the welfare of the group. (Cf. *The Sugar Institute, Inc.*, v. *United States*, — U. S. —, Mar. 30, 1936.) There is testimony in these records, testimony even by the assailants of the statute, that only through a system of regulated prices can the industry be stabilized and set upon the road of orderly and peaceful progress. If further facts are looked for, they are narrated in the findings as well as in congressional reports and a mass of public records. After making every allowance for difference of opinion as to the most efficient cure, the student of the subject is confronted with the indisputable truth that there were ills to be corrected, and ills that had a direct relation to the maintenance of commerce among the States without friction or diversion. An evil existing, and also the power to correct it, the lawmakers were at liberty to use their own discretion in the selection of the means.

(3) Finally, and in answer to the third objection to the statute in its price-fixing provisions, there has been no excessive delegation of legislative power. The prices to be fixed by the district boards and the Commission must conform to the following standards: They must be just and equitable; they must take account of the weighted average cost of production for each minimum price area; they must not be unduly prejudicial or preferential as between districts or as between producers within a district; and they must reflect as nearly as possible the relative market value of the various kinds, qualities, and sizes of coal at points of delivery in each common consuming market area to the end of affording the producers in the several districts substantially the same opportunity to dispose of their coals on a competitive basis as has heretofore existed. The minimum for any district shall yield a return per net ton not less than the weighted average of the total costs per net ton of the tonnage of the minimum price area; the maximum for any mine, if a maximum is fixed, shall yield a return not less than cost plus a reasonable profit. Reasonable prices can as easily be ascertained for coal as for the carriage of passengers or property under the Interstate Commerce Act, or for the services of brokers in the stockyards (*Tagg Bros. & Moorhead* v. *United States*, 280 U. S. 420), or for the use of dwellings under the emergency rent laws (*Block* v. *Hirsh*, 256 U. S. 135, 157; *Marcus Brown Co.* v. *Feldman*, 256 U. S. 170; *Levy Leasing Co.* v. *Siegel*, 258 U. S. 242), adopted at a time of excessive scarcity, when the laws of supply and demand no longer gave a measure for the ascertainment of the reasonable. The standards established by this act are quite as definite as others that have had the approval of this Court (*New York Central Securities Corporation* v. *United States*, 287 U. S. 12, 24; *Federal Radio Commission* v. *Nelson Bros. Bond & Mortgage Co.*, 289 U. S. 266, 286; *Tagg Bros. & Moorhead* v. *United States, supra; Mahler* v. *Eby*, 264 U. S. 32). Certainly a bench of judges, not experts in the coal business, cannot say with assurance that members of a commission will be unable, when advised and informed by others experienced in the industry, to make the standards workable, or to overcome through the development of an administrative technique many obstacles and difficulties that might be baffling or confusing to inexperience or ignorance.

The price provisions of the act are contained in a chapter known as part II. The final subdivisions of that part enumerate certain forms of conduct which are denounced as "unfair methods of competition." For the most part the prohibitions are ancillary to the fixing of a minimum price. The power to fix a price carries with it the subsidiary power to forbid and prevent evasion. Cf. *United States* v. *Ferger* (250 U. S. 199). The few prohibitions that may be viewed as separate are directed to situations that may never be realized in practice. None of the complainants threatens or expresses the desire to do these forbidden acts. As to those phases of the statute the suits are premature.

You will note in the opinion of Mr. Chief Justice Hughes this language:

> We are not at liberty to deny to the Congress, with respect to interstate commerce, a power commensurate with that enjoyed by the States in the regulation of their internal commerce. (See *Nebbia* v. *New York* (291 U. S. 502).)

THE NEBBIA CASE

This Nebbia case was handed down March 5, 1934, by the Court as it is presently constituted. The opinion was rendered by Mr. Justice Roberts—a very comprehensive opinion, covering 24 printed pages, resulting in the Supreme Court upholding a price-fixing statute enacted in New York which involved the price of milk which was a matter of internal commerce. The Court discussed the investigation of this subject, the necessity of milk as an item of diet, the necessity of safeguarding its production and handling for human consumption which greatly increased its price. It dealt with the amount of investment and the economic loss to the people of the State through the curtailment or destruction of the dairy institution. It treated of the prevalence of unfair and destructive trade practices leading to the demoralization of prices in the metropolitan area and other markets. It showed beyond question that, for the benefit of industry, for the benefit of the consumer, stabilization of this industry was needed.

The retail price fixed by the Milk Control Board was 9 cents a quart. Nebbia, a proprietor, sold 2 quarts of milk and a 5-cent loaf of bread for 18 cents. He was convicted for violating the Milk Control Board's orders. The Supreme Court confirmed his conviction. Mr. Justice Roberts stated in that opinion:

> Under our form of Government the use of property and the making of contracts are normally matters of private and not of public concern. The general rule is that both shall be free of governmental interference. But neither property rights nor contract rights are absolute; for Government cannot exist if the citizen may at will use his property to the detriment of his fellows, or exercise his freedom of contract to work them harm. Equally fundamental with the private right is that of the public to regulate it in the common interest.
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> The Court has repeatedly sustained curtailment of enjoyment of private property in the public interest. The owner's rights may be subordinated to the needs of other private owners whose pursuits are vital to the paramount interests of the community.
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> * * * * * * *
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> Laws passed for the suppression of immorality, in the interest of health, to secure fair trade practices, and to safeguard the interests of depositors in banks, have been found consistent with due process. These measures not only affected the use of private property, but also interfered with the right of private contract. Other instances are numerous where valid regulation has restricted the right of contract, while less directly affecting property rights.
>
> The Constitution does not guarantee the unrestricted privilege to engage in a business or to conduct it as one pleases. Certain kinds of business may be prohibited; and the right to conduct a business, or to pursue a calling, may be conditioned. Regulation of a business to prevent waste of the State's resources may be justified. And statutes prescribing the terms upon which those conducting certain businesses may contract, or imposing terms if they do enter into agreements, are within the State's competency.
>
> Legislation concerning sales of goods, and incidentally affecting prices, has repeatedly been held valid. In this class fall laws forbidding unfair competition by the charging of lower prices in one locality than those exacted in another by giving trade inducements to purchasers and by other forms of price discrimination. The public policy with respect to free competition has engendered State and Federal Statutes prohibiting monopolies, which have been upheld. On the other hand, where the policy of the State dictated that a monopoly should be granted, statutes having that effect have been held inoffensive to the constitutional guaranties. Moreover, the State or a municipality may itself enter into business in competition with private proprietors, and thus effectively, although indirectly, control the prices charged by them.
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> In the light of the facts, the order appears not to be unreasonable or arbitrary, or without relation to the purpose to prevent ruthless competition from destroying the wholesale price structure on which the farmer depends for his livelihood, and the community for an assured supply of milk.
>
> But we are told that because the law essays to control prices it denies due process. Notwithstanding the admited power to correct existing economic ills by appropriate regulation of business, even though an indirect result may be a restriction of the freedom

of contract or a modification of charges for services or the price of commodities, the appellant urges that direct fixation of prices is a type of regulation absolutely forbidden. His position is that the fourteenth amendment requires us to hold the challenged statute void for this reason alone. The argument runs that the public control of rates or prices is per se unreasonable and unconstitutional, save as applied to businesses affected with a public interest; that a business so affected is one in which property is devoted to an enterprise of a sort which the public itself might appropriately undertake, or one whose owner relies on a public grant or franchise for the right to conduct the business, or in which he is bound to serve all who apply; in short, such as is commonly called a public utility; or a business in its nature a monopoly. The milk industry, it is said, possesses none of these characteristics, and, therefore, not being affected with a public interest, its charges may not be controlled by the State. Upon the soundness of this contention the appellant's case against the statute depends.

We may as well say at once that the dairy industry is not in the accepted sense of the phrase a public utility. We think the appellant is also right in asserting that there is in this case no suggestion of any monopoly or monopolistic practice. It goes without saying that those engaged in the business are in no way dependent upon public grants or franchises for the privilege of conducting their activities. But if, as must be conceded, the industry is subject to regulation in the public interest, what constitutional principle bars the State from correcting existing maladjustments by legislation touching prices?

We think there is no such principle. The due process clause makes no mention of sales or of prices any more than it speaks of business or contracts or buildings or other incidents of property. The thought seems nevertheless to have persisted that there is something peculiarly sacrosanct about the price one may charge for what he makes or sells, and that, however able to regulate other elements of manufacture or trade, with incidental effect upon price, the State is incapable of directly controlling the price itself. This view was negatived many years ago (*Munn* v. *Illinois*, 94 U. S. 113).

* * * * * * *

Many other decisions show that the private character of a business does not necessarily remove it from the realm of regulation of charges or prices. The usury laws fix the price which may be exacted for the use of money, although no business more essentially private in character can be imagined than that of loaning one's personal funds (*Griffith* v. *Connecticut*, 218 U. S. 563). Insurance agents' compensation may be regulated, though their contracts are private, because the business of insurance is considered one properly subject to public control (*O'Gorman & Young* v. *Hartford Fire Ins. Co.*, 282 U. S. 251). Statutes prescribing in the public interest the amounts to be charged by attorneys for prosecuting certain claims, a matter ordinarily one of personal and private nature, are not a deprivation of due process (*Frisbie* v. *United States*, 157 U. S. 160; *Capital Trust Co.* v. *Calhoun*, 250 U. S. 208; *Calhoun* v. *Massie*, 253 U. S. 170; *Newman* v. *Moyers*, 253 U. S. 182; *Yeiser* v. *Dysart*, 267 U. S. 540; *Margolin* v. *United States*, 269 U. S. 93). A stockyards corporation while not a common carrier, nor engaged in any distinctly public employment, is doing a work in which the public has an interest, and its charges may be controlled (*Cotting* v. *Kansas City Stockyards Co.*, 183 U. S. 79, 85). Private contract carriers, who do not operate under a franchise, and have no monopoly of the carriage of goods or passengers, may, since they use the highways to compete with railroads, be compelled to charge rates not lower than those of public carriers for corresponding services, if the State, in pursuance of public policy to protect the latter, so determines (*Stephenson* v. *Binford*, 287 U. S. 251, 274).

It is clear that there is no closed class or category of businesses affected with a public interest, and the function of courts in the application of the fifth and fourteenth amendments is to determine in each case whether circumstances vindicate the challenged regulation as a reasonable exertion of governmental authority or condemn it as arbitrary or discriminatory (*Wolff Packing Co.* v. *Industrial Court*, 262 U. S. 522, 535). The phrase "affected with a public interest" can, in the nature of things, mean no more than that an industry, for adequate reason, is subject to control for the public good. In several of the decisions of this Court wherein the expressions "affected with a public interest", and "clothed with a public use", have been brought forward as the criteria of the validity of price control, it has been admitted that they are not susceptible of definition and form an unsatisfactory test of the constitutionality of legislation directed at business practices or prices. These decisions must rest, finally, upon the basis that the requirements of due process were not met because the laws were found arbitrary in their operation and effect. But there can be no doubt that upon proper occasion and by appropriate measures the State may regulate a business in any of its aspects, including the prices to be charged for the products or commodities it sells.

* * * * * * *

Where the public interest was deemed to require the fixing of minimum prices, that expedient has been sustained. If the lawmaking body within its sphere of government concludes that conditions or practices in an industry make unrestricted competition an inadequate safeguard of the consumer's interests, produce waste harmful to the public, threaten ultimately to cut off the supply of a commodity needed by the public, or portend the destruction of the industry itself, appropriate statutes passed in an honest effort to correct the threatened consequences may not be set aside because the regulation adopted fixes prices reasonably deemed by the legislature to be fair to those engaged in the industry and to the consuming public. And this is especially so where, as here, the economic maladjustment is one of price, which threatens harm to the producer at one end of the series and the consumer at the other. The Constitution does not secure to anyone liberty to conduct his business in such fashion as to inflict injury upon the public at large, or upon any substantial group of the people. Price control, like any other form of regulation, is unconstitutional only if arbitrary, discriminatory, or demonstrably irrelevant to the policy the legislature is free to adopt, and hence an unnecessary and unwarranted interference with individual liberty.

Tested by these considerations we find no basis in the due-process clause of the fourteenth amendment for condemning the provisions of the agriculture and markets law here drawn into question.

Opponents of this measure will say that that was the Supreme Court construing a State statute. That is true; it was construing an act of the New York Legislature; but it concerned a matter that was within the power of the State legislature.

We maintain that under the Constitution the Congress of the United States has supreme plenary power to regulate interstate commerce; and we maintain that under this constitutional power Congress has the same rights in that field that the State has in its particular field of intrastate commerce. I repeat my authority—Chief Justice Hughes, of the Supreme Court. He said:

> We are not at liberty to deny to Congress with respect to interstate commerce a power commensurate with that enjoyed by the States in the regulation of their internal commerce.

So I again state that if Mr. Justice Roberts, who wrote the opinion in the Nebbia case in March 1934, had been willing to agree that the price-fixing provisions in the Coal Act were invalid there would have been no trouble in the Court knocking down the price-fixing features of the act, and I feel that it is fair to assume that he refused to make the fifth member of the Court to refuse the Congress the same power in relation to interstate commerce as he had expressed for the Court was in the State of New York for intrastate commerce.

THE PRICE OF COAL

It is argued that this bill will increase the price of coal to the consuming public. Fear always creeps in, and particularly when the effort is made to benefit people by legislation. The history is such that this argument can be successfully refuted, unless there will be those who desire to purchase coal below the cost of production to the inevitable destruction of the industry itself and to an inevitable suffering on the part of the men and their families who produce it from the ground.

Before the enactment of the National Industrial Recovery Act the coal industry was prostrate and paralyzed. Cutthroat competition had reduced coal prices in many instances to as much as 75 cents per ton below cost of production. Then you had the stabilizing influence of voluntary action under the N. R. A. coal codes on the part of the coal producers. There was a lot of chiseling, to be sure, and a breaking down of the codes toward the end of their administration; but there was a definite stabilization of the industry, which benefited not only the operators but gave a living wage to the miners.

The facts are that the average realization per ton for the coal produced under N. R. A. was only 3 cents a ton more than the average production costs, and yet for the first time in years did the coal country make any money.

We insert herein the retail bituminous-coal price for prepared sizes in selected cities, per ton of 2,000 pounds, running from November 15, 1933, through January 15, 1936. This report was prepared by the Bituminous Coal Commission. A study of this report will show that in many instances the price of coal on January 15, 1936, was less than the price of coal on January 15, 1933. In many instances it will show that substantially the same price prevailed, and in no instances does it show the price to be appreciably higher.

Retail bituminous coal prices for prepared sizes in selected cities per ton of 2,000 pounds
[Source: Monthly Labor Review, published by U. S. Bureau of Labor Statistics]

City	1933		1934										1935								1936, Jan. 15
	Nov. 15	Dec. 15	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Oct. 15	Nov. 15	Dec. 15	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	July 15	Oct. 15	
Pittsburgh	$4.82	$4.75	$4.72	$4.68	$4.68	$4.75	$4.64	$4.54	$4.47	$4.20	$4.19	$4.20	$4.20	$4.20	$4.20	$4.20	$4.27	$4.19	$4.02	$4.42	$4.40
Chicago:																					
High volatile	8.21	8.21	8.21	8.21	8.21	8.18	7.90	7.87	8.03	8.24	8.24	8.25	8.32	8.31	8.31	8.31	8.10	8.10	8.12	8.46	8.50
Low volatile	10.83	10.83	10.83	10.83	10.83	10.79	9.63	9.66	9.77	10.01	10.01	10.01	10.19	10.20	10.20	10.20	10.25	10.26	10.28	10.73	10.79
Cincinnati:																					
High volatile	6.10	6.15	6.10	6.10	6.10	5.69	5.83	5.85	5.85	5.85	5.85	5.92	6.06	6.24	6.24	5.06	4.96	4.96	4.98	5.80	6.26
Low volatile	7.98	7.92	8.00	8.00	8.00	7.39	7.46	7.50	7.50	7.50	7.50	7.55	7.68	7.91	7.91	6.87	6.63	6.63	6.66	7.57	8.18
Cleveland:																					
High volatile	6.34	6.20	6.20	6.26	6.29	6.34	6.81	6.81	6.90	6.75	6.75	6.77	6.77	7.08	7.08	7.08	7.05	6.85	6.82	6.62	6.66
Low volatile	9.00	9.00	9.00	9.00	9.00	9.00	8.75	8.75	8.76	8.79	8.79	8.79	8.79	9.21	9.21	9.21	9.21	8.16	8.75	9.41	9.54
Columbus:																					
High volatile	6.08	6.10	6.11	6.08	6.05	5.78	5.75	5.94	6.12	6.47	6.45	6.45	6.41	6.55	6.52	5.85	5.81	5.75	5.97	6.26	6.13
Low volatile	7.50	7.50	7.54	7.54	7.50	7.04	7.00	7.21	7.42	7.70	7.75	7.75	7.75	7.93	7.97	7.06	7.08	7.25	7.57	7.86	7.97
Detroit:																					
High volatile	6.84	6.84	6.86	7.12	7.17	7.17	7.17	7.17	7.17	7.17	7.12	7.17	7.17	7.17	7.17	7.03	6.95	6.95	7.06	7.36	7.36
Low volatile	7.56	7.55	7.89	8.38	8.51	8.51	8.52	8.52	8.52	8.52	8.52	8.52	8.52	8.52	8.50	8.48	7.92	7.73	7.79	8.63	8.63
Indianapolis:																					
High volatile	5.93	5.93	5.99	5.99	5.99	5.96	5.84	6.14	6.16	6.42	6.42	6.40	6.17	6.33	6.33	6.27	5.90	5.91	5.91	6.09	5.76
Low volatile	8.20	8.20	8.20	8.20	8.20	8.10	7.70	7.95	7.95	8.55	8.53	8.63	8.53	8.53	8.53	8.41	7.92	7.92	7.92	8.65	8.56
Milwaukee:																					
High volatile	7.51	7.50	7.51	7.51	7.51	7.51	7.98	7.96	7.98	7.98	7.98	7.98	7.98	79.8	7.98	7.98	7.89	7.97	8.21	8.42	8.42
Low volatile	9.62	9.83	9.83	9.80	10.11	10.11	10.39	10.36	10.36	10.70	10.65	10.65	10.65	10.65	10.65	10.65	10.14	10.03	10.53	11.22	11.48
Kansas City	5.79	5.79	5.85	5.76	5.96	5.97	5.95	5.99	6.30	6.31	5.98	6.01	6.03	6.00	6.02	5.94	5.98	5.92	5.74	5.94	5.85
Minneapolis:																					
High volatile	9.88	9.91	9.93	9.97	9.88	9.93	10.31	10.29	10.18	10.31	10.33	10.58	10.30	10.34	10.35	10.35	10.47	10.45	10.44	10.42	10.63
Low volatile	12.24	12.24	12.17	12.17	12.17	12.17	12.78	12.78	12.96	12.97	12.95	13.17	12.96	12.97	12.97	12.97	13.02	13.12	13.04	13.17	13.33
Omaha	8.55	8.56	8.59	8.59	8.59	8.59	8.59	8.59	8.61	8.55	8.57	8.55	8.55	8.55	8.57	8.39	8.38	8.34	8.34	8.55	8.62
St. Louis	5.54	5.55	5.54	5.57	5.51	5.59	5.52	6.26	6.44	5.63	5.51	5.99	5.99	5.96	5.85	5.87	5.65	4.98	4.95	5.39	5.34
Atlanta	7.05	6.98	7.02	7.02	7.02	7.02	6.52	6.52	6.52	7.02	7.02	7.02	7.02	7.02	7.02	7.02	5.98	6.03	6.23	6.98	6.73
Baltimore: Low volatile	9.56	9.38	9.83	9.38	9.50	9.38	8.94	9.06	9.69	9.38	9.38	9.25	9.06	9.06	9.31	9.31	8.50	8.50	8.50	9.00	9.19
Washington, D. C.:[1]																					
High volatile	8.69	8.64	8.64	8.64	8.64	8.64	8.56	8.56	8.56	9.00	9.00	9.00	9.00	9.00	9.00	8.94	8.61	8.50	8.50	8.81	9.00
Low volatile	10.31	10.31	10.31	10.31	10.31	10.19	10.00	10.00	10.00	10.47	10.47	10.47	10.47	10.47	10.47	10.38	9.91	9.72	9.72	10.52	10.87
Birmingham	6.00	6.01	6.07	6.07	6.07	6.06	5.94	6.12	6.24	6.29	6.29	6.29	6.29	6.29	6.29	6.02	5.86	5.78	5.80	6.18	6.31
Denver	8.24	8.10	8.03	8.13	8.02	8.04	8.07	8.10	8.18	7.81	7.81	7.81	7.75	7.62	7.62	7.62	7.82	7.83	7.73	7.08	7.69
San Francisco	16.06	16.06	16.06	16.06	16.06	16.06	15.04	15.04	15.04	15.04	15.04	15.21	15.21	15.21	15.21	15.21	15.04	15.04	15.11	16.35	16.33

[1] Washington prices for per ton of 2,240 pounds.

It is common knowledge that the past winter was the most severe which we have had in probably 15 years. In days gone by the coal-consuming public paid a much greater price for their coal in such a winter, or even in anticipation of winter than they paid for it this year. I feel certain that the power to fix maximum prices had something to do with this situation together with the fact that the price was fairly stabilized there was not the incentive to skyrocket the price in time of coal needs.

THE MANNER OF FIXING PRICES

My friend, the gentleman from Michigan, referred inadvertently to the fact that the industry controlled the prices under this bill. I know he caught the error, because later on he referred to the fact that the Commission, an agency of the Federal Government, fixes the price. Under the old bill the district boards established the price. But we have tried to conform to the language of the majority decision of the Supreme Court and, under the bill, a regularly constituted arm of the Government, the Coal Commission, is the authority which fixes the price.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. MAPES. And that commission is made up of a majority of those interested.

Mr. VINSON of Kentucky. O Mr. Chairman, a majority! Three having no connection with the industry at all and then two representing labor and two representing the operators.

Mr. MAPES. That is as I understood it.

Mr. KERR. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. KERR. Why does the bill designate two representatives of employees if this bill has no labor provisions?

Mr. VINSON of Kentucky. Because the labor sections were stricken from the old bill. It was thought that somebody who recognized the problems of the coal fields, the problem of the miners, ought to be on this Commission.

Some suggestion has been made in regard to the manner in which we reach this price. I am fearful that my friend from Michigan did not consider one particular phase of this question. First, considering the weighted average cost of the minimum-price area, that is not the minimum price. It is suggested as a minimum price; it may be the minimum price; but in addition to that average weighted cost, which is a mathematical calculation, we must take into consideration competitive conditions. There is the power of coordinating those prices, the power of coordination that was exercised under N. R. A. when the coal operators and the coal miners for the first time in 15 or 20 years made a thin dime. This coordination is made for the purpose of permitting coal to move in commerce as heretofore. In other words, the operators figure out what they can sell the coal for in a common consuming market, coal of certain kinds, sizes, and quality, taking into consideration transportation costs, and they submit these figures to the commission. It is their bounden duty to fix the prices that the coal will move as heretofore.

I viewed this bill with considerable interest. I know the situation in the southern fields as compared to the situation in certain other fields. I recognized the rate differential which exists. You will find at least three places in this bill which permits coal to move in competition as heretofore.

Some of the provisions dealing with the fixing of prices are herewith taken from the bill—

THE WEIGHTED AVERAGE COST

Each district board shall from time to time, on its own motion or when directed by the Commission, propose minimum prices f. o. b. transportation facilities at the mines for kinds, qualities, and size of coal produced in said district, with full authority, in proposing such minimum prices, to make such classification of coals and price variations as to mines and consuming market areas as it may deem necessary and proper. Said prices shall be proposed so as to yield a return per net ton for each district in a minimum-price area, as such districts are identified and such area is defined in the subjoined table designated "Minimum-price-area table", equal as nearly as may be to the weighted average of the total costs per net ton, determined as hereinafter provided, of the tonnage of such minimum-price area. The computation of the total costs shall include the cost of labor, supplies, power, taxes, insurance, workmen's compensation, royalties, depreciation, and depletion (as determined by the Bureau of Internal Revenue in the computation of the Federal income tax) and all other direct expenses of production, coal operators' association dues, district board assessments for board operating expenses only levied under the code, and reasonable costs of selling and the cost of administration.

The minimum prices so proposed shall reflect, as nearly as possible, the relative market value of the various kinds, qualities, and sizes of coal, shall be just and equitable as between producers within the district, and shall have due regard to the interests of the consuming public. The procedure for proposal of minimum prices shall be in accordance with rules and regulations to be approved by the Commission.

A schedule of such minimum prices, together with the data upon which they are computed, including, but without limitation, the factors considered in determining the price relationship, shall be submitted by the district board to the Commission, which may approve, disapprove, or modify the same to conform to the requirements of this subsection, subject to such modification therein as may result from the coordination provided for in the succeeding subsection (b): *Provided*, That all minimum prices established for any kind, quality, or size of coal for shipment into any consuming market area shall be just and equitable as between producers within the district: *And provided further*, That no minimum price shall be established that permits dumping.

COORDINATION

(b) District boards shall, under rules and regulations established by the Commission, coordinate in common consuming market areas upon a fair competitive basis the minimum prices and the rules and regulations proposed by them, respectively, under subsection (a) hereof. Such coordination, among other factors, but without limitation, shall take into account the various kinds, qualities, and sizes of coal, and transportation charges upon coal. All minimum prices established for any kind, quality, or size of coal for shipment into any consuming market area shall be just and equitable, and not unduly prejudicial or preferential, as between and among districts, and shall reflect, as nearly as possible, the relative market values at points of delivery in each common consuming market area of the various kinds, qualities, and sizes of coal produced in the various districts, to the end of affording the producers in the several districts substantially the same opportunity to dispose of their coals upon a competitive basis as has heretofore existed. The minimum prices established as a result of such coordination shall not, as to any district, reduce or increase the return per net ton upon all the coal produced therein below or above the minimum return as provided in subsection (a) of this section by an amount greater than necessary to accomplish such coordination, to the end that the return per net ton upon the entire tonnage of the minimum-price area shall approximate and be not less than the weighted average of the total costs per net ton of the tonnage of such minimum-price area. Such coordinated prices and rules and regulations, together with the data upon which they are predicated, shall be submitted to the Commission, which may approve, disapprove, or modify the same to establish and maintain such fair competitive relationship. No minimum price shall be established that permits dumping. On the petition of any district board or other party in interest or on its own motion after notice to the district boards, the Commission may at any time conduct hearings to determine whether the foregoing method of fixing minimum prices under subsection (a) is prejudicial to any district with respect to the fair opportunity of such district to market its coal. Should the Commission so find, and further find that the prejudice cannot be removed through the coordination of minimum prices as provided for in this subsection (b), then the Commission may establish a different basis for determining minimum prices in such district, to the end that fair and competitive prices shall prevail in the marketing of the coal produced in such district: *Provided*, That the minimum prices so established as to any such district shall yield a return per net ton not less than the weighted average of the total costs per net ton of the tonnage of such district.

MAXIMUM PRICES

(c) When, in the public interest, the Commission deems it necessary to establish maximum prices for coal in order to protect the consumer of coal against unreasonably high prices therefor, the Commission shall have the right to fix maximum prices free on board transportation facilities for coal in any district. Such maximum prices shall be established at a uniform increase above the minimum prices in effect within the district at the time, so that in the aggregate the maximum prices shall yield a reasonable return above the weighted average total cost of the district: *Provided*, That no maximum price shall be established for any mine which shall not return cost plus a reasonable profit.

INTRASTATE SHIPMENTS

Section 4 (A) of this bill uses the language of the Interstate Commerce Act and follows the opinion of the Supreme Court in the Shreveport case and other cases in bringing within the commerce clause intrastate commerce which causes any undue or unreasonable advantage, preference, or prejudice as between persons and localities in such commerce on the one hand and interstate commerce on the other hand, or any undue, unreasonable, or unjust discrimination against interstate commerce. Such intrastate commerce certainly is within the commerce power of the Constitution under repeated decisions of the Supreme Court.

PENALTY PROVISIONS

There seems to be more concern about this penalty section than any other section of the bill. To us it is very plain that if the marketing provisions, the regulation of price, and methods of unfair competition stand that the penalty tax stands.

In the beginning it was agreed by proponents of the measure that reliance of the constitutionality of the bill was not based upon its taxing power. The commerce clause of the Constitution was the foundation rock. It was admitted in the hearings before our committee that, if the commerce power failed, the taxing power could not be relied upon to hold us up. Not only was that the position of the proponents before the committee but that was the position of the Government in the Supreme Court.

I quote from the majority decision:

The position of the Government, as we understand it, is that the validity of the exaction does not rest upon the taxing power but upon the power of Congress to regulate interstate commerce; and that if the act in respect of the labor and price-fixing provisions be not upheld, the "tax" must fall with them. With that position we agree * * *.

I quote from Mr. Chief Justice Hughes' opinion:

I agree * * * that the so-called tax is not a real tax but a penalty; that the constitutional power of the Federal Government to impose this penalty must rest upon the commerce clause, as the Government concedes.

I quote from the minority opinion:

Part II of the statute sets up a valid system of price fixing as applied to transactions in interstate commerce and to those in intrastate commerce where interstate commerce is directly or intimately affected. The prevailing opinion holds nothing to the contrary.

I submit that the power involved is the power under the commerce clause sought to be exercised. If that power is a valid one, the right to enforce it through penalty to us admits of no argument.

It is the purpose of this legislation to stabilize a great industry to which is inseparably tied the lives and livelihood of a half million American breadearners. It is the thought of the committee that this bill is within the powers laid down in the Constitution. We submit it to you and pray for it your favorable consideration. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I ask unanimous consent to revise and extend my remarks by including certain excerpts from the bill and Court decisions.

The CHAIRMAN. Without objection, it is so ordered.

Mr. BACHARACH. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HOLMES].

Mr. HOLMES. Mr. Chairman, I want to register my opposition to the pending legislation. I have in my home city practically 600 industries that are dependent on bituminous coal for fuel. In my county there are in addition practically 540 other industries, every one of which are very much disturbed over this legislation. There is no question in my mind but what this is a price-fixing bill and is designed primarily to increase the cost of bituminous coal.

The legislation in the first place sets up a National Bituminous Coal Commission and appoints seven members at a salary of $10,000 a year each. It also creates a consumers' counsel at a salary of $10,000 a year. Eight officials to administer this act with a total salary of $80,000.

The bill divides the coal-producing areas into 23 districts, and I assume there will be a dozen or 20 inspectors or experts to work in those 23 areas. This will automatically increase the price of coal and increase the burden of the consuming public in paying the salaries of the hundreds of inspectors which will be used in the field to supervise this act.

There are 53,000 people employed in my city. The great bulk of them are employed in the various industries, and, in my opinion, the industries are not in any shape to assume an increased cost.

Massachusetts as a whole is a manufacturing State. The Legislature of the Commonwealth of Massachusetts is very concerned over this bill. I have just received from the secretary of the Commonwealth a resolution memoralizing Congress in opposition to certain pending legislation relative to the fixing of the price of coal.

This resolution reads as follows:

Whereas there is now pending before the Congress of the United States a bill to provide for Government price fixing of coal; and

Whereas the enactment of said bill would inevitably be followed by a substantial increase in the cost of coal to American homes and industries; and

Whereas it would be contrary to the public interests for the Congress to pass laws to compel our citizens to pay higher prices for coal than competitive conditions really warrant; and

Whereas there is grave doubt that Congress has power to fix the price of coal, particularly in view of the decision of the Supreme Court of the United States in the recent Guffey Coal Act case, so-called; and that if any such power does exist in Congress it should be used for the protection of the people against excessive charges for coal and not for the purpose of establishing a monopoly for the benefit of a privileged group of coal operators; and

Whereas the Senate of Massachusetts believes that the enactment of any such measure to fix prices for coal would be but the first step in the enactment of laws to similarly regulate prices of innumerable articles shipped in interstate commerce, and that the exercise of any such power would tend to weaken or destroy the power of the States: Therefore be it

Resolved, That the Senate of Massachusetts respectfully urges the Congress of the United States to reject the aforesaid bill; and be it further

Resolved, That the secretary of the Commonwealth be directed to send forthwith copies of these resolutions to the presiding officers of both branches of Congress and to the Members of Congress from this Commonwealth.

In senate, adopted June 2, 1936.

IRVING N. HAYDEN, *Clerk*.

Section 3 of this bill provides for a 15-percent excise tax on the sale price of coal at the mine, to be paid to the United States Government by the producers of such coal.

Who is going to pay this increase in price? The consumer—the little fellow who has to burn the coal to heat his home—as well as the industries which daily use large tonnage for generating power and heat to run their factories.

However, because of this increased cost of bituminous coal we will find the individual home owners installing millions more of automatic oil burners in the hope of reducing their heating costs and at the same time eliminating the nuisance of ashes and dirt. Already many large institutions have changed over their coal-burning boilers to oil equipment, and it is certain that this change of fuel from coal to oil will not be of any benefit to the miner or producer. Labor will suffer as a result of this legislation, rather than to benefit by it. In fact, as time goes on we will see greater unemployment among the miners.

Let us see what the New Deal power-development program has done to the coal industry. Every dam construction at the taxpayers' expense—and they are scattered all through the South and West—has curtailed the production of millions of tons of bituminous coal. It is no wonder that the coal miners are in such distress.

The Guffey bill will not help labor, but it will, on the other hand, further deprive labor of an opportunity to produce. In my opinion this bill is just another "racket." Just think of it—eight men to be appointed by the President at a salary of $10,000 a year each, making the initial cost $80,000. Then there must be one regional director in each of the 23 districts, and probably at least one assistant director for each district. Following this, each district undoubtedly will have a dozen or more inspectors, so that all told the set-up is headed for a cost to the coal consumer of between $500,000 to $1,000,000 a year, and for what?—to curtail production of coal, to create more unemployment, to close more mines, and to raise the price of coal to the consumer.

Mr. BACHARACH. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, it is very unfortunate that a larger part of the membership of this House is not familiar with the coal-mining industry. This arises from the fact that coal is produced in a very small area in the United States, comparatively speaking. Coal is produced in appreciable quantity in only 10 States of the Union. Six States produce 80 percent of the coal. Ohio is fifth in the production of coal, and more than 75 percent of the coal produced in Ohio comes from five counties. This ratio will obtain in the other States as well. West Virginia produces approximately 95,000,000 tons per year; Pennsylvania produces approximately 80,000,000 tons; Illinois approximately 37,500,000 tons; Kentucky produces 37,000,000 tons; Ohio produces 21,000,000; and Indiana produces 14,000,000 tons. On the other hand, coal is consumed in practically every State. The fact that the majority of the coal is consumed far away from the point of production makes the coal situation one which is very much misunderstood. The people who use the most coal know little or nothing about how coal is produced.

There are some people, I am sorry to say, who look upon the coal industry as a sort of piratical industry. That is far from being the truth. Those of us who live in the coal-mining and coal-producing territories know the want, the squalor, and the poverty that has come to the people living in those territories because of this failure of our people in all sections to understand each other. Consider people living in cold New England and in the North and far Northwest. How could they live without coal? Their very life depends on it, and there should be a more humanitarian understanding between those who produce coal at the risk of their lives far below the surface of the earth, and those whose comforts of life depend upon the coal which warms them in their northern homes.

No legislation has been offered in this Congress since I have been here that would tend to do that very thing as much as this legislation. What is the use of fearing what is going to happen in the future, if the price of coal is raised a few cents? What difference does it make to a man in Massachusetts who now pays $10 or $12 a ton for coal if that coal is going to cost him 10 or 15 cents more? It is not going to cost much more, if any. The increase in the price that might go to the producer will be only a few cents on each ton and maybe in many cases there will be no increase at all, and even if there is, this difference will more than be absorbed by the increase in the efficiency of transportation which will come from the stabilization of the industry.

Let me tell you a little something about the production of coal. I made a statement here in the House 10 or 12 years ago when I first came to Congress, and I am going to repeat it. A Member from New England was making a speech deploring the fact he had to pay so much for coal. I told him at that time that for $2 per ton my district could provide 500 cars of coal every day, as good coal as is produced anywhere in the world. I told him: "I will put it on the cars for you for $2 a ton. I will pay all these miners you fear. I will pay all these operators you accuse of all kinds of misdeeds and improper practices. I will pay every expense involved in the loading of that coal. I will send out 500 cars per day, 10 trainloads, from my district for $2 a ton. You may take it up into Minnesota where it sells for $8 or $9 a ton or up into Boston where it sells for $12 or $14 a ton, and then you figure the difference between the cost of production of the coal and the cost to the consumer, and you will find it is made up of transportation cost." By that I meant to show that the total production cost of coal is only about one-fifth the total cost to the consumer in many localities.

In my opinion that is where the coal operators of our section of the country and every other section of the United States have made a great mistake. They have stressed too much the cost of production. They ought to stress more the cost of the transportation of coal. I have thought that the producers of coal should have kept a controlling hand on their coal while it was being transported. They ought to take more interest in the transportation of coal because it is upon that fact this bill is founded. That is where we get into the interstate-commerce feature. As I have already stated, the production of coal is only about one-fifth of the cost of the coal to the consumer in his furnace, in his basement, or wherever he has it delivered for final consumption.

What has been the condition of the coal industry throughout these years? It has been deplorable. It has been appalling. Some may have been inclined to lay the blame on the miners' union, but the miners' union is a great organization and has done more to bring the workingman up to the high position which he occupies today than any other organizations. It has fought its way along under all kinds of adversity, and while it has been fighting its way along,

their fight has not been against their employers altogether. They have fought to better the condition of the industry as well. The operators, on the other hand, have had to fight against the encroachment of other fuels, such as oil and gas. Instead of working under some harmonious agreement they have cut each other's throats, they have undermined each other, and have conducted their business in such a way that they now have no business. They are now on the verge of bankruptcy, and what will this bill do? It is intended to stabilize the coal business so that all interested parties will benefit thereby without any marked increase in the price of coal. The miners' union is not clamoring for this bill in order that wages may be increased. This is not much of an item with them now. What they want is some consistency and regularity of employment. Neither will an increase of price of the coal at the mine be much of an item to the operator. He is not seeking to take advantage of the consumer. What he wants is to feel an easiness in his business. He is willing to stand honest competition. He is willing to fight to improve his business, but he cannot carry the uncertainties that come from a cutthroat competition, that comes from a disorganized and unorganized business. The coal business is a great business. It is an honest business. It deserves the best consideration of the statesmen of the Nation.

I repeat that there need be no fear of any considerable increase in price.

For instance, suppose the price of coal is $2 a ton, and suppose this bill will give the mine owners an increase of 25 cents a ton, and suppose that will be passed down to the miners and day men and the employees generally. This is as much as they would expect, because this will stabilize this industry as to price; and if there is an increase of 25 cents a ton this is a 12½-percent increase, which is a large increase. But how will 25 cents a ton affect coal selling for $9 or $12 a ton? It would be only a 2½-percent increase. This increase in price to the consumer would be practically nothing. This bill, if it works well, will be a greater benefit to the consumer than to the producer. It will provide a constant, even flow of coal on the railroads and will supply the dealer with a ready, constant supply of coal, thereby making it unnecessary for him to keep a large stock for emergencies, such as strikes, and so forth.

I want to disabuse the minds of those of you who live in far-away sections about this matter of increase in price. It is the judgment of the producers of coal, it is the judgment of the transporters of coal, and of the coal experts everywhere that the price will not be increased greatly. This is not a price-increasing bill—it is a stabilizing bill.

Mr. GREEVER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. GREEVER. I would like to ask the gentleman this question: Have the constitutional objections raised by the Supreme Court decision been met in this bill in the gentleman's opinion?

Mr. JENKINS of Ohio. The gentleman has asked a very appropriate question at an appropriate time, for I was coming to that point now.

There are only two points in this bill, as I see it, that the average citizen will worry about, and they are two very important ones. One is what is going to be the additional cost, which is a practical, economic question, and which I have just discussed. And the next question is the one which the gentleman asked, Is this bill constitutional? There may be some doubt as to the constitutionality of this bill as it is now written, but it must be said that this bill has been drawn in an honest effort to meet the objections to the old bill as found by the majority of the Supreme Court and at the same time to meet the suggestions in the minority opinion of the Supreme Court.

In the first place it must be admitted that the principal objections to the first bill were found on the fact that it assumed to fix the wages of those engaged in the coal industry. This bill under consideration omits all consideration of the question of wages unless it can be held that since about 80 percent of the cost of the production of coal is made up of wages that no fair and complete consideration can be given by the price-fixing boards for the fixing of the price of coal that will not directly deal with the question of wages.

If we can divorce this bill entirely from any connection with the control of wages, then we have only one other question. That is: Can Congress in an effort to stabilize the coal industry for the benefit of the industry, the miners, the consumer, and the public generally, so control the passage of coal in interstate commerce as to establish a code of fair prices and lay a charge on all coal produced with a draw-back to those who produce according to regulations of the code? The answer is that Congress has full power to control the passage of coal through interstate commerce, and if it is necessary to fix the prices in order to prevent an interference with the steady flow of coal in interstate commerce, Congress may fix prices.

Justice Hughes, in his minority opinion in the Guffey case, says:

> The marketing provisions (part II) of the code naturally form a separate category. The interdependence of wages and prices is no clearer in the coal business than in transportation. But the broad regulation of rates in order to stabilize transportation conditions has not carried with it the necessity of fixing wages. Again, the requirement, in paragraph (a) of part II that district boards shall establish prices so as to yield a prescribed "return per net ton" for each district in a minimum price area, in order "to sustain the stabilization of wages, working conditions, and maximum hours of labor", does not link the market provisions to the labor provisions by an unbreakable bond. Congress evidently desired stabilization through both the provisions relating to marketing and those relating to labor, but the setting up of the two sorts of requirements did not make the one dependent upon the validity of the other. It is apparent that they are not so interwoven that they cannot have separate operation and effect. The marketing provisions in relation to interstate commerce can be carried out as provided in part II without regard to the labor provisions contained in part III. That fact, in the light of the congressional declaration of separability, should be considered of controlling importance."

The majority opinion is careful not to say that it renders any final decision with reference to the power of Congress to fix prices. In one of its concluding paragraphs the majority of the Court say in their opinion:

> The price-fixing provisions of the code are thus disposed of without coming to the question of their constitutionality; but neither this disposition of the matter nor anything we have said is to be taken as indicating that the Court is of opinion that these provisions, if separately enacted, could be sustained.

Further in that same opinion the following paragraph appears:

> This seems plain enough; for Congress must have been conscious of the fact that elimination of the labor provisions from the act would seriously impair, if not destroy, the force and usefulness of the price provisions. The interdependence of wages and prices is manifest. Approximately two-thirds of the cost of producing a ton of coal is represented by wages. Fair prices necessarily depend upon the cost of production; and since wages constitute so large a proportion of the cost, prices cannot be fixed with any proper relation to cost without taking into consideration this major element. If one of them becomes uncertain, uncertainty with respect to the other necessarily ensues.

Also:

> One who produces or manufactures a commodity, subsequently sold and shipped by him in interstate commerce, whether such sale and shipment were originally intended or not, has engaged in two distinct and separate activities. So far as he produces or manufactures a commodity, his business is purely local. So far as he sells and ships, or contracts to sell and ship, the commodity to customers in another State, he engages in interstate commerce. In respect of the former, he is subject only to regulation by the State; in respect of the latter, to regulation only by the Federal Government.

Congress has on many occasions assumed to fix freight rates and other transportation rates without assuming in any way to fix the wages of the employees engaged in the transportation of those articles upon which the rates are fixed.

Justice Cardozo says in his dissenting opinion:

> Reasonable prices can as easily be ascertained for coal as for the carriage of passengers or property under the Interstate Commerce Act, or for services of brokers in the stockyards, or for the use of dwellings under the emergency rent laws. The standards established by this act are quite as definite as others that have the approval of this Court.

Is coal in itself subject exclusively to control of Congress as interstate commerce? No; it is not exclusively subject to the control of Congress as interstate commerce, but probably 90 percent of the coal that gets into the competitive market is moved in interstate commerce or has a direct influence on interstate commerce. There are many who think that if an article is sold in the same State where it has been produced, that that article cannot be controlled as in interstate commerce, and that it is strictly intrastate commerce. This is a very common error. The rule is that if the sale of the article directly affects interstate commerce it is subject to the laws controlling interstate commerce. To illustrate: Suppose I have a coal mine 10 miles outside of Columbus, Ohio, and produce 200 tons of coal daily, and put this coal on the Columbus market by trucks. I thereby sell this coal directly in competition with coal that is moved in interstate commerce, and if the quantity I sell is sufficient to have any direct affect on the market of coal in that community, my coal is subject to any regulations that would regulate coal in interstate commerce.

From the old case of Gibbons against Ogden in Ninth Wheaton, page 196, to the present time, there are many cases holding that Congress, under the Constitution, is given the full authority to control interstate commerce. The Court in that case says:

It is the power to regulate—that is, to prescribe the rule by which commerce is to be governed. This power, like all others vested in Congress, is complete in itself, may be exercised to the utmost extent, and acknowledges no limitations other than are prescribed in the Constitution.

It might be well to bear in mind that the Constitution says:

Congress shall have power to regulate commerce with foreign nations and among the several States and with Indian tribes.

Justice Roberts, in the *Nebbia case* (291 U. S. 502), says:

Times without number we have said that the legislature is primarily the judge of the necessity of such an enactment and every possible presumption is in favor of its validity, and that though the Court may hold views inconsistent with the provisions of the law it may not be annulled unless palpably in excess of the legislative power.

Justice Hughes, in his opinion in the Guffey coal case, says:

But that is not the whole case. The act also provides for the regulation of the prices of bituminous coal sold in interstate commerce and prohibits unfair methods of competition in interstate commerce. Undoubtedly transactions in carrying on interstate commerce are subject to the Federal power to regulate that commerce, and the control of charges and the protection of fair competition in that commerce are familiar illustrations of the exercise of the power, as the Interstate Commerce Act, the Packers and Stockyards Act, and the antitrust acts abundantly show. The Court has repeatedly stated that the power to regulate interstate commerce among the several States is supreme and plenary (*Minnesota Rate Case*, 230 U. S. 352, 398). It is "complete in itself and may be exercised to its utmost extent, and acknowledges no limitations other than are prescribed in the Constitution" (*Gibbons* v. *Ogden*, 9 Wheat. 1, 196). We are not at liberty to deny to the Congress with respect to interstate commerce a power commensurate with that enjoyed by the States in the regulation of their internal commerce. See *Nebbia* v. *New York* (291 U. S. 502).

Whether the policy of fixing prices of commodities sold in interstate commerce is sound policy is not for our consideration. The question of that policy and of its particular applications is for Congress. The exercise of the power of regulation is subject to the constitutional restriction of the due-process clause, and if in fixing rates, prices, or conditions of competition that requirement is transgressed, the judicial power may be invoked to the end that the constitutional limitation may be maintained (*Interstate Commerce Commission* v. *Union Pacific R. R. Co.*, 222 U. S. 541, 547; *St. Joseph Stock Yards Co.* v. *United States*, decided Apr. 27, 1936).

One of the leading cases on this subject is the case of *Houston & Texas Railway* v. *United States* (234 U. S. 342). The Court in that case says:

The object of the commerce clause was to prevent interstate trade from being destroyed or impeded by the rivalries of local governments, and it is the essence of the complete and paramount power confided to Congress to regulate interstate commerce that wherever it exists it dominates.

Wherever the interstate and intrastate transactions of carriers are so related that the government of the one involves the control of the other it is Congress, and not the State, that is entitled to prescribe the final and dominant rule; otherwise the Nation would not be supreme within the national field.

By section 3 of the Act to Regulate Commerce (24 Stat. 379, 380) Congress has delegated to the Interstate Commerce Commission power to prevent all discriminations against interstate commerce by interstate carriers subject to the act which it is within the power of Congress to condemn.

Also *Swift* v. *United States* (196 U. S. 375) says:

When cattle are sent for sale from a place in one State, with the expectation they will end their transit, after purchase, in another State, and when in effect they do so, with only the interruption necessary to find a purchaser at the stockyards, and when this is a constantly recurring course, it constitutes interstate commerce, and the purchase of the cattle is an incident of such commerce.

Also see *Stafford* v. *Wallace* (258 U. S. 495):

2. It is for Congress to decide from its general information and from the special evidence brought before it, the nature of evils, present or threatening, and to enact such legislation within its power as it deems necessary to remedy them; and this environment should be considered by the courts in interpreting the scope and effect of the act in order to determine its validity (p. 513).

5. Such a current interstate commerce is found in the uninterrupted movement of livestock from the West and Southwest into the great stockyards at Chicago and elsewhere, where it is sold by the consignee commission merchants to packers and livestock dealers at the stockyards, and in the movement thence into other States of the meat and other products of the animals slaughtered at the packing establishments and the live animals which are resold at the yards by the dealers for further feeding and fattening (p. 514).

9. It is primarily for Congress to consider and decide the danger of such acts or practices, and to meet it, and it is not for this Court to substitute its judgment in such a matter unless the relation of the subject to interstate commerce and its effect upon it are clearly nonexistent (p. 521).

Judge Cardozo, in his dissenting opinion, says:

With reference to the first objection, the obvious and sufficient answer is, so far as the act is directed to interstate transactions, that sales made in such conditions constitute interstate commerce, and do not merely "affect" it.

This bill under discussion has anticipated this question of the right of Congress to fix prices and contains a paragraph the sole purpose of which is to fix the rights of any person who might find himself aggrieved. The law specifically provides that the aggrieved individual may contest his case before the proper authorities set up in the bill, and further on page 7 of the bill the following language appears:

For the purpose of carrying out the declared policy of this act, the code shall contain the following conditions and provisions, which are intended to regulate interstate commerce in bituminous coal and which shall be applicable only to matters and transactions in or directly affecting interstate commerce in bituminous coal.

And further on page 25, the following language appears:

SEC. 4–A. Without in any way limiting the scope or application of section 4, whenever prices in intrastate commerce in any locality cause any undue or unreasonable advantage, preference, or prejudice as between persons and localities in such commerce on the one hand and interstate commerce on the other hand, or any undue, unreasonable, or unjust discrimination against interstate commerce, such prices in such locality shall be subject to the provisions of section 4 hereof.

These two sections are to my notion the heart of the bill from the standpoint of its constitutionality. The first indicates that the bill assumes to deal with interstate commerce. The second sets out fully the rule by which it is determined whether a shipment or a transaction is within interstate commerce and what interference with interstate commerce means.

From all the above, it appears to me that this bill is constitutional as it is written. If in its application, hardships are worked on producers which amount to confiscation or oppression, then the remedy will be to work themselves out from the application of the law. The law as to them will still stand but the application will not affect them. Of course, if it should appear when the law is applied that any great number of coal producers can free themselves from its regulations, then the proper course will be to amend or repeal it. If on the other hand this bill operates as it is anticipated it will be greatly to the advantage of the employer, the employee, the consumer, and the public generally. The consumer will be satisfied because he will have a constant supply of coal moving quietly through interstate commerce. The dealer will not be required to pile up high supplies for fear of strikes and other contingencies. The transportation agencies will be able to move the coal with

greater facility and at a cheaper rate. From my knowledge of the coal industry I conscientiously believe that such stabilization as intended to be provided in this bill will be for the best interests of all parties concerned in the coal industry.

The story of the sad plight in which the coal industry now finds itself has been written in many a document and treatise, but none of these have spoken so eloquently as do the sad countenances of the women and children in coal-mining districts, or the disappointed look of the miner who would work if he could get it, or the red figures on the ledgers of the operators. They are at least entitled to justice. Let us deal justly by them. [Applause.]

Mr. DOUGHTON. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, the gentlemen who have just spoken in favor of this legislation from the majority and the minority sides have told you of the demoralization in the bituminous-coal industry. I do not have time at my disposal to go into the provisions of the legislation, but, bringing this unhealthy condition forcibly to your attention, I shall read the following three or four telegrams which I have received from operators in my district:

FAIRMONT, W. VA., *June 10, 1936.*

Hon. JENNINGS RANDOLPH,
House of Representatives Office Building:
On account of the present deplorable conditions in the bituminous-coal industry, we feel it an urgent necessity that the coal bill be passed by Congress at this session, and I sincerely hope that you will lend your aid and encouragement for prompt and favorable action on this matter.

T. E. JOHNSON,
Vice President, Hutchinson Coal Co.

FAIRMONT, W. VA., *May 25, 1936.*

The PRESIDENT OF THE UNITED STATES,
The White House, Washington, D. C.:
Hon. JENNINGS RANDOLPH,
Member of Congress, House Office Building,
Washington, D. C.:
We respectfully urge you to insist on immediate passage of the Bituminous Coal Act of 1936 in order to prevent widespread unemployment, destructive wage cutting, and bankruptcy of coal-producing companies in northern West Virginia.

CONTINENTAL COAL CO.,
By D. J. CARROLL, *President.*

FAIRMONT, W. VA., *May 25, 1936.*

Hon. JENNINGS RANDOLPH,
Washington, D. C.:
During the past 40 days three coal companies in Monongalia County have gone into receiver's hands. Unless there is immediate passage of some legislation establishing the price of coal the industry will be completely demoralized. We look for your help.

HICKMAN MILLER COAL CO.

FAIRMONT, W. VA., *May 25, 1936.*

Hon. JENNINGS RANDOLPH,
House of Representatives Office Building:
On account of the present demoralized condition of the bituminous coal industry we feel it a grave necessity that the Bituminous Coal Act of 1936, which was introduced in the Senate and House on May 20 last, should be passed at this session of Congress, and trust that you will lend your influence and support for the immediate and favorable action of Congress on this bill.

M. L. HUTCHINSON,
President, Hutchinson Coal Co.

These pleas come from active operators who are faced with a situation with which they are unable to cope and they come to us asking for help. Certainly we cannot deny to them the aid which this Federal Government can and should extend to an industry which was on its back at the time the provisions of the N. R. A. lifted it up and breathed new life into its body. No one familiar with bituminous coal mining can say truthfully that the industry did not make advancement under that act. The code of fair practice, the increased pay to the miners, and profit to the operators resulted. When that aid ceased, the industry returned to its old cut-throat competition and inadequate pay to the worker. With the first coal-stabilization bill, hope was again revived and the operator and miner joined in a successful effort. That ill-fated attempt was outlawed, and today the industry flounders. We must face the facts and know that we cannot escape our obligation.

West Virginia is the largest bituminous coal producing State in the Union, as I have stated before on this floor when the previous coal legislation was being considered. Nine of my 15 congressional counties produce bituminous coal. I know the problems of this business, and I appeal to every Member here today to assist us of the coal-producing States in this honest effort to enact in the closing days of this session the Guffey-Vinson coal bill.

To the members of this committee let me say that this chaotic condition in the bituminous coal mining industry today is deplorable. It is heart-tugging. It is a problem which this Congress must meet by some type of legislation.

I believe that this measure we are now considering is effective and will help us in our time of need. [Applause.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER of Pennsylvania. Mr. Chairman, when the N. R. A. was declared unconstitutional, practically 100 percent of all of the coal operators came here to Washington and asked that it be reenacted to take care of the coal industry as it was taken care of in the N. R. A. When the coal bill of last year, 10 months ago today, the Guffey-Snyder coal bill, was under consideration, about 70 percent of the tonnage-output operators were here in favor of it, and about 30 percent were against it. I might say that 30 percent was made up of some of the bigger interests, the larger interests.

Down at the Coal Commission today you will find that about 81 or 82 percent of the tonnage-output operators, operating under the Guffey-Snyder Act just declared unconstitutional, were signed up and going along happily, and of course practically 100 percent of labor. The gentleman from West Virginia [Mr. RANDOLPH] talked to you of the chaotic condition of the coal industry in West Virginia. My district happens to be a coal district which can turn out not 500 cars a day, but can turn out 1,000 cars of coal per day every day in the year. The conditions there were deplorable, but I am happy to report that under the N. R. A. and under the Guffey-Snyder Coal Act, and now under the Guffey-Vinson bill, we can look forward to conditions much better than the bituminous-coal industry has ever seen. The price of coal, as we will be shown by the table which the gentleman from Kentucky [Mr. VINSON] will insert in the RECORD, throughout the Nation has been and will be from 1 to 10 cents greater per ton than it was under cutthroat competition.

At this point, I take a moment to say that we should express our appreciation to the Committee on Ways and Means, and to the chairman of the subcommittee last year and this year having charge of the coal bill.

The gentleman from Kentucky [Mr. VINSON] had most to do in bringing the Guffey-Snyder coal-stabilization bill to the floor of the House last year. The able manner in which he fought off the opponents of the bill last year had much to do with the passage of the act at that time. It passed by a vote of 196 to 168. It was only appropriate after the Supreme Court made it necessary to put through another bituminous coal bill that Mr. VINSON should be the House author of it, because of the unlimited energy and good spirit he displayed in helping me last year.

The application of the Guffey-Snyder Coal Act, in operation in the bituminous-coal industry for 9 months, educated millions of people to the fact that we must have some sort of regulation and stabilization in the bituminous-coal industry to keep the coal companies from going into bankruptcy and afford employment for miners to keep them off relief.

As I said last year when the coal bill was under consideration, I know the small operator as well as I know the United Mine Workers. I know of many small operators that went into bankruptcy because of the cutthroat practices that existed prior to the N. R. A. I know the attitude and spirit of the United Mine Workers of America. They, through their leaders, desire cooperation at all times with the operators and with the general public. I found since the N. R. A. went into effect that there is more happiness and contentment and hope among the miners than at any

time in the 25 years that I have closely followed their activity.

Mr. Chairman, those of us who took an active part in putting the Guffey-Snyder Coal Act through last year feel doubly rewarded here today for having done so. The very fact that there is practically no opposition to the bill before us today is evidence that most Members of Congress realize that social legislation must have consideration.

Mr. BACHARACH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I have no bituminous-coal mines in my district. I was away when the last Guffey coal bill was voted upon in the House. I presume I would have voted against it on constitutional grounds, but it seems to me that we are faced with a condition with which the pending bill offers a partial solution. The soft-coal industry is stricken, stricken almost to death. Operators and miners have issued a Macedonian cry to us to come over and help. There are Members of Congress who now say that we cannot do anything, that we are powerless, that we are unable to help the third greatest industry in the United States, employing 400,000 people. But I say to you that I am prepared to vote for this bill because I believe it is sound, meritorious, and helpful to a great industry that needs to be stabilized in the interest of the operators, the miners, and the public. [Applause.] A lot of Republicans voted for the N. R. A. We voted for it as a temporary proposition. I wish the N. R. A. originally had been applied only to natural resources, to coal, oil, lumber, and if it had been, I believe it would have been held constitutional, but when you applied it to 800 different industries in America and then set up bureaucracies in Washington to regiment and control those 800 different industries, it broke down of its own weight. It had actually collapsed before the Supreme Court acted and held it unconstitutional. I would remind those on the Republican side that this is not the first time that the call has come for help from the soft-coal industry, either in our own country or in other nations of the world. In England a few years ago there was a general strike because of the deplorable and demoralized condition of the coal industry which produced poverty, squalor, and disease among the poverty-stricken miners due to overproduction and low standards of wages and living. Every country has been confronted with requests for protective legislation, and it comes naturally before us. We cannot evade it whether we are Republicans or Democrats. It is not a Republican or a Democratic measure. It is our duty as Members of Congress to face the facts and conditions, and if those conditions exist and this industry is demoralized and stricken to death, then we ought to help, regardless of politics or partisanship. I, for one, propose to vote for this measure, and state that I agree with the great Chief Justice Hughes, of the Supreme Court, who comes from the State of New York, that the Congress has the power to act in this instance, and that we have the power, if necessary, to fix prices in interstate commerce. I do not like to fix minimum prices on coal, but if it will stabilize the industry and stop the cutthroat competition and prevent strikes and bloodshed, it is in the public interest. I hope the bill will pass for the good of the coal industry and for the general welfare of the American people, as I believe it is a step toward social and industrial justice within the confines of the Constitution. [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. FISH] has expired.

Mr. VINSON of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SIROVICH].

Mr. SIROVICH. Mr. Chairman, I would like to propound a question for the distinguished gentleman from Kentucky [Mr. VINSON]. I would like to ask if it is not a fact that the passage of this bill, the Vinson-Guffey bill, would be instrumental in preventing the exploitation of 400,000 miners, the bankruptcy of the operators, the demoralization of the entire coal industry, would have prevented thousands of strikes during the last generation, and would perfect the stabilization of the industry and be instrumental in supplementing the purchasing and consuming power of the coal miners for the benefit of the great industrial centers of the East.

Mr. VINSON of Kentucky. The statement has been made as it only could be made by my good friend and great humanitarian, the gentleman from New York, Dr. SIROVICH. [Applause.]

Mr. BACHARACH. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. VINSON of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I suppose the greatest economic trinity that ever occurred on this earth was back in 1781, when steam, coal, and iron came together. Industry exhausted the wood supply in England and had to resort to coal for its iron smelters. In order to get the coal out of the pits they had to pump the water out of them. Pumping was done by hand. It remained for Stephenson and Watt, who translated steam into terms of power by inventing the steam engine, to lift the water out of the coal mines so that coal could be used in the iron smelters of England. Coal, iron, and steam were the great trinity of the industrial revolution. From that day on for more than a hundred years coal was the principal and virtually only source of power and energy; and then something happened. The coal industry became sick. You can go through my district, for instance, and see the ghosts of what were once live and virile towns. They are only slatterns today. Once they were thriving mining towns. Today they are but feeble communities. The coal industry is sick in the United States and it is sick in the State of Illinois. We have 54 counties out of 103 that produce coal. At one time we hoisted 80,000,000 tons a year. Today we hoist less than 40,000,000 tons. We had 100,000 miners on duty in Illinois some 10 or 15 years ago, and today we have less than 40,000, which is an indication that the coal industry in our State is sick. Why? For two reasons: First, conditions within the industry; and, second, conditions without. So far as conditions within the industry are concerned, I might say it is largely due to overexpansion, to the desire to maintain markets at any price, to the desire to invade new markets, and to a disregard for our coal resources. If you know anything about the coal business, you might know that in many localities they go down into the bowels of the earth and take out the choicest coal, the thick seams, the coal that is most accessible, and leave the pillar coal for somebody in the future, or to be added to part of the waste of the Nation. The idea is to speed production, hold down production costs, hold down overhead, in order to meet an insane competition.

The gentleman from Ohio [Mr. JENKINS] knows about that. That is one of the conditions within the industry that has made it sick. This intensely competitive condition is one reason why 125,000 miners were on strike in 1933 and lost nearly 4,000,000 man-days of labor.

Then there are conditions without. What are they? First of all, competition. Electrical energy today supplies about 11 percent of the total energy consumed in this country. This Congress, this administration, and this Government are annually subsidizing the production of electrical industry of the country, which is a persistent competitor with coal.

In my brief career in this body we have authorized the expenditure of hundreds of millions of dollars for the production of electrical energy at Muscle Shoals, at the Grand Coulee Dam on the Columbia River, at the Bonneville Dam, at Boulder Dam, and others. The end is not yet. Seldom a day that some Member does not suggest the construction of an electrical authority back in his district, with funds to be derived from the Federal Government. As an indication of the enormity of this competition it will be possible to generate 8,000,000,000 kilowatts of firm energy on the Grand Coulee upon completion and over 4,000,000,000 kilowatts of secondary power annually. At Boulder Dam the annual capacity of firm power will be about four and one-third billion kilowatts and about one and one-half billion kilowatts of secondary power.

At no time have I ever heard a voice raised in behalf of the miners of this Nation, some of whom will be displaced in their jobs by this vast increment of electrical energy, made possible out of the Federal Treasury at the expense of the taxpayers. And the miner is one of the taxpayers who must contribute to destroy his own job.

Secondly, there is the competition from natural gas. Today natural gas is produced in 24 States and consumed in 35 States. There are 8,000,000 gas users today. Fifty thousand miles of gas lines honeycomb this Nation, and the annual revenues from natural gas, including transportation charges, mounted to $394,000,000 in 1934.

Third, the competition of petroleum. In 1900 we produced less than 200,000,000 barrels, while last year we produced almost a billion barrels. These great superlocomotives that will haul people to the centennial at Dallas, Tex., and San Francisco, the diesel engines which drive the pumps of the country, the diesel engines that send the steamships across the water, are oil-burning engines today instead of coal-burning. That is the reason the coal industry is sick. It has been there as a kind of static development, and here are the inroads from without and instability and disorganization from within. So they come to Congress in the hour of chaos and say, "Do something for us." What are we going to do? We have some choices. We can abandon them. We can say to the four or five hundred thousand miners, "You work out your own salvation." That is, simply abandon them to their own devices. I say to you that you cannot abandon an entire industry. You cannot abandon an industry which employs more men than any single given industry in this country. Such a course is unthinkable. The output of this industry slipped from $2,000,000,000 in 1920 to less than $500,000,000 in 1932. With relentless competition from without and instability from within, something must be done as a matter of national welfare.

We might insist to this industry that it seek to work out its salvation under the old Appalachian plan. That would be all right if you did not have such a diversity of conditions, wages, hours, and varieties of coal with which to contend. That would be all right if some of the absentee operators were more concerned about the conservation of our coal resources and the conditions in the industry than about the production of volume and the invasion of new markets without a single restriction.

We can take over the coal industry and make it a nationalized industry. We do not want to do that. We can hand it over to the State, but I say to you that the $5 miner in the State of Illinois is no match for the $2 miner in Kentucky, and the State of Illinois with all its instrumentalities has nothing to say about what kind of wage they shall pay in the mines of Kentucky, nor have we anything to say about what wages they shall pay across the line in the State of Indiana. So what shall we do? Shall we continue to fight miner against miner, operator against operator, to destroy this great natural industry, to waste this natural resource? Certainly not. Something must be done and there is only one thing to do. If the States cannot handle it, if we do not want to nationalize, if we do not want to socialize the coal industry and take it over, then there is but one thing we can do and that is to have the lawmaking power of the Federal Government take charge, and insofar as commerce is affected, insofar as it goes into interstate commerce, we shall step in with the hope of stabilizing prices so that fair and equitable conditions might prevail and a stable and steady supply of coal maintained at all times. Out of fair and equitable conditions which look to the preservation of the industry, stability can be restored and fair wages and living conditions effected through collective bargaining. The industry does not ask the intervention of the Government in respect to the matter of wages.

Let me point out the fact that the livelihood and the welfare of over 400,000 miners are involved. I think everybody in this Congress has a sincere desire to do something for an industry of this kind. I have often reflected on the sincerity and the earnestness with which the Members of Congress have sought to find some solution and remedy. We are like the plant set in the cellar in the winter time. Those tender green tendrils somehow reach up to the light that comes in through the little window, and that is what we are all doing—we are reaching up for a little light and trying to find a solution to this problem. Considering the historical background and the factors involved and motivated by human, Christian impulses, the Federal Government is going to have to step in and stabilize this industry and give assurance once more to 400,000 miners and their families that we have a decent and real regard for their welfare and are going to make some kind of contribution instead of abandoning them to the vagaries of the industry and seeing them go back to what Kipling once called the law of the jungle. I, for one, am going to vote for this bill. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. MAY].

Mr. MAY. Mr. Chairman, as one who has actually been engaged in the coal industry for more than 15 years, and who, by reason of drastic and unfair competitive practices, was bankrupted and driven out of it, I come today to undertake to reveal to my colleagues in this House some of the reasons why I think this character of legislation should be enacted. I can remember the time when the State of my colleague the gentleman from Michigan [Mr. MAPES] was one of the best markets for southern coal. When I was in the coal business I sold coal delivered f. o. b. mines at prices ranging from 80 cents per ton to $12.50 per ton to people consuming it in the State of Michigan.

I know that unless we can maintain some system of regulation that will control not only the production but the marketing of coal, this industry as a whole is doomed to disaster and destruction. I think not only of the 450,000 men who are engaged in the industry in the production of coal, but also of the numerous thousands of defenseless women and children wholly dependent upon the toil of the men who mine the coal. In my congressional district of eight counties hugged up between the borders of three States are produced annually 20,000,000 tons of coal. This 20,000,000 tons of coal returns to the people of the district—to the merchants, the doctors, and the other businessmen—about $45,000,000. When this industry is destroyed in this field we shall have nothing left but Oliver Goldsmith's deserted villages, one after the other, on every creek and in every valley.

I say, therefore, to you of the North and the East, that you need not fear the question of price regulation as being destructive, because it is the only thing in the world that will protect you against exorbitant prices.

When I was in the coal business, the man across the ravine from me, in order to get an order for coal, would sell his slack coal at 20 cents a ton, and sometimes they would ship it on shipper's order or consignment, to be paid for at destination, without a destination; and when it reached the docks at the Lakes, which was the market place for the consumers of the Northwest, it was immediately dumped out by the railroads and used as fills for railroad tracks. That is what competition did to the coal industry following the exorbitant prices we experienced for 2 years after the World War. The enactment of the pending bill will enable the industry to regulate itself and protect the public from unreasonable prices.

I can remember a little coal mine that loaded 10 gondola cars of coal a day, which sold 1 day's production for more than $9,000 in cash, or $18.50 per ton f. o. b. the mines. That meant that when it went yonder to the northern markets for consumption the people could not consume it, and the coal operators and the coal producers were standing still day in and day out, month in and month out, year in and year out, face to face with three great competitive fuels—crude oil, natural gas, and electricity. Crude oil is a clean fuel. Natural gas is easily handled and consumed. Electricity, whether produced by a private utility or subsidized by the Federal Government, is annually taking millions of dollars from the coal producers and thereby driving out of employment thousands and hundreds of thousands of men.

As one who has suffered the penalty of drastic competition, I would like to see stabilized an industry that will feed men,

women, and children, prevent starvation, and keep the camp-house doors from being nailed up as a result of unfair competition. These three fuels, commonly known as laborless fuel, meaning, of course, that when installation is once made the hundreds of thousands of men usually employed in the development work are eliminated by the law of necessity, and, therefore, the gas pumped by hundreds of millions of cubic feet by one pumping plant operated by a very few men is a natural comparison between the number of men required to produce coal necessary to afford the same number of heat units. Electricity, of course, is even more striking as a laborless fuel. Two men at a power-house, and four or five at the outside, will operate a plant that will produce electricity enough to heat and light a great city, while the number of men required to produce coal enough to perform the same service will run into the thousands and wages paid for the production of the coal will feed, clothe, and school thousands of children. Likewise, with hydroelectricity, where one huge dam that costs millions of dollars will produce and distribute by falling water enough electricity to heat and light many great cities, and by an integrated system of transmission lines can be transmitted to and consumed by millions of people; while, on the other hand, the daily output of bituminous coal in the United States is sufficient to load a train of cars reaching from Pittsburgh, Pa., to New York City, a distance of 352 miles, loading 37,267 average railway cars holding 50 tons per car; and if the coal industry is not permitted to protect itself against the competition of these three competing fuels—natural gas, electricity, and fuel oil—thousands and thousands of railroad men employed in the transportation and marketing of this coal and other thousands engaged in its distribution will be deprived of employment.

The coal industry comes to the Congress with this legislation asking not for a dole or appropriation but the mere privilege of using the machinery of the Federal Government to impose upon itself a tax for the administration of the law which it seeks. The truth of the matter is that the Congress has always discriminated against the mineral industry and in favor of agriculture in the matter of appropriations. For instance, for the fiscal years 1936–37 there has been appropriated to the entire mineral industry and to the Bureau of Mines for its activities less than $4,000,000, while there has been appropriated for the same 2 years, as of July 2, 1936, for the Department of Agriculture, covering the fiscal years 1936–37, a total of $1,702,850,759. This is shown in a table furnished to me by the Appropriations Committee of the House and the Department of Agriculture, which I include in my remarks at this point:

Department of Agriculture appropriations, fiscal years 1936 and 1937, as of June 2, 1936

Appropriations	Fiscal year 1936			Fiscal year 1937		
	Other than roads	Road funds	Total	Other than roads	Road funds	Total
General agricultural budget	$98,090,432	$58,141,856	$156,232,288	$109,515,202	$68,000,000	$177,515,202
Emergency Relief Appropriation Act of 1935 (allocations)	70,042,577		70,042,577			
National Industrial Recovery Act		50,000	50,000			
Agricultural Adjustment Administration:						
Advances to A. A. A. for rental and benefit payments and administrative expenses	161,745,593		161,745,593			
Advances under Tobacco Act of June 28, 1934	296,287		296,287			
Payments for agricultural adjustment	295,731,900		295,731,900			
Exportation and domestic consumption of agricultural commodities (sec. 32, act of Aug. 24, 1935)	92,111,741		92,111,741	109,125,171		109,125,171
Conservation and use of agricultural land resources (Soil Conservation and Domestic Allotment Act of Feb. 29, 1936)				440,000,000		440,000,000
Total, Agricultural Adjustment Administration	549,885,521		549,885,521	549,125,171		549,125,171
Total, Department of Agriculture	718,018,530	58,191,856	776,210,386	658,640,373	68,000,000	726,640,373

Without coal, iron, steel, and other minerals, agriculture could not function, and yet the very basic industries upon which the life of the Nation depends are not only discriminated against but the taxes paid by the two industries is a striking illustration of how unfair the Congress has been to the mining industries, and I speak of this not in condemnation of agriculture, for I have voted for everything agriculture has asked ever since I have been in Congress. The mining industry is valued by Government statistics at twelve to fifteen billions of dollars, and for the years 1924 to 1928 the mineral industry paid in taxes to the Federal Government the sum of $800,064,024, while agriculture paid only the sum of $151,261,405. Coal mining is one of the largest employing industries, and more than 27,000 men in the 8 counties of my congressional district are engaged in the mining and production of coal, and the industry is actively engaged in 28 of the American States and in 2,024 of the 3,071 counties of the United States. I favor the enactment of this bill and shall vote for it when it comes up for passage. [Applause.]

Mr. BACHARACH. Mr. Chairman, I yield the gentleman from Tennessee [Mr. TAYLOR] such time as he may desire.

Mr. TAYLOR of Tennessee. Mr. Chairman, representing a district consisting of 11 counties, 5 of which produce bituminous coal in considerable quantity, I am naturally very greatly interested in this legislation. I do not think there is any industry that has suffered more in recent years than the coal industry. As a matter of fact, it has suffered to the point of prostration. I remember a few years ago the coal industry was prosperous. The coal workers were commanding good wages and living bountifully. The mines were running full tilt, coal was commanding a fair price, and the miner and his family were happy and contented.

Mr. Chairman, I have lived in a coal-mining town for 35 years, and I personally know something of the situation that formerly obtained, as well as the situation which now prevails in the average Tennessee and Kentucky coal-mining community. A few years ago, as I stated before, coal mining was a profitable occupation. No one in the community in those days was better clothed than the coal miner, and no family enjoyed more of the comforts and luxuries than did his family. But during the past few years the coal industry has been hard hit. Today it presents a most dismal and pathetic picture. Both the operator and the miner have been the victims of these adverse and evil days. With work only 2 or 3 days per week and with wages reduced to an almost irreducible minimum, the miner has been also reduced to a condition approaching poverty.

Suppose, Mr. Chairman, this bill may add a few pennies to the price of coal. The purchaser will have his compensation in seeing the miner, his wife, and children enjoy some of the necessaries and comforts that come from a decent and living wage.

As I understand it, this legislation is not directed so much to the increase in the price of coal as it is to the principle of stabilizing the coal industry and eliminating from it some of the degrading cutthroat practices that have proved so disastrous.

Mr. BACHARACH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, it is admitted on all sides that the bituminous-coal industry is not only a sick industry, but is recognized by economic doctors to be a dying industry. The solution which is now offered is the solution of price fixing. It seems to me that price fixing is artificial respiration to keep a dying industry alive for a short while. In the long run we must seek an ultimate solution, and whether or not we like the term, whether or not you like to do it, the inevitable solution of the problems of the bituminous-coal industry will have to be nationalization. The sooner we realize it the more realistically will we deal with this problem. However, I fully appreciate that neither this Congress nor perhaps the next Congress will deal with this problem from the standpoint of nationalization; therefore, appreciating the chaos and the emergency which might arise if this legislation is not passed, I am going to vote for this bill, for the only reason that we are dealing with an emergency and with the hope that during the temporary respite gained by this bill we will work out a plan of nationalization for this industry which will be of benefit to consumers and miners.

I regret exceedingly that the bill does not contain any labor legislation. It is tragic indeed that the legislative body again bows to the will of the Supreme Court on the question of labor legislation, but there is one saving phase in connection with this situation. While there is no labor legislation in this bill, very fortunately there exists in this industry a powerful and a progressive workers' organization—the United Mine Workers of America—which will enforce the economic demands of the miners in the bituminous industry despite the lack of labor legislation in this particular bill. In other words, they are so well organized and their leadership is progressive and militant enough to write in labor provisions with the pen of economic strength.

As to the constitutionality feature, no one can prophesy what will be held constitutional or unconstitutional. Experience has taught us that all social-welfare and labor legislation is ever under the threat of the Damascus sword of the Supreme Court of the United States. No social-welfare legislation, no labor legislation, no legislation for the benefit of the American people, can be deemed safe until the Congress of the United States will have the courage to curb the power of the United States Supreme Court. These problems, however, will not be solved by this Congress. They will not be legislated upon at this time by this Congress. Therefore, having in mind the emergency and the chaos that may arise if this legislation is not enacted into law, and having in mind that there exists a powerful union—the United Mine Workers of America—to protect the mine workers of this Nation by fighting it out on the economic battle front if it becomes necessary, I shall vote in favor of this bill.

Mr. VINSON of Kentucky. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. EDMISTON].

Mr. EDMISTON. Mr. Chairman, there has been something said by a few opponents of this measure about the increased cost of coal. May I call the attention of Members of the House to the fact that the cost in practically every industrial district of the United States per ton for coal is not increased by the few cents that this bill will increase the cost per ton at the mine. About 10 percent of the cost in most of the industrial areas is the actual cost of a ton of coal at the mine in West Virginia, Kentucky, or Pennsylvania. The coalyards of this country have never passed that extra cost on to the consumer. When coal in West Virginia was selling for 65 cents a ton f. o. b. the mines, and when the miners were working for starvation wages and the coal operators were going broke, you were still paying the same price for coal then as you are now in the consuming centers of the East and West.

Another thing, this bill will stabilize the price of coal and put the industry on a fair basis under all conditions, regardless of weather or anything else. They cannot take advantage of you who live in Michigan during a cold, severe winter. There never has been a coal shortage in this country. It is the shortage of transportation facilities to take the coal to the consumer. We can mine in West Virginia all the coal that this country can use in the next 100 years. It is simply a question of getting it to the consumer, and that is the thing which makes the cost of coal high to the consumer.

The coal industry has been regulated since the N. R. A. Act was passed. Since 1933 the price of coal has been regulated by a governmental agency, either the N. R. A. or the Bituminous Coal Commission, and you have not had an increase in the cost of coal during 1933, 1934, 1935, or 1936, during which time the coal industry has been regulated by a governmental agency. Nor will you have after this bill is passed.

I checked the vote on the passage of this bill in the last session, and I noted there were numerous Southern States that voted unanimously against this measure. I call attention of the Members of the South that we voted for the tobacco bill, the cotton bill, the potato, hog, and corn bills. If you are going to play that sort of ball when it comes to the coal industry, we will remember it.

[Here the gavel fell.]

Mr. BACHARACH. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FOCHT].

Mr. VINSON of Kentucky. Mr. Chairman, I also yield 2 minutes to the gentleman from Pennsylvania [Mr. FOCHT].

Mr. FOCHT. Mr. Chairman, the enormity of this question has become a very impressive fact, especially when it is realized that there are vast deposits of bituminous coal in practically every township west of the Susquehanna River out to Montana and through Canada to Alaska. Therefore this is a grave question.

My first contact with the coal question came in the anthracite region when I was a member of the State senate and when we had strikes, lock-outs, and all kinds of labor difficulties, until President Roosevelt sent a commission to that section to solve the problem, which they did. I have always felt there was some genius of direction in the United Mine Workers of America to accomplish this result. They have now undertaken to do the same thing with respect to the soft-coal situation, and I come not from a soft-coal section entirely, but in one county that I represent, according to the geological reports, there are now there 1,000,000,000 tons of coal which they have tried to mine for many years, with more or less success. There are stretching parallel over this great region two railroads, one of standard gage and one of narrow gage. One is now in the hands of a receiver and the other is not any too strong financially.

This is the reason I am for this bill. It has nothing to do with politics. It certainly is an economic question, and one that appeals to me, because I know all about it. I am a good deal like the gentleman who said he knew the world is round because he had been around it. I know about this coal situation because I have traversed this section, and I may say to you that the misery and the woe and the destitution I saw throughout that region certainly appealed to my heart and encouraged me to do anything that I possibly could to bring happiness and prosperity back to this region, so they may get out this vast deposit of coal.

Now, I voted for the bill the other time, but the trouble with most legislation is that we are in too much of a hurry, and that measure was put through with too much speed. There was not an opportunity to consider the constitutional aspect of the bill, and therefore they made a little mistake, and they do this with almost every piece of legislation of wide application, and the measure invariably comes back to Congress for correction, and the fathers have made provision for such corrections to be made.

You have now made the correction in this bill, and I may say to you that since this law was passed and put into operation and before it was thrown out by the Supreme Court I was through this same territory up in Huntingdon and Bedford Counties, in the heart of Pennsylvania, and the mine workers and the mine leaders told me that there had been a great revival in the mining industry and that the men who worked at the mines and the men who operate them and the bankers

and the people generally are much happier, not that they get any great amount of increase in wages, but instead of 2 days a week they get 5 days a week to work, and I call this progress, and I want to further this condition all I can. [Applause.]

Mr. BACHARACH. Mr. Chairman, I yield the balance of the time to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Chairman, it seems to be customary during the last year or two to have in the preamble of a legislative act a stump speech, and the stump speech in the Guffey bill no. 1 was a masterpiece. The one in the bill before us is much shorter and less convincing. There is an evident determination here that this act shall be constitutional by declaration.

I listened with interest to my colleague the gentleman from Illinois [Mr. DIRKSEN], and really, Mr. Chairman, I am not unconscious of the deplorable conditions in the mining industry and the miners engaged therein, as well as their families, in these various sections of the country. Sixteen years ago I heard that story on the floor here in a wonderful word picture painted by former Representative Casey, of Pennsylvania, and the memory of it is still with me. I know something about it, at least by hearsay. I have had no personal contacts. The people in my section of the country are consumers. They are not miners, and there is no coal there of any description. However, there is something more involved here than the Guffey coal bill. The first bill was declared unconstitutional.

Mr. KELLER. By what vote?

Mr. CROWTHER. Five to four, I understand, and there have been many other important 4-to-5 decisions, and let me say that from the State where the gentleman, who interrupted me without addressing the Speaker, resides—and I forgive him because he is a very intellectual and kindly gentleman and I realize he would not so offend knowingly—there are several thousand miners who have never approved of this legislation from the beginning. Some of the strongest protests I have received have been from their organizations. Now, it may be this is due entirely to a feud or bad feeling between the independent miners and the United Miners' organization.

I am not well enough informed to know whether that is the reason, but as a matter of fact the miners of this country are not by any means unanimously in favor of this legislation. Do not forget that. We have a price-fixing section in this bill and I think what the Supreme Court said is rather significant, with respect to these provisions. I quote from what the Court said:

> The price-fixing provisions of the code are thus disposed of without coming to the question of their constitutionality; but neither this disposition of the matter, nor anything we have said, is to be taken as indicating that the Court is of the opinion that these provsions, if separaely enacted, could be sustained.

To me that is particularly significant, in view of the fact that the labor provisions are out, and the price-fixing provisions are still in this bill. And while some Members say that it will be a great help to the mining industry, I say to you I think it will be very keenly disappointing in respect to the measure of improvement that it will bring to the living conditions and wages of the miners in the bituminous fields. I am satisfied of that.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. The gentleman will pardon me. The enactment of this legislation means that we are going back to regimentation of industry, to a reenactment of the codes which have been thrown into the discard by the Supreme Court. Here you have a provision that even those most interested and in favor of the bill are willing to acknowledge is a penalty of 15 percent, disguised as an excise tax, 90 percent of it to be refunded if the operator signs the code on the dotted line. It seems to me, as in the child-labor case, that the tax loses its identity as a tax, and has become purely and definitely a penalty, and I feel sure that will be given some consideration if this proposed law again comes before the Court for a decision.

If we enact this particular legislation, we can reasonably expect, regardless of who controls the next Congress, more legislation of the same character. Already we have—and I am not sure whether it has been reported, though I think it has—a so-called Ellenbogen bill providing a hook-up of this character for the textile industry, with a commission, with a code, with a whole host of regulatory provisions. You must expect one in the near future for the electrical industry, one for the automobile industry, one for the wool-textile industry, one for the silk industry, one for the jewelry industry. If for one, why not for all of the others? In the other bill we had a special labor board. Of course, it was stricken out of this bill. During the course of the hearings I asked one of the witnesses why the necessity for a special board in the bituminous-coal industry. I suggested to him that we have the National Labor Relations Board, that we have Mr. McGrady, and the Secretary of Labor, Miss Perkins, and several mediation boards, so why a special board in this industry? This witness said it was because these others did not speak the coal miners' language. He wanted a special board, and that is what we are coming to. Of course, it will probably develop the inclusion of labor boards and other codes, when these bills are brought in for other industries, for we will be faced with that proposition sooner or later.

I quote from the minority report:

> We think it is unwholesome and not in accord with democratic government to give special interests the monopolistic power to fix their own minimum prices—

Oh, I know there is a quarrel as to whether the coal industry itself or the commission determines the price, but the coal industry will have a powerful influence nevertheless—

> which the public will be required to pay.

You have a Commission of seven, three not to be connected with the business in a financial or in any other way, two from the United Mine Workers—through it does not expressly so state, yet that is what it means—and two from the operators, and we have one member to sit with the seven others who is to represent the dear people of the country, the consumers. His title is legislative counsel, and what a fine chance he will have with those other seven! What chance has Mr. John Q. Public under those circumstances?

Mr. Chairman, this bill was originally a "must" bill, "must" legislation, and I presume it is "must" legislation now. This is the bill regarding which the President wrote a letter to our subcommittee, telling us that we "were not to allow any doubts as to its constitutionality, however reasonable, to block the enactment of the proposed legislation." I think it is peculiarly significant that up to this good hour no letter has been received from the Chief Executive, but even so I presume that the bill will pass without the least trouble. If I thought the bill would help to restore to something like normal the deplorable conditions that exist among the wives and children of these desolate miners, I should be tempted to vote for it, but I do not believe there is anything here that will bring about any better conditions. They could have done it in the intervening years. They did not have to wait for this bill to better the deplorable existing conditions in the mining centers of the country.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. Yes.

Mr. MAY. Does the gentleman understand that about 80 percent of the traffic of the A–1 railroads in the eastern section of the United States is bituminous coal, and that that gives employment to thousands and thousands of railroad men that otherwise would not be employed?

Mr. CROWTHER. Yes; and I also realize that this administration during the last 2 or 3 years has completely lost its sense of proportion in the development of "white coal," or the development of hydroelectric power, which means a reduction in the necessity for bituminous coal in this country. [Applause.] The bituminous-coal industry is being gradually destroyed. Every new hydroelectric project

but adds to the destitution of the miner's family by reducing the demand for the product of his labor.

Mr. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. I yield.

Mr. ANDRESEN. The passage of this legislation will establish a precedent. Would there be any reason why we should not then pass legislation to fix farm prices and industrial prices?

Mr. CROWTHER. Certainly not. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Chairman, during the past 2 years, by voluntary agreement and by governmental regulations, coal production in the State of Ohio has greatly increased, wages have been almost doubled, and working conditions have been improved. Hours have been shortened and the operators for the first time in many years now see an opportunity for fair profits. Unless something can be done to continue the regulations that have been in effect, these gains that were made for the benefit of operators, consumers, and miners alike will most certainly be lost.

I want to read a telegram from the officials of the United Mine Workers in Ohio, to which every coal miner in Ohio now belongs. It is dated June 2, 1936:

> Thirty thousand Ohio miners respectfully petition you to support and pass at this session of Congress the Guffey-Vinson coal-stabilization bill. It is very important that this be done to protect the coal industry of our State. We trust that we will have favorable action on your part in the support of this bill, as many distressed miners and mine communities now are looking to Congress for relief of this character.

This is signed by John Owens, president, and G. W. Savage, secretary-treasurer, of the Ohio miners.

I likewise have a communication signed by 36 of the largest producing operators in the State of Ohio, 3 of which—the Cambridge Collieries Co., the Akron Coal Co., and the Muskingum Coal Co.—are operating in my district. This telegram reads:

> The undersigned coal operators in Ohio, who in 1935 produced more than twelve and one-half millions tons, which is 80 percent of all the coal produced by rail shippers in Ohio in 1935, desire to voice their entire approval of the bill designed to regulate and stabilize the bituminous-coal industry. We respectfully ask that you do all in your power to secure the enactment of this much-needed legislation at this present session of the Congress. Prompt enactment will permit the industry to function in an orderly and successful manner and will prevent labor troubles and a general break-down of the industry, which, without such control, is inevitable.

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. Mr. Chairman, I am for this bill because I believe if it is enacted into law the people who are employed in the coal mines will be benefited. It seems to me when any legislation is presented in this House that is going to benefit the coal miners, farmers, and all others who labor for a livelihood, someone takes exception to it because they maintain that it is unconstitutional. We Members of Congress have to depend upon the coal miners, farmers, ditch diggers, mill workers, the women who scrub for a living, and all other classes of laboring people for our jobs, therefore we should not hesitate to enact into law legislation from which the laboring people will derive benefit. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. IMHOFF].

Mr. IMHOFF. Mr. Chairman, I, too, wish to add my endorsement to this Vinson bill in behalf of the coal-mining industry. I might state that I represent the Eighteenth Congressional District of Ohio, one of the greatest coal-mining districts not only in Ohio but throughout the United States.

During the time the Guffey bill has been in effect the coal-mining industry throughout my section of the State has had a brisk upturn, and a vast majority of the operators, as well as the miners, are in favor of this particular bill.

In my section of the State those loading coal received 25 cents per ton before the N. R. A. came into effect. After that came into effect the coal-mining industry rapidly advanced and wages for loading were raised to 60 cents per ton. Then the Supreme Court decision came along setting aside the N. R. A. After the N. R. A. was set aside, in my district cutthroat competition began once again.

Wages started to drop and the coal-mining industry seemed to be rapidly decreasing. Then the Guffey bill was passed and it has rapidly increased the amount of production. Wages have been maintained, and it has been noticeable that the farmers throughout my section, as well as other lines of industry, have benefited greatly, due to the fact that this bill has been in effect, increasing the purchasing power of the miners, constituting, in normal times, 14,000 in my home county and 20,000 throughout the entire district.

Therefore I would like to see this Vinson bill passed. I feel that not only would the coal-mining industry benefit, but the agricultural and other lines of industry would also benefit through the increased purchasing power that would be sure to follow and be maintained through the enactment of this legislation. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio [Mr. IMHOFF] has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

> *Be it enacted, etc.*, That regulation of the sale and distribution in interstate commerce of bituminous coal is imperative for the protection of such commerce; that there exist practices and methods of distribution and marketing of such coal that waste the coal resources of the Nation and disorganize, burden, and obstruct interstate commerce in bituminous coal, with the result that regulation of the prices thereof and of unfair methods of competition therein is necessary to promote interstate commerce in bituminous coal and to remove burdens and obstructions therefrom.

Mr. DIRKSEN. Mr. Chairman, I would say a word or two about the theory and substance of price-fixing as outlined by my good friend the gentleman from New York [Mr. CROWTHER]. Particularly to those who live in what he calls the white coal areas let me say this: If you will go back and examine the Tennessee Valley Authority Act, which was passed in the celebrated 100 days of the Seventy-third Congress, you will find that we conferred upon the Tennessee Valley Authority the right to determine prices and the conditions under which the power generated at Muscle Shoals shall be carried across State lines. That is the first incident of regulation.

Secondly, when that power goes from Muscle Shoals and into Kentucky or into the State of Illinois, the utilities commission of the respective States assume jurisdiction. The distribution plant in my town, or in any other city of Illinois, or Kentucky, or any other State, can go before their utilities commission and exhibit the figures to show what their investment in the distributing system is. Their investment may be figured on the prudent investment theory or on the reproduction value theory, but it does not make any difference. They come in and show they have a certain amount of money invested in the distribution plant. They are entitled to 7 percent on the investment, we will say, plus 1¼ percent for depreciation. Through the instrumentalities of the State and Federal Governments, we absolutely guarantee a return and guarantee a price upon electrical energy as it is distributed in the different States. This is too elementary to require further amplification.

In respect to natural gas, 50,000 miles of natural-gas lines spread under this country. Huge pipe lines run from Amarillo to Detroit, St. Louis, Chicago, and elsewhere, bringing this gas to some 8,000,000 consumers. When it traverses a State line, not only the Federal Power Commission takes jurisdiction but the Federal Trade Commission can determine what the thermal efficiency of the gas shall be; and then when it goes into the distribution lines in my town in Illinois, or any other town, the public-utilities commission determines what the price per cubic foot shall be to the consumer. So, once more we guarantee the price and thereby, by implication at least, establish the theory of price fixing to ultimate

consumers of electricity and gas and at the same time guarantee an adequate return to the producers on their investment. The coal producers and miners ask similar preferment today, and it seems to me not only in the spirit of fairness, but, Mr. Chairman, I may say, in the interest of the welfare of 400,000 miners and of a $2,000,000,000 industry, we should give them the same kind of consideration we have accorded the electrical industry, subsidized by millions of Federal funds, and the gas industry. Only recently the gas industry applied to the P. W. A. for a $60,000,000 loan to build a pipe line from Amarillo, Tex., to Detroit, Mich., and St. Louis, Mo., to be 8 inches in diameter and to have a capacity to discharge, perhaps, 250,000,000 cubic feet of gas per day. In the face of this kind of competition the least we can do is to say to coal that since we are guaranteeing prices to their competitors we will at least give them a show for their money.

With respect to the consumer, I am not alarmed. I am just as much interested as anybody in protecting the rights of the consumers. The consumers will be protected by the persistent and relentless competition of electrical energy, petroleum energy, and natural-gas energy with coal. Coal producers would not dare raise the price so high as to alienate their market. This is the best guaranty the consumers of this country have. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MAY. One feature of the Tennessee Valley Authority Act is the authorization for three directors, agents of the Federal Government, to fix the price.

Mr. DIRKSEN. The gentleman is right. All the coal industry is asking in this hour of chaos is as fair and decent treatment as is now accorded its competitors. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

SEC. 4. The provisions of this section shall be promulgated by the Commission as the Bituminous Coal Code, and are herein referred to as the code. Producers accepting and operating under its provisions are herein referred to as code members.

For the purpose of carrying out the declared policy of this act, the code shall contain the following conditions and provisions, which are intended to regulate interstate commerce in bituminous coal and which shall be applicable only to matters and transactions in or directly affecting interstate commerce in bituminous coal.

Mr. GRAY of Pennsylvania. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is interesting to note that some of those people who are very much exercised over the question of entering into price fixing are unaware of the fact that many years ago the States of the Union entered into the realm of price fixing. I can cite you an example in the case of interest rates on lending money. At the time the interest rates were fixed at a certain amount for the use of money all the money lenders and usury sharks in the country raised a great hullabaloo against the States entering into price fixing in the matter of the amount to be paid for the use of money.

The history of the world indicates conclusively that many times in the past, prices have been fixed on commodities by governments. So it is not an entirely new proposition; and those people who desire to see the workers of the country prosper, who desire to see a great industry, a basic industry in these United States reform itself to the point where it can pay a reasonable wage to the man who works and return a reasonable profit on the capital invested, will not hesitate to aline themselves with this kind of legislation.

Now, we legislate through the public-service commissions of the States and fix the price which the consumer shall pay for electric current, and, as the gentleman from Illinois mentioned a few minutes ago, that certainly is a precedent. There are those who are very much wrought up about the Government entering into price fixing, but they are not really showing their true spirit. Their idea is to oppose, under cover of a smoke screen, legislation which the common people and the workers of this country realize is being enacted for their particular benefit.

I call attention to the fact that this bill will not increase the price of coal to the consumer. The fluctuation in the price of coal to the consumer without some such regulation is so great that the consumer pays a great deal more in the course of a year for coal than he would pay if there was a stabilized condition existing in the coal field. Furthermore, under the provisions of this bill, organized labor in the coal fields have a chance to work with the mine operators and those who produce the coal and have their money invested in its production.

Mr. Chairman, it is important for the country that we enact legislation rehabilitating those portions of the country which have been affected most by the depression or the so-called Hoover prosperity. This applies not only to the farmers but to nearly all industry and particularly does it apply to the coal industry.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 4-A. Without in any way limiting the scope or application of section 4, whenever prices in intrastate commerce in any locality cause any undue or unreasonable advantage, preference, or prejudice as between persons and localities in such commerce on the one hand and interstate commerce on the other hand, or any undue, unreasonable, or unjust discrimination against interstate commerce, such prices in such locality shall be subject to the provisions of section 4 hereof.

Mr. JENKINS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think every lawyer in this Congress should give strict attention to section 4, page 25, of this bill, for the reason he will be asked the question, no doubt, whether or not this bill applies to all coal produced. This bill might not apply to all coal produced. In other words, over on page 7 is a very important section which specifically declares the policy that this bill shall not apply to any coal except interstate coal. What is interstate coal? What is intrastate coal?

Many people have the idea that any coal produced in a State and consumed in the same State is intrastate coal. That may not be true. Much coal might be produced and consumed in a State and still be interstate, because it has a direct connection with the regular flow of coal, so that it comes within the definition as given by the court decisions fixing what is interstate commerce.

Section 4, page 25, specifically states what is interstate and what is intrastate. I am not going to attempt to tell you what it is, but you will find that this bill applies to practically all coal mined. Here is about the only exception I can think of. If a man has a coal mine in a community, and if he furnishes the full output of his coal mine to his immediate community, and if the output of his mine does not come in competition with any interstate coal, then his coal is strictly intrastate and will not come within the purview of this law. If you are a lawyer you will be asked by some of your constituents whether or not their coal will come within the purview of this law. You should direct your attention to section 4, page 25, in order to answer his question.

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the language on page 7 which precedes the organization and production section of the bill is substantially the same language as appeared in the former act. It reads as follows:

For the purpose of carrying out the declared policy of this act, the code shall contain the following conditions and provisions, which are intended to regulate interstate commerce in bituminous coal and which shall be applicable only to matters and transactions in or directly affecting interstate commerce in bituminous coal.

You will note that the coal sought to be regulated hereunder is interstate coal. We seek to regulate interstate commerce in bituminous coal, and this bill shall be applicable only to matters and transactions in or directly affecting interstate commerce in bituminous coal.

To further spell out the purpose of this act and its embracing effect, section 4 A was inserted. That is new language. This language is taken from the Interstate Commerce Commission Act. It is also found in the Shreveport case, which is a celebrated rate case in which the Supreme Court of the United States held that intrastate shipments, where they directly affected the interstate commerce and thereby came within the purview of the act, it was within the power of the Commission to fix rates upon such shipments.

I think that section 4 A goes no further than the other act. It simply clarifies the situation and shows it is only such intrastate shipments as directly affects interstate commerce in coal that will be affected by this bill.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Minnesota.

Mr. CHRISTIANSON. Does the gentleman from Kentucky agree with the statement made by the gentleman from Ohio as to the line of differentiation between interstate and intrastate coal?

Mr. VINSON of Kentucky. Rather than to make a statement of my own, I would prefer to say that my idea of the intrastate coal that will fall under this act is substantially as follows: "Whenever prices in intrastate commerce in any locality causes any undue or unreasonable advantage, preference, or prejudice between persons and localities in such commerce on the one hand, and interstate commerce on the other hand, or any undue, unreasonable, or unjust discrimination against interstate commerce, such prices in such locality shall be subject to the provisions of section 4 hereof."

That is the language the Supreme Court has already considered. It is language that is contained in the Interstate Commerce Commission Act, and it is language found in the Shreveport decision.

Mr. CHRISTIANSON. I was trying to reconcile the gentleman's statement of principle with the holding of the Supreme Court in the Schechter dead-chicken case.

Mr. VINSON of Kentucky. The Schechter case dealt with labor conditions and working conditions; and with transactions indirect in their effect. The labor section in the former bill has been stricken from this bill.

Mr. CHRISTIANSON. The gentleman will concede that a low price for chickens in the city of New York may indirectly and to some extent affect the price outside the city of New York?

Mr. VINSON of Kentucky. I would say to my friend it has to be more than an indirect effect; it has to be a direct effect to come under the Federal power.

Mr. CHRISTIANSON. Then I would proceed by asking the difference between a direct and an indirect effect. Is there any judicial interpretation of those words that would enable the gentleman to draw a line of distinction between direct and indirect effect?

Mr. VINSON of Kentucky. I think the Supreme Court either stated or intimated in the Schechter case that every tub stood upon its own bottom.

The Clerk read as follows:

SEC. 6. (a) All rules, regulations, determinations, and promulgations of any district board shall be subject to review by the Commission upon appeal by any producer, and upon just cause shown shall be amenable to the order of the Commission; and appeal to the Commission shall be a matter of right in all cases to every producer and to all parties in interest. The Commission may also provide rules for the determination of controversies arising under this act by voluntary submission thereof to arbitration, which determination shall be final and conclusive.

(b) Any person aggrieved by an order issued by the Commission in a proceeding to which such person is a party may obtain a review of such order in the Circuit Court of Appeals of the United States, within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days after the entry of such order, a written petition praying that the order of the Commission be modified or set aside in whole or in part. A copy of such petition shall be forthwith served upon any member of the Commission and thereupon the Commission shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, and enforce or set aside such order, in whole or in part. No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged below. The finding of the Commission as to the facts, if supported by substantial evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts, by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by substantial evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court, affirming, modifying, and enforcing or setting aside, in whole or in part, any such order of the Commission shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

The commencement of proceedings under this subsection shall not, unless specifically ordered by the court, operate as a stay of the Commission's order.

(c) If any code member fails or neglects to obey any order of the Commission while the same is in effect, the Commission in its discretion may apply to the Circuit Court of Appeals of the United States within any circuit where such code member resides or carries on business, for the enforcement of its order, and shall certify and file with its application a transcript of the entire record in the proceeding, including all the testimony taken and the report and order of the Commission. Upon such filing of the application and transcript the court shall cause notice thereof to be served upon such code member and thereupon shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the Commission. The findings of the Commission as to facts, if supported by substantial evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. In any proceeding brought under this subsection, and under subsection (b) immediately preceding, any code member shall be entitled to raise all issues of constitutional power or right and particularly to show that the matters or transactions with reference to which an order of the Commission was issued are not in or do not directly affect interstate commerce.

With the following committee amendment:

Page 27, line 20, after the word "interest" insert "including any State or any political subdivision thereof."

The committee amendment was agreed to.

Mr. HOBBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOBBS: Page 27 between lines 13 and 14 insert:

"SEC. 2½. Upon approval of the National Bituminous Coal Commission, the Secretary of the Interior is authorized to purchase, in the several States, coal mines, coal properties, coal lands, mining rights, leaseholds, royalties, and any interest in coal and lands containing bituminous-coal deposits withdrawn from production solely because of the operation and effect of this act, such acquisitions to be held and administered under the authority of the Secretary of the Interior, as other public lands are held and administered, subject, however, to the provisions of this act. The owners of such property so acquired shall be entitled to just compensation according to law.

"Any owner desiring to sell properties to the United States Government shall submit to the Commission his offer to sell, in writing, together with abstract of title, surveys, maps, and such other information respecting such properties and in such form as the Commission may, under its rules and regulations, require.

"For the purposes of this title there is hereby appropriated the sum of $300,000,000. To provide said sum there is hereby authorized to be issued by the Secretary of the Treasury of the United States $300,000,000, par value 2½-percent 50-year tax-exempt United States Government bonds, redeemable at par at any interest date. Said bonds shall be disposed of as follows:

"The purchase price of all properties acquired by voluntary sale shall be paid in said bonds which shall be accepted at their face value. A sufficient amount of said bonds shall from time to time be sold at the best market price obtainable therefor to provide funds for the payment in lawful money of the United States for all properties and rights acquired by condemnation in accordance with the provisions of this title.

"To provide funds for the administration of this section, the relocation and rehabilitation and the support and maintenance ad interim of miners who have lost employment by reason of the withdrawal of coal lands from mining operations solely because of the operation and effect of this act, and for the creation of a sinking fund to provide for the payment of interest on the retirement of the bonds issued hereunder, there is hereby levied a tax on each ton of bituminous coal produced in the United States and sold or otherwise utilized of the following cents per ton for the calendar years specified, namely:

"For the year 1937, 4 cents per ton; for the year 1938, 7.3 cents per ton; for the year 1939, 8.7 cents per ton; for the year 1940, 6.9 cents per ton; and for the year 1941 and each year thereafter until the bonds issued hereunder, together with interest thereon, shall have been paid, or until sufficient moneys have accumulated in the sinking fund hereinafter provided to pay the same, a tax of 3.21 cents per ton. These taxes shall be collected as other Federal taxes are collected and in accordance with such regulations as shall be prescribed by law and by the Commissioner of Internal Revenue. The taxes collected for the years 1937 to 1940, inclusive, shall be segregated and used for the following purposes:

"(a) For the administration cost of acquisition of properties during said years.

"(b) For payment of interest due and payable in said years on bonds issued hereunder.

"(c) For payment into a fund to be created and administered under the direction of the President of the United States and to be known as the 'miners' rehabilitation fund', providing for the rehabilitation and relocation of bituminous mine workers who have lost employment by reason of the withdrawal of coal properties from mining operations as provided under the provisions of this act.

"The amount of money to be paid into said rehabilitation fund from time to time shall be equal to 25 percent of the face amount of the bonds issued hereunder.

"The balance of any moneys remaining from the taxes collected in said years and after the provisions of (a), (b), and (c) above have been satisfied, shall be paid into a sinking fund for the retirement of bonds issued hereunder.

"All the proceeds of the tax collected for the year 1941, and each year thereafter, shall be used—

"(a) For the payments of administrative costs of acquisition of properties during the years 1941 and each year thereafter.

"(b) For payment into a sinking fund to pay the interest on and for the retirement of bonds issued hereunder."

Mr. VINSON of Kentucky. Mr. Chairman, I reserve a point of order against the amendment.

Mr. HOBBS. Mr. Chairman, without this amendment or a similar one, the constitutionality of this act is, to say the least, more doubtful. I do not contend nor do I think that even if so amended the act will be constitutional. But I am of the opinion that this amendment is a beneficial one from a constitutional standpoint, as well as of practical benefit both to the coal producers and miners.

To my mind it is perfectly apparent that the gentlemen who drew this bill are confusing the right of Congress to regulate interstate commerce in coal with the asserted but nonexistent right to regulate the price of the subject matter of the commerce. These two matters are entirely separate and distinct. The Supreme Court has never held that because pistols are sometimes used to interfere with interstate commerce Congress has the right to fix the price of fire arms. The confusion, I respectfully submit, may grow out of a misconception of the decisions in the grain pit, stockyards, and brokers' cases. These cases involve acts of Congress regulating the grain pit—not the raising of grain; the packer, not the whole business of production and distribution. If all bituminous coal was shipped to some central point and there washed, as a mere incident in its movement or consumption, in interstate commerce, then beyond question, the washery could be regulated by Congress if its practices or charges interfered with this stream of interstate commerce in coal. But no such practice could give Congress the right to regulate the whole coal business.

The indisputable right of Congress to regulate interstate commerce does not and cannot give the right to fix the price to be paid for the product which moves in interstate commerce. We may regulate the transitus and everything directly and materially affecting it. But not the practices at the place of production where transitus begins nor of the place to which the product moves and comes to rest after the transitus has ended.

Neither in the majority nor minority opinion of the Supreme Court in the recent Guffey Coal Act decision is it held that the so-called tax in the first Guffey bill was a tax. It is virtually conceded that it is not a tax but a penalty. Therefore that part of this bill which purports to levy the tax is not within the power of Congress to levy taxes.

The two powers to regulate commerce and to levy taxes are the only two pertinent in the consideration of the constitutionality of this bill. So if neither of such powers is broad enough to authorize such legislation as is here attempted, there is no escape from the conclusion that the pending bill is unconstitutional and void.

Under our oaths we are required to uphold and maintain the Constitution of the United States. The Nation is safe only if we do.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Gladly.

Mr. VINSON of Kentucky. Does the gentleman seriously think his amendment, which seeks to rehabilitate miners forced from work, strengthens the constitutionality of the bill?

Mr. HOBBS. It certainly does eliminate the question which would otherwise inevitably arise under the due-process clauses of the fifth and fourteenth amendments. The properties of coal producers should no more be taken without due process of law and without just compensation than any other kind of property. Neither should we by legislation deprive the miners of their work by closing the mines in which they are employed. This amendment would provide the funds necessary to rehabilitate the miners thrown out of employment by the operation of this act and compensate the operators for their property thus taken. It is fair. It places no undue burden upon the consumer. It simply would do justice to those who are to be inevitably adversely affected by the operation of this bill when it becomes a law.

The provision which I offer as an amendment here today, and which I offered to the original Guffey coal bill last year, was written, as I am informed, by Mr. John L. Lewis. It recognizes the fact that inevitably such fields as those in Alabama will be forced out of business by the operation of this kind of legislation. It provides for such eventuality honestly.

Alabama produces about 2 percent of the national soft-coal tonnage. More than 80 percent of the coal mined in Alabama is sold and consumed in Alabama. Less than 20 percent of it finds its way into interstate commerce. So it is inconceivable that Alabama can seriously affect the national picture.

Yet the devastating effect of such a piece of legislation as this is equally manifest. Alabama is one of the fields in which the cost of mining coal is excessively high. The thinness of our seams renders the use of the modern machinery impossible. For this reason the average production per man a day in Alabama is less than 3 tons, as compared with a production per man per day in some other fields as high as 8 tons. We have to wash 74 percent of all the coal mined in Alabama in order to make it marketable. Although our total production is only 2 percent of that of the Nation, yet we wash in Alabama one-third of the coal that is washed in the whole United States. These things mean higher cost than obtains in the more favored fields.

Not only is Alabama production cost higher, but our coal is faced with the keenest competition known to the business. Our coal has to compete with natural gas, coke-oven gas, crude oil, and low-cost industrial electricity. We cannot, therefore, increase the price of coal in Alabama without decreasing almost to the vanishing point the volume of sales. Our competing laborless fuel will get the customers who are now buying coal if the price of coal goes up at all. Not even the proponents of this bill deny that its effect will be to raise the price of coal. Hence this bill means shutting down of the coal-mining industry in Alabama.

Hence I beg of you that you consider the plight of the 15,000 men who dig coal in Alabama. They will inevitably be forced into the ranks of the unemployed if this bill is put into operation for even 1 year. I beg of you also to consider the plight of the mine owners and the equity asserted by this amendment that they be paid the fair price for their property of which they will be deprived by the operation of this act.

This bill may benefit some sections. It will crucify Alabama! I earnestly plead that you consult your consciences and not help drive the nail. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I make the point of order that the section to which the amendment is offered has been passed, that it carries an appropriation on a legislative bill, and that it is not germane to the section offered or to the bill.

The CHAIRMAN. The gentleman from Kentucky makes the point of order against the amendment offered by the gentleman from Alabama. Does the gentleman from Alabama desire to say anything on the point of order?

Mr. HOBBS. Mr. Chairman, having gone into that at length with the Chair upon a former occasion, I do not feel that the ruling will be swayed by anything that I might say.

The CHAIRMAN. The Chair has had occasion to study a similar point of order. When the original Guffey bill came before the House on August 17, 1935, the gentleman from Alabama [Mr. HOBBS] offered an identical amendment. The point of order was raised against the amendment at that time that it was not germane. That point of order was sustained by the Chairman who presided on that occasion. Therefore, this amendment being identical with the amendment submitted by the gentleman on a previous occasion, and not being germane, and carrying an appropriation, it is held out of order by the Chair. The point of order is sustained.

The Clerk read as follows:

SEC. 12. No coal may be delivered on or after April 1, 1937, upon a contract made prior to the effective date of this act at a price below the minimum price at the time of delivery upon such contract, as established pursuant to part II of section 4 of this act, and such contract shall be invalid and unenforceable.

With the following committee amendment:

Beginning on line 13, page 35, strike out all after "Sec. 12" and insert in lieu thereof the following:

"No coal may be delivered upon a contract made prior to the effective date of this act at a price below the minimum price at the time of delivery upon such contract, as established pursuant to part II of section 4 of this act, and such contract shall be invalid and unenforceable: *Provided*, That this prohibition shall not apply (a) to a lawful and bona-fide written contract entered into prior to October 2, 1933; nor (b) to a lawful and bona-fide written contract entered into subsequent to that date and prior to May 27, 1935, at not less than the minimum price current as published under the Code of Fair Competition for the Bituminous Coal Industry, pursuant to the National Industrial Recovery Act, at the time of making of such contract; nor (c) to a lawful and bona-fide written contract entered into on or after May 27, 1935, and prior to the date of the approval of this act, at not less than the minimum price for current sale as published under said code of fair competition, as at May 27, 1935."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 19. The term "bituminous coal", as used in this act, shall include all bituminous, semibituminous and subbituminous coal, and lignite. The term "producer" shall include all persons, firms, associations, corporations, trustees, and receivers engaged in mining bituminous coal. The term "captive coal" shall include all coal produced at a mine for consumption by the producer or by a subsidiary or affiliate thereof, or for use in the production of coke or other forms of manufactured fuel by such producer or subsidiary or affiliate.

Mr. CHRISTIANSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CHRISTIANSON: Page 39, line 20, strike out the word "lignite" and insert in lieu thereof the following: "Shall exclude lignite which is defined as a lignite coal having a calorific value in British thermal units of less than 7,600 per pound and having a natural moisture content in place in the mine of 30 percent or more."

Mr. CHRISTIANSON. Mr. Chairman, as will be noted from a reading of the amendment, the clear effect of it is to change the definition of bituminous coal so as not to include lignite, which is a product of the Northwest. I understand the Senate has adopted a similar amendment and that the amendment is acceptable to those in charge of the bill here.

Mr. VINSON of Kentucky. Mr. Chairman, I am happy to confirm the statement of the gentleman from Minnesota.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

The Clerk read as follows:

SEC. 21. This act shall cease to be in effect and any agencies established thereunder shall cease to exist on and after 4 years from the date of the approval of this act.

Mr. HUDDLESTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HUDDLESTON: Add to section 21, on page 40 at the end of line 11, the following: "This act shall not apply to any of the bituminous coal produced in any States in which more than 80 percent of the coal mined in such State during the year 1935 was consumed within said State."

Mr. HUDDLESTON. Mr. Chairman, the purpose of this amendment is to take the States of Alabama, Iowa, Kansas, Missouri, New Mexico, Texas, Washington, Oklahoma, and Colorado out of this bill. Each of those States consumes within its borders 80 percent or more of the coal which is produced within them.

The mines in these States are all high-cost mines. The coal fields are lean fields. Speaking for my own State, we are suffering not so much from prices as from lack of demand. What we most need is to sell more coal. If we could run anything like normal, at present prices and wages we would enjoy a very considerable degree of prosperity.

Our coal industry is suffering not only from the depression, but in these lean fields with high-cost mines we are suffering greatly from competition from oil, gas, and hydroelectric energy. The industry in my State is indeed a dying industry. With all these elements of competition, production has been reduced from a high of about 22,000,000 tons per annum to a bottom of about 8,000,000 tons per annum.

In offering this amendment I speak in behalf of the industry in my district and of the thousands of suffering miners who are working from 1 to 2 and 3 days a week; though the rate of wages is fairly satisfactory, the demand for the product is so low, due to these elements of competition, that no decent living can be made and no mines can be operated at a decent profit.

The tendency of this bill will be to oppress the high-cost mines and to shut them down, and to oppress the lean fields. The tendency will be to shut all of the lean coal fields out of competition with the rich central territory. I do not wonder that gentlemen representing coal fields which are more fortunately situated than those in my State should be enthusiastically in favor of this bill. Its real purpose is to put such coal fields as those in my county, where there are 15,000 mine operatives, out of business and out of competition with themselves.

We want to continue in business. Perhaps, as a matter of economic philosophy, it would be better to have fewer mines and fewer miners, but I would be unfaithful to the humble workers whom I represent if I cooperated in an effort which means their extinction as far as may be brought about by this legislation.

[Here the gavel fell.]

Mr. HUDDLESTON. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HUDDLESTON. Without the adoption of this amendment, the passage of this bill means that coal production in my district is to be reduced to meeting purely local demands by captive mines and other local demands. It means a still further reduction of the output of our mines. We consume in our State more than 80 percent of the coal that we produce there. Why should we be burdened with a bill such as this? Why should our suffering people have saddled upon their backs a piece of legislation which is deliberately drawn and which is being passed to strangle them.

I appeal to the sense of fairness of the House. I waive the questions of constitutionality, sound government, and economics in its broader aspects, and appeal to the Members of the House, if you have abandoned your regard for the constitutionality, if you have indeed abandoned your desire for sound economics, at least do not abandon your ideal of fairness and square dealing for my people who are now suffering. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I rise in opposition to the amendment.

I want to say to the House, while I am very much interested in this legislation, I do not represent a coal-producing district. However, I live close enough to coal-producing districts to know their problems and to have seen the misery existent, and to know that legislation of this character is needed.

The gentleman from Alabama [Mr. HUDDLESTON] speaks of a district where the cost of production is very high. That fact is recognized in this bill. Alabama, with a few counties in Georgia, as I recall it, is put in area no. 2, minimum price area no. 2.

Mr. HUDDLESTON. That also includes quite a number of counties in Tennessee.

Mr. VINSON of Kentucky. There are three counties in Tennessee that have been excepted.

On page 12 we find the minimum price area no. 2 to include southeastern district no. 13, except Van Buren, Warren, and McMinn Counties in Tennessee.

The southeastern district is composed of all producing counties in Alabama and the following counties in Georgia: Dade, Walker; and the following counties in Tennessee: Marion, Grundy, Hamilton, Bledsoe, Sequatchie, White, Van Buren, Warren, McMinn, and Rhea. Van Buren, Warren, and McMinn Counties were excepted. That is found on page 12 of the bill.

In other words, the high cost of production of coal in area no. 2 is taken into consideration.

What is a minimum-price area? A minimum-price area is a locality or area where you take the average weighted cost of the coal produced in that area. In other words, under this bill you do not take into consideration the low cost of production in other fields to which the gentleman referred. It is his own coal that fixes the average weighted cost.

But we do not stop with average weighted cost. The district boards of the gentleman's own coal-producing section meet and they fix the minimum price on their own coal. We do not stop there. We provide that the commission may coordinate prices in this area no. 2, separate and apart from the other minimum areas, in order that the coal may move as heretofore.

I grant that low-cost coals which compete with the coal of the gentleman from Alabama have an advantage. They have it under this bill, and they have it if no legislation is enacted at all, but I submit that we have been very careful to see to it that the coal produced in area no. 2 and all the areas of this country will move as it has moved heretofore.

Mr. HUDDLESTON. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. HUDDLESTON. How are we going to compete with oil and gas and hydroelectric energy with the price of coal boosted as proposed by this bill?

Mr. VINSON of Kentucky. How can it be done if there is no legislation? Mr. Chairman, that is an economic condition which exists, legislation or no legislation. I am saying that the coal in this area, as well as the other area, is segregated, and it is competing coal that goes into the make-up of the average weighted cost in an area. Now I read from page 13 of the bill:

> The minimum prices so proposed shall reflect, as nearly as possible, the relative market value of the various kinds, qualities, and sizes of coal, shall be just and equitable as between producers within the district, and shall have due regard to the interests of the consuming public.

Further on the same page occurs this language:

> *Provided*, That all minimum prices established for kind, quality, or size of coal for shipment into any consuming market area shall be just and equitable as between producers within the district: *And provided further*, That no minimum price shall be established that permits dumping.

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. VINSON of Kentucky. That is the minimum price; but, as I said a moment ago, we do not stop with this minimum price, we coordinate the prices of the coal in area no. 2. We say that—

> Such coordination among other factors, but without limitation, shall take into account the various kinds, qualities, and sizes of coal and transportation charges upon coal. All minimum prices established for any kind, quality, or size of coal for shipment into any consuming market area shall be just and equitable, and not unduly prejudicial or preferential, as between and among districts.

Listen to this language, my friends. I had something to do with writing this because I am interested in protecting the coal areas of this country and because I want to see coal move as it moved heretofore. I wrote this language into the old bill. This coordinated price now—

> Shall reflect, as nearly as possible, the relative market values, at points of delivery in each common consuming market area, of the various kinds, qualities, and sizes of coal produced in the various districts; to the end of affording the producers in the several districts substantially the same opportunity to dispose of their coals upon a competitive basis as has heretofore existed.

Mr. Chairman, I want to say to the House in connection with the reference of the gentleman from Alabama to Oklahoma, and possibly Arkansas, that not only are the workers, the miners in these States interested in this bill, H. R. 12800, but the operators, though opposing the old bill, seeing the advantages that come through coordinated prices, have solemnly endorsed this legislation.

Mr. CUMMINGS. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. CUMMINGS. What effect will this have on the production of lignite coal in northern Colorado?

Mr. VINSON of Kentucky. Lignite has been excluded under an amendment offered by the gentleman from Minnesota, and adopted by the committee.

Mr. REECE. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. REECE. In reference to the effect of this proposed legislation upon the price of coal, does it not in effect impose a 1½ percent sales tax? It is referred to here, of course, as an excise tax.

Mr. VINSON of Kentucky. That is not in this bill.

Mr. REECE. It is in section 3. It imposes an excise tax of 15 percent upon all the coal that is sold, and then provides for a refund of 90 percent in the case of the code signers. Does not this in effect levy a sales tax of 1½ percent on all the coal that is mined, and likewise on captive coal?

Mr. VINSON of Kentucky. It would be 1½ percent upon coal that is subject to the provisions of the bill.

Mr. REECE. It is a sales tax in effect, is it not, and to that extent would it not increase the price of coal and have the same effect any other sales tax would have?

Mr. VINSON of Kentucky. The gentleman can call it a sales tax if he wants to.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. JENKINS of Ohio. If the amendment of the gentleman from Alabama were adopted, would it not practically nullify the whole effect of the pending bill?

Mr. VINSON of Kentucky. That is my theory, that it would practically destroy the effectiveness of the bill. I ask that the amendment be rejected.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment of the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. HUDDLESTON) there were—ayes 53, noes 86.

So the amendment was rejected.

The Clerk read as follows:

SEC. 22. The Bituminous Coal Conservation Act of 1935 is hereby repealed to be effective from and after the approval of this act. There is hereby authorized to be appropriated from time to time such sums as may be necessary for the administration of this act. All sums appropriated or made available to the National Bituminous Coal Commission and to the consumers' counsel of the National Bituminous Coal Commission created under the Bituminous Coal Conservation Act of 1935 are hereby transferred to and made available for the administration of this act.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read the committee amendments, as follows:

Page 40, lines 13 and 14, strike out "to be effective from and after the approval of this act."

Page 40, line 16, after the word "sums", insert "heretofore or hereafter."

Page 40, line 21, strike out "transferred to and made available for" and insert "authorized to be reappropriated for use in."

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

Mr. KELLER. Mr. Chairman, I want to call attention to a few facts in reference to a matter which seems to be badly mixed in the minds of many Members. This information was furnished me by the Bureau of Standards.

The amount of current generated by water power at the present time is about 7 percent of the current now in use. The amount of additional water power that may be developed economically will not exceed 3 percent additional, or a total of 10 percent of the amount of current now being produced. At the present time, 6 percent of the current in use is produced from natural gas or petroleum products. That will be entirely out within a period of 15 years. We have therefore the statement that there is not exceeding 7 percent of the present current produced by water power and not exceeding 6 percent by oil and gas; therefore, 87 percent of the production is by soft coal.

The next thing is this. If we go ahead with our expansion of production and distribution of electric current, the estimates of the Department are that no less than four times the present amount of electric current will be produced during the next few years. So that with water power producing 10 percent of our present current or one-fourth that proportion when we are producing four times as much as at present, with gas and oil out, 2½ percent of the amount of current then in use will be produced from water power, and 97½ percent will be from soft coal. This will require an additional production of 84,000,000 tons of soft coal per year, in addition to what we are now producing. This will put to work about 100,000 miners all over the country. There is an abundance of coal now in sight in the United States for all purposes to last at least 5,000 years, and that is too far off to justify worrying about just now.

With this bill, we are leading toward jobs that will come naturally as a part of the industrial development of the country. That is what we ought to be driving toward all the time—a job for every man and woman who wants to work.

Those who believe it is all wrong to fix prices for coal ought to consider these facts: The price for freight and passenger service is fixed by the Interstate Commerce Commission; the price for gas and electric current is fixed by the various State commissions; every tariff law is a price-fixing law. Most of the articles used by us have the price fixed to a greater or less extent by tariff rates or regulations. The prices of all our manufactured drinks and smokes are largely fixed by our internal-revenue laws. The whole system of collective bargaining is for the purpose of fixing wages.

Our agricultural products require fixing, and where one method fails the Congress promptly steps in and provides some other method for achieving the same object.

Most of our laws and customs tend to or do in fact result in price fixing of some kind or other. Just why coal should be denied a price that will relieve poverty is beyond my understanding.

My colleagues, who lean so heavily on the possible nullification of this bill when it becomes a law, ought not to fail in discussing the matter to point out that this is just another case in which five members of the Supreme Court voted to nullify the act of Congress and four voted to sustain the act of Congress. Just one man of that court assumes that he has the power to overrule the whole Congress and President of the United States. Though the Constitution, which he assumes to interpret, makes no such provision, grants no such power to the Supreme Court, much less to the one man who actually decides the case in all these five-four nullifications. These presumptuous justices ought to awaken to the fact that an insistence on such a power can lead but to one thing—that is, to a curtailment of such a course. A change of one man in the personnel of the present Supreme Court could completely reverse the several nullifications which have recently been insisted upon by five members against four. Their sense of proportion ought to teach them better than that.

Now, finally, I want to put a question to those of my colleagues whose heart goes out to the poverty-stricken coal miners who want to help these unfortunates but who refuse to vote for this bill: What remedy have you for all this suffering and misfortune? Have you a right to resist any remedy proposed in behalf of humanity without yourself proposing a remedy? Are you justified in preventing any honest attempt at relieving such palpable misery?

[Here the gavel fell.]

The pro-forma amendment was withdrawn.

The Clerk read as follows:

SEC. 23. This act may be cited as the Bituminous Coal Act of 1936.

ANNEX TO ACT—SCHEDULE OF DISTRICTS

EASTERN PENNSYLVANIA

District 1. The following counties in Pennsylvania: Bedford, Blair, Bradford, Cambria, Cameron, Centre, Clarion, Clearfield, Clinton, Elk, Forest, Fulton, Huntingdon, Jefferson, Lycoming, McKean, Mifflin, Potter, Somerset, Tioga.

Armstrong County, including mines served by the P. & S. R. R. on the west bank of the Allegheny River, and north of the Conemaugh division of the Pennsylvania Railroad.

Fayette County, all mines on and east of the line of Indian Creek Valley branch of the Baltimore & Ohio Railroad.

Indiana County, north of but excluding the Saltsburg branch of the Pennsylvania Railroad between Edri and Blairsville, both exclusive.

Westmoreland County, including all mines served by the Pennsylvania Railroad, Torrance, and east.

All coal-producing counties in the State of Maryland.

The following counties in West Virginia: Grant, Mineral, and Tucker.

WESTERN PENNSYLVANIA

District 2. The following counties in Pennsylvania: Allegheny, Beaver, Butler, Greene, Lawrence, Mercer, Venango, Washington.

Armstrong County, west of the Allegheny River and exclusive of mines served by the P. & S. R. R.

Indiana County, including all mines served on the Saltsburg branch of the Pennsylvania Railroad north of Conemaugh River.

Fayette County, except all mines on and east of the line of Indian Creek Valley branch of the Baltimore & Ohio Railroad.

Westmoreland County, including all mines except those served by the Pennsylvania Railroad from Torrance, east.

NORTHERN WEST VIRGINIA

District 3. The following counties in West Virginia: Barbour, Braxton, Calhoun, Doddridge, Gilmer, Harrison, Jackson, Lewis, Marion, Monongalia, Pleasants, Preston, Randolph, Ritchie, Roane, Taylor, Tyler, Upshur, Webster, Wetzel, Wirt, Wood.

That part of Nicholas County, including mines served by the Baltimore & Ohio Railroad and north.

OHIO

District 4. All coal-producing counties in Ohio.

MICHIGAN

District 5. All coal-producing counties in Michigan.

PANHANDLE

District 6. The following counties in West Virginia: Brooke, Hancock, Marshall, and Ohio.

SOUTHERN NO. 1

District 7. The following counties in West Virginia: Greenbrier, Mercer, Monroe, Pocahontas, Summers.

Fayette County, east of Gauley River and including the Gauley River branch of the Chesapeake & Ohio Railroad and mines served by the Virginian Railway.

McDowell County, that portion served by the Dry Fork branch of the Norfolk & Western Railroad and east thereof.

Raleigh County, excluding all mines on the Coal River branch of the Chesapeake & Ohio Railroad.

Wyoming County, that portion served by the Gilbert branch of the Virginian Railway lying east of the mouth of Skin Fork of Guyandot River and that portion served by the main line and the Glen Rogers branch of the Virginian Railroad.

The following counties in Virginia: Montgomery, Pulaski, Wythe, Giles, Craig.

Tazewell County, that portion served by the Dry Fork branch to Cedar Bluff and from Bluestone Junction to Boissevain branch of the Norfolk & Western Railroad and Richlands-Jewell Ridge branch of the Norfolk & Western Railroad.

Buchanan County, that portion served by the Richlands-Jewell Ridge branch of the Norfolk & Western Railroad and that portion of said county on the headwaters of Dismal Creek east of Lynn Camp Creek (a tributary of Dismal Creek).

SOUTHERN NO. 2

District 8. The following counties in West Virginia: Boone, Clay, Kanawha, Lincoln, Logan, Mason, Mingo, Putman, Wayne, Cabell.

Fayette County, west of, but not including mines of the Gauley River branch of the Chesapeake & Ohio Railroad.

McDowell County, that portion not served by and lying west of the Dry Fork branch of the Norfolk & Western Railroad.

Raleigh County, all mines on the Coal River branch of the Chesapeake & Ohio Railroad and north thereof.

Nicholas County, that part south of and not served by the Baltimore & Ohio Railroad.

Wyoming County, that portion served by Gilbert branch of the Virginian Railway lying west of the mouth of Skin Fork of Guyandot River.

The following counties in Virginia: Dickinson, Lee, Russell, Scott, Wise.

All of Buchanan County except that portion on the headwaters of Dismal Creek east of Lynn Camp Creek (tributary of Dismal Creek) and that portion served by the Richlands-Jewell Ridge branch of the Norfolk & Western Railroad.

Tazewell County, except portions served by the Dry Fork branch of Norfolk & Western Railroad and branch from Bluestone Junction to Boissevain of Norfolk & Western Railroad and Richlands-Jewell Ridge branch of the Norfolk & Western Railroad.

The following counties in Kentucky: Bell, Boyd, Breathitt, Carter, Clay, Elliott, Floya, Greenup, Harlan, Jackson, Johnson, Knott, Knox, Laurel, Lawrence, Lee, Letcher, Leslie, McCreary, Magoffin, Martin, Morgan, Owsley, Perry, Pike, Rockcastle, Wayne, Whitley.

The following counties in Tennessee: Anderson, Campbell, Claiborne, Cumberland, Fentress, Morgan, Overton, Roane, Scott.

The following counties in North Carolina: Lee, Chatham, Moore.

WEST KENTUCKY

District 9. The following counties in Kentucky: Butler, Christian, Crittenden, Daviess, Hancock, Henderson, Hopkins, Logan, McLean, Muhlenberg, Ohio, Simpson, Todd, Union, Warren, Webster.

ILLINOIS

District 10. All coal-producing counties in Illinois.

INDIANA

District 11. All coal-producing counties in Indiana.

IOWA

District 12. All coal-producing counties in Iowa.

SOUTHEASTERN

District 13. All coal-producing counties in Alabama.

The following counties in Georgia: Dade, Walker.

The following counties in Tennessee: Marion, Grundy, Hamilton, Bledsoe, Sequatchie, White, Van Buren, Warren, McMinn, Rhea.

ARKANSAS-OKLAHOMA

District 14. The following counties in Arkansas: All counties in the State.

The following counties in Oklahoma: Haskell, Le Flore, Sequoyah.

SOUTHWESTERN

District 15. All coal-producing counties in Kansas. All coal-producing counties in Texas. All coal-producing counties in Missouri.

The following counties in Oklahoma: Coal, Craig, Latimer, Muskogee, Okmulgee, Pittsburg, Rogers, Tulsa, Wagoner.

NORTHERN COLORADO

District 16. The following counties in Colorado: Adams, Arapahoe, Boulder, Douglas, Elbert, El Paso, Jackson, Jefferson, Larimer, Weld.

SOUTHERN COLORADO

District 17. The following counties in Colorado: All counties not included in northern Colorado district.

The following counties in New Mexico: All coal-producing counties in the State of New Mexico, except those included in the New Mexico district.

NEW MEXICO

District 18. The following counties in New Mexico: Grant, Lincoln, McKinley, Rio Arriba, Sandoval, San Juan, San Miguel, Santa Fe, Socorro.

The following counties in Arizona: Pinal, Navajo, Graham, Apache, Coconino.

WYOMING

District 19. All coal-producing counties in Wyoming.

The following counties in Idaho: Fremont, Jefferson, Madison, Teton, Bonneville, Bingham, Bannock, Power, Caribou, Oneida, Franklin, Bear Lake.

UTAH

District 20. All coal-producing counties in Utah.

NORTH DAKOTA-SOUTH DAKOTA

District 21. All coal-producing counties in North Dakota. All coal-producing counties in South Dakota.

MONTANA

District 22. All coal-producing counties in Montana.

WASHINGTON

District 23. All coal-producing counties in Washington. All coal-producing counties in Oregon.

The Territory of Alaska.

Mr. LEWIS of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, perhaps my invasion of your time is uncalled for, that opinions have been sufficiently formed, and that withal I have no testimony which would be of value in forming an opinion. I must confess to being a very partial witness on this subject. As far as I can trace the Lewis name on this continent and on the continent of Europe, it has been associated with the mining of coal and with incidents in the history of the romance and tragedy of coal mining which the collier does not read in this day with any feeling of satisfaction.

Mr. Chairman, in all my experience with legislation I have never known legislation that worked so much good to a given industry and its workers and owners as did the application of our N. R. A. legislation to the bituminous coal mining industry of the United States. [Applause.]

Had I, the son of a miner and a miner myself, been told in earlier years: "Lewis, the day will come when your heart will go out to the coal operator", I should have thanked him and said, "Well, sir, you are simply overestimating my powers of magnanimity as a coal digger." But, Mr. Chairman, that time came in the history of bituminous coal mining. It came in 1926 and succeeding years. I have known mining conditions in my own State and in States where I had worked in my boyhood when the plight of the operator was, if possible, more deplorable than that of the miner who dug the coal. Chronic bankruptcy for the operator and his life's savings gone. You can understand what that means. And the miner's wages, well, they compared with 33-cent wheat. You can also understand what that means. Why such failure, such misery in a leading industry, you ask? Charge it up to the superior efficiency and the breakdown of the rule of laissez faire in the coal-mining industry.

Mr. Chairman, you are not being asked today to carry a cripple or to revive an invalid economic institution. The coal-mining organization of the United States is one of the most efficient and effective in all the world's role of industries. The coal miner of the United States produces four times as much coal per man employed per year as does the rival industry in Germany, Great Britain, and elsewhere. Indeed, if it were not for this superefficiency we should have no such problem as we are facing today. If by some mandate of nature or higher power the efficiency of the American coal miner were reduced to one-half, the price of coal would lead skyward within 24 hours. The American miner produces about 1,000 tons to the European's 250 per year. It is this superior efficiency, coupled with the break-down of competition as a conservative regulator in bituminous-coal mining, Mr. Chairman, that has produced this problem, which has brought nearly all the operators, and all the miners to the House of Representatives of the United States, asking that their day in the land may be one of reasonable protection and justice.

[Here the gavel fell.]

Mr. PETTENGILL. Mr. Chairman, I ask unanimous consent that the distinguished gentleman from Maryland may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LEWIS of Maryland. You may be prone to ascribe my judgment in this matter to personal bias and to local interest. I have no complaint to make if, indeed, that be your tendency of thought but allow me to urge this consideration upon you. All the other great coal-mining nations of the world have found it necessary to take the step that is being proposed to you this afternoon, and when I say other great coal-mining nations I refer particularly to German mining and mining in Great Britain.

For 40 years past the Germans have found it necessary to take control of the bituminous-coal industry and regulate the marketing and the price making of coal. In 1930 the British people, surely no less devoted to the principle of laissez faire and Adam Smith than any Member of this body, have found it necessary to take the same step, and so have organized a coal cartel in Great Britain patterned somewhat after that of the German Empire. It has been my duty to study closely the operation of these cartels in both Germany and Great Britain. No one has ever suggested a resulting evil under these cartels to be the presence of excessive prices. No complaint has been raised in Germany, none has been raised in Great Britain that the coal cartel has meant the infliction of unjust prices upon the consuming public. We have, then, the examples of these two countries to guide us in the constructive work we are considering here today.

Mr. Chairman, I thank you for the patience you have shown me thus late in the debate. I wish also, indeed, to thank the greatly esteemed author of this bill, the gentleman from Kentucky [Mr. VINSON], for the energy, for the acumen, and for the wisdom he has supplied in the construction of this measure. Perhaps his children or his children's children will live to a day, as my grandfather's children have lived, to find the name of FRED M. VINSON coupled with another great name in the history of beneficent coal-mining legislation on the other side of the Atlantic Ocean, the name of a noble lord. Oh, yes; there have been noble lords. I remember my father telling me in the mines of a Lord Ashley, who, stooping down from his lordly position, lifted the women from the coal mines of Wales. I congratulate the miners of America that they have such a Representative in this body and I thank my brother from Kentucky for the noble work he has done. [Applause.]

Mr. NICHOLS. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, like the distinguished gentleman from Maryland, I have also been raised in a mine. My father has been a miner for over 50 years. Incidentally, not a coal miner, but a hard-rock miner in the lead and zinc mines of the Joplin district and in the gold and silver fields of the mountains of Colorado, and as a youngster, starting at about 9 years of age, I began my apprenticeship on the end of a double jack and I have swung a pick for many an 8-hour shift and have pushed a wheelbarrow farther than my mother ever pushed me in a baby buggy. So I know something about the problems of the miners. I have worked for day wages many a weary day, month in and month out, underground, and Mr. Chairman, it is not an easy way to make a living.

I have just returned from my district in Oklahoma, wherein is located a great coal-mining industry. I left there yesterday by airplane and flew back here for the sole purpose of being able to be present to support the passage of this legislation. I left there in the middle of a campaign for reelection because I know of how much importance this bill is to the coal digger.

When the Guffey coal bill was up for consideration last year in this body I found that the coal operators of my district were bitterly opposed to its passage. I stood on the floor of this House then and worked for its passage, because I knew of the miners' needs, despite the opposition of the operators. Practically every Member of this House knows that the death of Will Rogers and an earlier consideration of the bill than was anticipated prevented me from being in the House to record my vote at that time. But you all remember my work and vote for adoption of the conference report on the bill when it came back here from the Senate.

The need for this legislation now is just as urgent as it was then.

The miners of my district and the operators also, in fact the entire coal industry there, are suffering near unto death; surely no one of you will object to furnishing them this little medicine, which this bill offers, that before it is too late we might administer to them and save their very lives. Give them this bit of protection and we will hope that the Supreme Court will not again blast their hopes of a fighting chance for their white alley.

Therefore, I sincerely hope that no amendment will be adopted to the bill which will cripple it, and I sincerely trust that this House in a few minutes now will, by an overwhelming vote, adopt the measure in exactly the form in which it came from the committee. [Applause.]

Mr. MURDOCK. Mr. Chairman, I move to strike out the last three words. Most sections of the United States in which the production of bituminous coal is an important industry have been heard from in connection with H. R. 12800, introduced by Hon. FRED VINSON, of Kentucky, and commonly known as the Guffey-Vinson coal bill, except the Rocky Mountain section. After listening to the debate on this bill in the House today, there is no question of its ultimate passage. I am deeply interested in this legislation due to the fact that numbered among my constituents are many hundreds of coal miners whose social and economic welfare depends largely on the prosperity of the coal-mining industry. There are no people in my district in whom I am more interested or prouder to represent than these coal miners. So, notwithstanding the lateness of the hour or the fact that there is little need for further debate on this bill, I cannot refrain from taking sufficient time to advise the House that I am wholeheartedly behind this bill and trust that it will be passed without any amendments which would tend to impair it or its administration. It is a substitute for the Guffey-Snyder coal bill, which was held unconstitutional by the Supreme Court.

In his inaugural address Franklin D. Roosevelt pledged himself to action in behalf of the American people, the great majority of whom he found in dire distress, economically and socially, by reason of inaction on the part of a Republican administration. In this inaugural address he promised and pledged himself to do something to alleviate the suffering of the American people. He also promised that if what he did failed for any reason he would not stop but would try something else and continue trying, profiting by past experience, until prosperity had been restored to America. There is no greater evidence of the President's good faith, nor the good faith of this Democratic Congress, than the very admirable action taken in connection with this coal-industry legislation. There was no industry in the United States more sorely afflicted by economic chaos than was the bituminous-coal industry of the United States. Appreciating this fact, and being anxious to aid the people engaged in this very important industry, it, in connection with all other industries of the United States, was first given relief through the N. I. R. A., which act, as you all know, was declared unconstitutional.

The easy thing to do at that time would have been for the administration to quit and for us to say, "It is impossible for us to aid industry by reason of the Supreme Court decision." But such inaction and excuses were in direct conflict with the principles of President Roosevelt and the Democratic Congress. Under the N. I. R. A. the bituminous-coal industry, along with all other industries, began to flourish and prosper. Happiness was substituted for misery and

want, coal miners went back to work, coal operators made a profit. But by its decision the Supreme Court struck down this beneficial legislation with one fell stroke, regardless of what it had demonstrated and regardless of what it held in the future for industry.

Having in mind the pledges of the Democratic administration, and sensing the chaos which would result to the bituminous-coal industry by reason of the Supreme Court decision, we enacted the Guffey-Snyder Coal Act, not for the purpose of getting around the Supreme Court's decision but in good faith determined insofar as possible to restore the benefits of the N. I. R. A. within the Constitution. Under the Guffey-Snyder Act the bituminous-coal industry continued to flourish. Confidence was restored, and this great industry was again moving ahead; but once again the Supreme Court announced that this bill was also unconstitutional, and regardless of its great benefit to the industry it was also stricken down. In referring to the Supreme Court decisions, I do not want my statements construed as at all critical. I realize the importance to our constitutional form of Government of the Supreme Court, but I refer to them for the purpose of showing the courage and initiative of the Democratic administration in its efforts in behalf of the coal industry.

We could have again quit after the decision on the Guffey coal bill, and we could have very gracefully referred to the Supreme Court decision as a barrier to further legislation in behalf of the coal miners and coal operators. But once again, under the authorship in the House of the Honorable FRED VINSON, of Kentucky, legislation was again introduced in behalf of the bituminous-coal industry and the millions of miners and thousands of operators engaged therein and wholly dependent thereon, not in an effort, as has been indicated by Republican Members who have spoken on this bill, to get around the Supreme Court decision, but in the best of faith endeavoring to conform to that decision and at the same time to alleviate suffering and to prevent chaos which must ensue if legislative remedy were not provided.

I was interested and amused at the argument against this bill made by the gentleman from New York on the Republican side, Hon. FRANK CROWTHER. The substance of his argument against the bill was simply this: That he realized the deplorable condition of the bituminous-coal industry; that the people engaged therein, especially the miners, had his heartfelt sympathy; and that, if he knew the pending bill would remedy the situation, he would vote for it; but that he was not sure that it would do the job and for that reason he was unwilling to support it. He is willing to follow the course of the Republican administration under ex-President Herbert Hoover, fully appreciating the dire distress of the people, intensely deploring their poverty, want, misery, and suffering, but still willing to sit idly by and do nothing, except to tell the sufferers that prosperity was just around the corner. Happily this is not the philosophy of the Democratic Party, which, under the leadership of President Roosevelt and men such as FRED VINSON, of Kentucky, will continue our offensive against economic depression and social injustice, knowing that by action and not inaction these maladies can be cured.

The magnanimity, fair-mindedness, and generosity of the coal miners of the United States have been emphatically demonstrated by their attitude on this legislation, in this, that notwithstanding the fact that the labor provisions of the Guffey Act were held unconstitutional, they are still willing to join hands with the operators on other features of the legislation in the hope that permanent prosperity will be restored to the industry for all engaged therein.

In conclusion I urge my Democratic colleagues to support this legislation and I am satisfied it will pass by an overwhelming vote.

Mr. VINSON of Kentucky. Mr. Chairman, I rise in opposition to the pro-forma amendment. During the course of debate we heard fear expressed as to an increase in the price of coal. I was very much interested in listening to the reading of the memorial from the great Commonwealth of Massachusetts in opposition to this bill, and for the edification of the House I will read a few excerpts from a very splendid statement.

A steady supply of coal is a public necessity since it is a necessity of life to the people of all the States of the United States for use in homes, offices, schools, hospitals, and public buildings, for the operation of their public utilities, and of the mills and factories on which they depend for occupation; the stoppage or serious interference with the supply of this necessity has caused in the past and will cause in the future widespread suffering by the lack of coal to heat the homes, schools, hospitals, and work places of the people with resultant serious consequences to their health, by the break-down of public service of transportation, light, heat, and power. Experience has shown that a labor disturbance in the coal industry is accustomed to spread to all mines or to such a large proportion of them as to seriously hamper, if not to completely cut off, the supply of coal to widely spread communities in many or all the States of the Union, thus causing a Nation-wide emergency and the possibility of great disaster.

SEC. 3. Whenever in the opinion of the President, there is immediate danger of cessation of production of coal to such extent as to create a national emergency, or when such cessation of production has taken place, the President shall issue a proclamation declaring such national emergency, and may thereafter requisition and take over the plant, business, and all appurtenances used in the production and preparation for and marketing of coal and used by the operator in connection with any mine in which operation has ceased or cessation is threatened, and may operate or cause to be operated during the continuance of such national emergency any property so requisitioned and taken over, in such manner and through such agency as he may direct.

SEC. 4. (a) Any operator whose plant, business, and appurtenances shall have been requisitioned and taken over by the President shall be paid a just compensation for the use thereof during the period that the same may be requisitioned and taken over as aforesaid, which compensation the President shall fix or cause to be fixed.

(b) Such compensation shall be paid annually or more frequently, as the President may provide, and shall be paid pro rata for any part of a year of his operation.

(c) Any operator not satisfied with the compensation fixed by the President or under his authority may file a petition with the Court of Claims for the purpose of determining the amount of such just annual compensation. Proceedings in the Court of Claims under this section shall be given precedence and expedition in every possible way.

SEC. 5. (a) The President may fix prices for which and conditions under which coal shall be sold at wholesale or retail, and may require all dealers to whom coal is sold to agree to sell at prices and under conditions so fixed or to be so fixed, and may refuse to sell coal to dealers not so agreeing or who fail to keep such agreement.

Mr. Chairman, I have been reading the answer to the memorial of the great Commonwealth of Massachusetts, one of the three Commonwealths of the Union, which a distinguished leader of the minority, the gentleman from Massachusetts [Mr. TREADWAY], wrote into a bill—H. R. 5263—which he introduced in the House January 11, 1924. One criticism is made that this is a price-fixing bill. The Treadway bill was a price-fixing bill. And remember, my friends, that in the bill under discussion here there is no such nationalization scheme as is set forth in the bill of my distinguished friend from Massachusetts. Now it is improper to regulate the coal industry; then it was not only an urgent need but a duty.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired. Under the rule the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 12800, and pursuant to House Resolution 535 he reported the bill back to the House with sundry amendments adopted by the Committee.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. VINSON of Kentucky. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and thirty-one Members are present, a quorum.

The question is on the passage of the bill.

Mr. TABER. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. As many as favor taking the vote by yeas and nays will stand and remain standing until counted. [After counting.] Thirty-nine Members have arisen; not a sufficient number. The yeas and nays are denied.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 161, and noes 90.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN B. H. WARING—VETO MESSAGE (H. DOC. NO. 507)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I am returning herewith, without approval, H. R. 10785, entitled "An act for the relief of John B. H. Waring."

This bill provides that in the administration of any laws conferring rights, privileges, or benefits upon officers retired from active service in the United States Army for physical disabilities incurred in the line of duty, John B. H. Waring, formerly captain in the Medical Corps, shall be held and considered to have been retired from active service with the rank of captain on May 5, 1917, for physical disability incurred in line of duty, and that he shall be entitled to receive retired pay from such date.

I have been informed by the War Department that Dr. Waring was on active duty as a first lieutenant, Medical Reserve Corps, from October 1, 1908, to July 5, 1909, when he entered the Regular Army as a first lieutenant in the Medical Corps, and was promoted to captain on June 25, 1912. He was wholly retired (discharged) from the military service with 1 year's pay, May 5, 1917, under the provisions of sections 1252 and 1275, Revised Statutes.

It appears that Dr. Waring's separation from the military service was the culmination of a series of incidents extending over a period of several years. While serving in the Philippine Islands in 1911, he contracted an eye injury from exposure to sun glare, following which he was under medical treatment and care for a considerable portion of his remaining service. During this period his medical records include notations of hypochondriasis, and neurasthenia, and long after the medical officers concluded that his eye condition was cured, he refused to accept their findings. His opposition to the views of the medical officers led to complications which resulted in his trial and conviction by general court-martial in 1916 for insubordination and failure to comply with orders, he being reduced 25 files on the lineal list of captains in the Medical Corps.

He was subsequently brought before a retiring board in January 1917, which found in substance that he was incapacitated for active service by reason of a neurosis affecting the function of the eyes; that the exciting cause of the incapacity was an illness in the Philippines in 1911; that the underlying or fundamental cause was a defective nervous system; that said incapacity was not incident to the service; and that it was not permanent. Before acting on the retiring board's report the War Department had Dr. Waring especially observed and examined at Letterman General Hospital, San Francisco, Calif., by eye and nerve specialists who had not previously been associated with the case. The authorities at that hospital found that he was suffering from asthenopia, hysteroneurasthenic form, due to an inherent unstable nervous organization which existed prior to commission, and therefore not in line of duty; and expressed the opinion that such disability was permanent. Thereupon he was wholly retired as authorized by law.

It further appears that special legislation has previously been enacted authorizing the placing of Dr. Waring on the retired list of the Army. I refer to an act of Congress approved May 6, 1922 (Public, No. 210, 67th Cong., S. 667), which authorizes the President to appoint Dr. Waring in the Medical Corps with such rank as he would have attained had he not been discharged, and then to place him on the retired list of the Army.

From my study of the facts in this case, as presented to me, I do not feel justified in signing H. R. 10785. This bill is further objectionable in that it authorizes the payment to Dr. Waring of a sum amounting to approximately $34,000, representing retired pay as a captain for the 19 years that have elapsed since he was returned to civil life, and during which he has in no way been connected with the military service.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 16, 1936.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. McSWAIN. Mr. Speaker, I move that the message be printed, and that the message, together with the bill to which it refers, be referred to the Committee on Military Affairs.

The motion was agreed to.

EXTENSION OF REMARKS

Mr. VINSON of Kentucky. Mr. Speaker, I ask unanimous consent to extend my own remarks on the bill H. R. 12800 and include certain excerpts from court decisions, letters, reports, and so forth.

The SPEAKER. Is there objection?

There was no objection.

MEN AND MONEY

Mr. FOCHT. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a very short address by the president of Bucknell University.

The SPEAKER. Is there objection?

There was no objection.

Mr. FOCHT. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by Arnaud C. Marts, acting president, Bucknell University, at the Thirty-ninth Annual Meeting of Group IV, Pennsylvania Bankers Association, at Bucknell University, April 18, 1936:

An interesting definition of a college president was recently given by Dr. W. M. Lewis, president of Lafayette College. "A college president," he said, "is a pillar of brass by day and a cloud of gas by night."

The mayor of Chicago recently addressed a gathering on the subject of money and he eulogized his subject in the following language: "Money is a useless commodity and a baffling subject. Time and again it has been proved to be a nonessential to human happiness. It does not buy love; it never purchases position or prestige or pleasure; men care nothing for it; it fails to assure its owner a place in society, and has no part in the thoughts of any of us." He paused, looked about at his mystified audience, and added, "I refer, of course, to Confederate money."

As to real money, most men have a hunger for it and their lives are built around their efforts to obtain it. Many men feel toward money as did Jock McTavish, the Scotsman whose 4-year-old son swallowed a guinea gold piece. The mother rushed out to her neighbor crying, "My little boy has swallowed a gold guinea!" "Gracious," said the sympathetic neighbor, "is he in danger?" "No," replied Mrs. McTavish, "thank goodness, his father is out of town."

There are three things we can do with money and there are three sorts of people, who can be categoried with respect to which one of these three uses of money gives them the greatest satisfaction.

The American people, as a whole, use their income each year for these three uses in the following approximate ratios:

We spend 85 percent of our income.

We save 12 percent of our income.

We give away 3 percent of our income to building up and maintaining our churches, colleges, hospitals, and other cultural agencies.

You gentlemen here tonight represent the 12 percent—the attitude of thrift and prudence. I represent the 3 percent—the need of ploughing under enough of our income each year to maintain the agencies which create character and health and education and the other refinements of life.

During the past few years you 12 percenters and we 3 percenters have been losing some ground, while the advocates of the 85 percent, the spenders, have been gaining ground. It has become a bit unfashionable in recent years to advocate saving and thrift. Spending is the fashion of today. The modern

developments in scientific merchandising and advertising lure us and drive us to spend and to spend and, again, to spend. Every known human motive has been studied by the merchandisers with scientific precision, and a barrage of advertising is assaulting us during every waking hour, aimed accurately at our vanity, our credulity, our social and our personal ambitions, and breaking down all our remaining sales resistance. If we have no more money to spend, well, never mind, spend anyway—a dollar down and the rest later. "One more payment", said the proud young parents as they fondled their 2-year-old daughter, "and she's ours."

Is it not time for you 12 percenters and for us 3 percenters to defend our uses of money against the too aggressive onslaught of the 85 percenters? After all, spending alone does not lead to human happiness. The gadgets we buy may make life look finest on the surface, but they bring little permanent happiness to the human heart.

Should not you 12 percenters be saying that, after all, no individual can live a happy life who continues to spend more than he earns; that no society can be a happy society which is profligate in its spending; that no nation can endure indefinitely on deficits.

We must learn again the old-fashioned doctrine of the old-fashioned bankers—that the wise man accumulates first and spends afterward, out of what he has rather than out of what he hopes he will get in the future.

The 12-percent policy—that is, the policy of thrift and prudence—is essential to personal and social well-being, and I hope you can make it popular with the American people again.

The 3 percent is of supreme importance, also, for it is out of this 3 percent which we give away voluntarily to the Nation's cultural agencies that we draw our richest satisfactions.

With this 3 percent we maintain our 220,000 churches which, if placed side by side, would form one continuous belt from New York to Los Angeles. Here in these churches, which are maintained entirely by the voluntary gifts of those who care, is generated moral character, without which our banking laws and even our bank vaults would not be worth a straw. Here in these churches these voluntary institutions, are generated the love of God and the love of humanity, two loves which make life worth the living.

Out of this 3 percent we also maintain America's 832 voluntary colleges and universities, of which our own beloved Bucknell is one. Every brick in this building where we now meet, and in every one of the 28 other buildings on this beautiful campus, is a token of the unselfishness of a fine-grained man or woman who gave some of his or her money to the service of youth. And when one sees these splendid young ladies who are serving this dinner as a way of earning a portion of their own education here at Bucknell, and the equally fine group of young college men who are beyond those swinging doors working in the kitchen for their college education, one realizes that gifts made to the education of youth are appreciated and eternally worth while. Those who deny themselves the satisfaction of a selfish pleasure in order to make gifts to our voluntary colleges provide the means by which 550,000 of our choice young people each year widen the horizon of their lives and grow in capacity to serve their fellow men.

Then, out of the 3 percent we also maintain 2,700 voluntary hospitals in America, with beds enough in them in which to hospitalize at one time all the inhabitants of Harrisburg, Reading, Wilkes-Barre, and Williamsport.

Out of this 3 percent we train our 1,000,000 Boy Scouts, our 350,000 Girl Scouts, and hundreds of thousands of boys and girls who are enrolled in other character-forming groups such as the Y. M. and Y. W. C. A., the Y. M. and Y. W. H. A., and the Catholic Youth Clubs.

It is for this 3 percent I plead, and it is for your 12 percent I speak. May they hold their own in these difficult days of sales appeal! May they, indeed, increase their pull on the pocketbooks of the sane people of the land.

For the happiness of our Nation is not to be found, in the last analysis, in pretty faces, nor in snappy suits, nor in shiny cars, nor in showy homes, nor in any of the numerous manifestations of luxurious spending.

True happiness will be found in the future, as in the past, in the possession of reserves against the rainy day—in your 12 percent—and in the deep satisfaction of soul which comes from sacrificing selfish desires in order to serve God and to uplift humanity to higher levels of character, intelligence, and refinement. "This thing of giving," said George F. Burba, "I do not understand it, any more than you do, but there is something about it that blesses us. * * * Those who give most have most left. * * * I believe that everyone who dries a tear will be spared the shedding of a thousand tears. * * * I believe that every sacrifice we make will so enrich us in the future that our regret will be we did not sacrifice the more. * * *

"Give—and somewhere, from out the clouds, or from the sacred depths of human hearts, a melody divine will reach your ears and gladden all your days upon the earth."

EMERGENCY FARM MORTGAGE ACT OF 1933

Mr. PIERCE. Mr. Speaker, I call up the conference report on the bill (H. R. 9484) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, and I ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9484) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: "That the terms of this Act shall not permit additional or new land to be brought into production outside of the present boundaries of any established or reorganized irrigation district"; and the Senate agree to the same.

R. M. KLEBERG,
AUG. H. ANDRESEN,
FRED C. GILCHRIST,
E. M. OWEN,
WALTER M. PIERCE,
Managers on the part of the House.

CARTER GLASS,
FREDERICK STEIWER,
W. G. MCADOO,
ROBERT D. CAREY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9484) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment:

The House bill provided in a proviso at the end of section 1 that the terms of the act should not permit additional or new land to be brought into production. The Senate amendment struck out this proviso and substituted therefor the provision that "it is not intended that additional lands will thereby be brought into production." This would have restored the language of the existing law which is amended by the act. The House recedes with an amendment substituting for the Senate language the following: "The terms of this act shall not permit additional or new land to be brought into production outside of the present boundaries of any established or reorganized irrigation district."

R. M. KLEBERG,
WALTER M. PIERCE,
E. M. OWEN,
FRED C. GILCHRIST,
AUG. H. ANDRESEN,
Managers on the part of the House.

Mr. SNELL. Does the gentleman intend to make some explanation of this bill?

Mr. PIERCE. Yes. There is only a slight difference between the House bill and the Senate bill. They mean practically the same thing. However, there was a difference, so a conference was asked for; and a conference was held between the House and Senate, and the words agreed upon are as they appear in the statement.

Mr. SNELL. There is no material increase of land?

Mr. PIERCE. No. That was the bone of contention. That was the question, and it was agreed there would be no increase.

Mr. SNELL. Of course, there could be a material increase if we took in all the land in regularly established or organized districts. The language of the Senate is much broader than the language of the House bill.

Mr. PIERCE. Yes; but the gentleman will notice that the language agreed upon was the language that was considered.

Mr. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. ANDRESEN. The Senate bill provided that under the provisions of their bill it was not intended that new land would be brought into cultivation, while the agreement reached by the conferees was that the terms of this act shall not permit any additional lands. Also that there shall be no intent that any new land shall be put into cultivation. This makes it definite that no new land shall be put into cultivation.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. CHRISTIANSON. Then the purpose of this bill will be to provide funds for the refinancing of existing projects?

Mr. PIERCE. A very few districts that could not come in under the old law. For instance, a district that was not organized at the time the original law was passed was cut off. This allows them to present their claims to the Reconstruction Finance Corporation. It only affects about a dozen districts in the United States.

Mr. CHRISTIANSON. But most of the money will be used for refinancing of projects which have already been undertaken and not for the purpose of financing new projects. Am I right?

Mr. PIERCE. Absolutely.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. RICH. We understand that in the Emergency Farm Mortgage Act that is not the case—that they are going to try to bring in more land. Through the construction of the Bonneville Dam and other dams in Western States we are going to bring into cultivation hundreds of thousands of acres of land. Is not this bringing in additional land?

Mr. PIERCE. Not under the terms of the bill.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

WELFARE OF AMERICAN SEAMEN

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8597) entitled "An act to amend section 13 of the act of March 4, 1915, entitled 'An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea'; to maintain discipline on shipboard; and for other purposes", with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. BLAND, SIROVICH, RAMSPECK, LEHLBACH, and WELCH.

AMENDMENT OF COASTWISE LOAD-LINE ACT

Mr. BLAND. Mr. Speaker, I call up the conference report on the bill (H. R. 11915) to amend the Coastwise Load-Line Act, 1935, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11915) to amend the Coastwise Load Line Act, 1935, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, and 3, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: Before the word "tugs" in said amendment insert "steam colliers" and a comma; and the Senate agree to the same.

S. O. BLAND,
WM. I. SIROVICH,
ROBERT RAMSPECK,
FREDERICK R. LEHLBACH,
RICHARD J. WELCH,
Managers on the part of the House.

ROYAL S. COPELAND,
MORRIS SHEPPARD,
WALLACE H. WHITE, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11915) to amend the Coastwise Load Line Act, 1935, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On Senate amendments nos. 1, 2, and 3: The House bill provided that in the establishment of load-water lines on passenger vessels due consideration shall be given to, and differential shall be made for (among other things) the stability of the vessel in a damaged condition. The said amendments modified this provision by substituting for "stability of the vessel in a damaged condition" the provision "probable stability of the vessel if damaged." The House recedes from its disagreement to the said amendments.

On Senate amendment no. 4: The House bill provided that, in respect of discretion vested in the Secretary of Commerce to vary from load-line marks established by treaty, such discretion applied (in addition to vessels on the Great Lakes) to vessels engaged in special services on interisland voyages and on coastwise voyages from port to port in the continental United States. The Senate amendment struck out the term "vessels" and inserted in lieu thereof "tugs, barges, and self-propelled barges." The House recedes with an amendment adding "steam colliers" to the Senate insertion.

S. O. BLAND,
WM. I. SIROVICH,
ROBERT RAMSPECK,
FREDERICK R. LEHLBACH,
RICHARD J. WELCH,
Managers on the part of the House.

Mr. BLAND. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DISTRIBUTION OF CONGRESSIONAL RECORD

Mr. LAMBETH submitted the following conference report and statement on the bill (S. 3440) to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3440) to amend certain Acts relating to public printing and binding and the distribution of public documents and Acts amendatory thereof, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 7, and agree to the same.

Amendment numbered 12: That the Senate recede from its disagreement to the amendment of the House numbered 12, and agree to the same with an amendment, as follows: In lieu of the number proposed by the House insert: "one hundred"; and the House agree to the same.

Amendment numbered 14: That the Senate recede from its disagreement to the amendment of the House numbered 14, and agree to the same with an amendment, as follows: In lieu of the number proposed by the House insert: "sixty eight"; and the House agree to the same.

Amendment numbered 16: That the Senate recede from its disagreement to the amendment of the House numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter proposed by the House insert the following:

"To each joint committee and joint commission in Congress, as may be designated by the Joint Committee on Printing, two copies of the daily, one semi-monthly copy, and one bound copy.

"To the Secretary and the Sergeant at Arms of the Senate, for office use, each, six semi-monthly copies.

"To the Clerk, Sergeant at Arms, and Doorkeeper of the House, for office use, each, six semi-monthly copies.

"To the Joint Committee on Printing, ten semi-monthly copies."

And on page 6, line 15, of the engrossed bill, after the word "To" insert: "the Vice President and"; and the House agree to the same.

Amendment numbered 44: That the Senate recede from its disagreement to the amendment of the House numbered 44, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out insert:

"To the office of the Parliamentarian of the House of Representatives, two copies."

And on page 9, line 22, of the engrossed bill, after the word "many" insert: "daily and"; and the House agree to the same.

J. WALTER LAMBETH,
WILLIAM B. BARRY,
ROBERT F. RICH,
Managers on the part of the House.

CARL HAYDEN,
DUNCAN U. FLETCHER,
A. H. VANDENBERG,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3440) to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the conference report submitted herewith:

On amendment no. 7: This amendment relates to the procedure necessary in order to have an illustration published in the CONGRESSIONAL RECORD.

On amendment no. 12: The Senate provided for 105 copies of the daily RECORD to be furnished to each Senator. The House changed this number to 88 copies. The conferees compromised by making it 100 copies for each Senator.

On amendment no. 14: The Senate provided 75 copies of the daily CONGRESSIONAL RECORD for each Representative, but the House changed this number to 60 copies. The conferees compromised by making it 68 copies for each Representative.

On amendment no. 16: This amendment provided for three copies of the daily RECORD for each joint committee and joint commission in Congress. The conferees compromised by authorizing two copies of the daily RECORD for each joint committee and joint commission, and added a provision that the Secretary and Sergeant at Arms of the Senate, and the Clerk, Sergeant at Arms, and Doorkeeper of the House, should each be furnished for office use with six semimonthly copies and that the Vice President also should receive one semimonthly copy.

On amendment no. 44: This amendment authorized the delivery of one copy of the Statutes at Large to the Chief Justice and each Associate Justice of the Supreme Court. The House struck out this language and provided that the entire edition should be supplied to the library of the Supreme Court for distribution to the personnel of the Court. The Senate conferees accepted this amendment and in addition provided that the Parliamentarian of the House of Representatives should be furnished two copies of the statutes and that the depository libraries should each receive one copy of the daily CONGRESSIONAL RECORD.

J. WALTER LAMBETH,
WILLIAM B. BARRY,
ROBERT F. RICH,
Managers on the part of the House.

Mr. LAMBETH. Mr. Speaker, I call up the conference report on the bill (S. 3440) to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

Mr. SNELL. Mr. Speaker, will the gentleman from North Carolina explain what changes have been made in the number of CONGRESSIONAL RECORDS available to Members, and so forth?

Mr. LAMBETH. Since 1903 it has been the law that each Member of the House is entitled to 60 copies of the daily RECORD and each Senator 88, the provision being that those Members who do not take all of their daily RECORDS are entitled to the difference in bound RECORDS. One of the chief purposes of this bill is to provide a definite quota of bound RECORDS. The bill provides three bound RECORDS for each Representative and five for each Senator. This will result in a considerable saving, because the cost of a bound RECORD is about $17.75, as against $7.60 for the daily RECORD. In addition, it operates to delay the publication of the bound RECORD until it is known at the conclusion of the session just how many daily RECORDS have not been used.

The Senate increased the number of daily RECORDS to 105 for each Senator and to 75 for each Representative. The House left the number of daily RECORDS the same as heretofore. In the conference it was agreed that the increase would be in the same ratio as that in force heretofore, which would give each Member of the House 8 additional daily RECORDS and each Senator 12, making a total to each Senator of 100 and to each Member of the House 68. This will offset the saving on the bound RECORDS, so there is no additional cost in this bill.

Mr. SNELL. These are the principal changes in the bill?

Mr. LAMBETH. Yes.

Mr. KVALE. Mr. Speaker, will the gentleman yield?

Mr. LAMBETH. I yield.

Mr. KVALE. If the experience of other Members is similar to mine I may say that the number of daily CONGRESSIONAL RECORDS at the disposal of Members of Congress is wholly insufficient.

I have been hoping that the conferees would see fit to increase the number on the House side as well as on the Senate side.

Mr. LAMBETH. We have increased the number, I may say to the gentleman. There is an increase of eight for each Member of the House.

Mr. KVALE. That is not sufficient. The libraries, the colleges, and the high schools of our various districts cannot be accommodated, much less the individuals who want to be served.

Mr. LAMBETH. Probably an unlimited number of RECORDS could be distributed gratuitously if we had them, but the committee did not feel it wanted to add any additional cost, and that is the effect of this conference report.

Mr. BLANTON. Will the gentleman yield?

Mr. LAMBETH. I yield to the gentleman from Texas.

Mr. BLANTON. The country newspapers of our districts are the mouthpiece of the people they serve. The only way they can gather correct information about what goes on in the Congress is through the daily CONGRESSIONAL RECORD which they receive. These copies not only serve the schools, colleges, and public libraries, but the editors themselves ask for the RECORD. What disproportionate increase is allowed the Senate? I know there is always a disproportion in favor of the Senate. What is the disproportion now?

Mr. LAMBETH. The proportion is the same as it has been all the time since 1895.

Mr. BLANTON. Is it the same?

Mr. LAMBETH. It is the same. I will repeat that under the present law each Senator receives 88 and each Representative 60. Under the conference report each Senator will receive 100 to 68 for each Member of the House, exactly the same ratio as previously existing.

Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF RETIREMENT PRIVILEGE TO THE DIRECTOR, ASSISTANT DIRECTORS, AND SPECIAL AGENTS OF THE FEDERAL BUREAU OF INVESTIGATION

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4552) to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. RAMSPECK. The Senate passed this bill yesterday. Last night the House passed an identical House bill, the Senate bill not having come over. If this bill is passed I am going to vote to vacate the proceedings in reference to the House bill passed last night.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (b) of section 3 of the act approved July 3, 1926, chapter 801, as amended (U. S. C., title 5, sec. 693, subdivision (b)), be, and it is hereby, amended to read as follows:

"(b) Superintendents of United States national cemeteries, and such employees of the offices of solicitors of the several executive departments, of the Architect of the Capitol, of the Library of Congress, of the United States Botanic Garden, of the recorder of deeds and register of wills of the District of Columbia, of the United States Soldiers' Home, of the National Home for Disabled Volunteer Soldiers, of the State Department without the continental limits of the United States who are United States citizens and not within the Foreign Service as defined in the act of May 24, 1924, and amendments thereof, of the Indian Service at large

whose tenure of employment is not intermittent nor of uncertain duration, and the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation of the Department of Justice."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the proceedings by which the House passed the bill H. R. 11152 be vacated, and that the bill be laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

SHOREWOOD POST OFFICE

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in connection with a branch post office to be erected in my district and to include therein copies of correspondence I have had with the Post Office Department as well as copies of letters received from the Department.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, because of some confusion of opinion relative to the proposed erection of a branch post office in the village of Shorewood in my district, I am taking this opportunity to clarify the history of this much-needed project upon which bids are about to be let by the Government.

When the project was originally brought to the attention of the Post Office Department and the Public Works Administration, the Government proceeded to advertise for offers of land upon which to erect a building. On the opening of bids a site was finally selected and a purchase of land was agreed upon. The original proposal was to expend some $35,000 upon the construction of a building and transfer was contemplated by the postal authorities of all the facilities of station H, now within the confines of the city of Milwaukee, to the new proposed branch. When the purchase of land was agreed upon, as a Representative from that district, I was invited to appear before the joint Treasury-Post Office committee to discuss with them the proposed plans for erection of the Shorewood branch and the abandonment of station H. At that time I stated to the committee that while I was entirely in accord with the erection of a branch post office in the village of Shorewood in my district, I was also of the opinion that while the citizens of that village were entitled to the very best postal service possible I did not wish to see any section of my district discriminated against and deprived of adequate service, which might very likely happen if station H was entirely abandoned.

In keeping with those representations before the committee as well as with the knowledge that I had submitted to the Joint Treasury-Post Office Committee all the information that had come to me in my capacity as a Representative of that district, I approved the beginning of work on plans, specifications, and other details in connection with the building's erection in January 1936. This approval was contingent upon the agreement of the Post Office Department to continue facilities in the vicinity of station H so that the citizens of that section might continue to enjoy the same post-office service and facilities that they have had during the operation of station H.

Subsequent to my appearance before the Treasury-Post Office Committee I addressed a letter to the Honorable W. W. Howes, First Assistant Postmaster General, the purpose of which was to obtain a commitment of record that if and when the Shorewood branch post office was built, facilities would be continued in the vicinity of station H, from which I quote:

MY DEAR MR. HOWES: I am in receipt of your letter of March 23 relative to the proposal to abolish station H of the Milwaukee post office and create a new branch to be known as the Shorewood branch.

As I outlined to you, I have no objection to the creation of a Shorewood branch if the people now being served by station H are not to be discriminated against by the removal of this station and the substitution of the Shorewood branch, which is so much farther away from the citizens of Milwaukee.

I believe that the village of Shorewood is entitled to good service in connection with the receipt and delivery of its mails, but I do not believe this village is entitled to better service than the city of Milwaukee, which would be the case if the Shorewood branch is completed and operated according to present plans and station H is abandoned. I must again point out that I shall have to object most strenuously to the creation of a new branch post office in a village and the abandonment of a station in the city of Milwaukee which has served that area most satisfactorily for a good many years.

I am sure that a proposed plan can be worked out by the Milwaukee authorities whereby both Shorewood and the sections of Milwaukee in the area of station H will be given equal consideration and service, and I look forward to having submitted to me a concrete proposal by the postal authorities in Milwaukee and here at Washington which I will be able to use to assure my constituents in the city that they are not being discriminated against in the contemplated creation of a Shorewood branch.

THOMAS O'MALLEY,
Member of Congress.

Following a long and continued investigation by the Post Office Department I was greatly pleased to find that my efforts had resulted at last in not only bringing about a satisfactory adjustment and agreement for the erection of a post-office building in Shorewood, but the Department had finally agreed to the continuance of certain postal facilities in the vicinity of station H. On April 7, 1936, the following letter was received by me from the Post Office Department acknowledging that an agreement concerning the building of this branch office had been reached and that station H facilities would be continued for the benefit of residents of that portion of the city of Milwaukee lying within my district. With the receipt of these assurances from the Post Office Department I addressed my letter of approval for construction to the Treasury Department, Admiral C. J. Peoples, Director of Procurement, which is reproduced herewith:

I am in receipt of your letter of April 13, in which you advised me that the Joint Treasury-Post Office Committee has decided to issue instructions whereby the architectural division will proceed with the preparation of plans for construction of a postal station at Shorewood, Milwaukee County, Wis.

Quite some time ago I appeared before the joint committee, giving them the benefit of the information laid before me, first, concerning the opposition of constituents of mine in the city of Milwaukee against the abolishment of station H and the proposed transfer of the facilities for money order, stamp purchase, and other postal service from station H to the Shorewood branch, some 3 or more miles distant. After months of protracted correspondence and discussions with the Post Office Department, that Department has agreed to continue service from station H or some similar station in the city of Milwaukee. This decision upon the part of the Post Office Department removes, of course, any service reason which might hold the building of the Shorewood station in further abeyance.

At the time, however, of my appearance before your committee I requested that the said committee make an investigation concerning the incidents surrounding the bids and the subsequent purchase of land for this station, but have heard no more from the committee as to whether or not such investigation has been made. If the committee has thoroughly inquired into the details of the offers of land on the bids and the final purchase, I would appreciate very much being advised by letter as to whether or not the committee is satisfied that the sale of this land to the Government was accomplished strictly in accordance with governmental regulations.

THOMAS O'MALLEY, M. C.

On April 23 I received a confirmation of my approval of the beginning of the construction of this needed project from the Acting Director of Procurement. This letter is appended herewith:

MY DEAR MR. O'MALLEY: Reference is made to your letter of April 15, bearing upon the Federal building project at Shorewood station, Milwaukee, and particularly inquiring as to whether the Joint Treasury-Post Office Committee is satisfied with the procedure incident to the acquisition of the site for the proposed building.

Your interest in this case is appreciated, and you may be assured that the committee, in giving careful consideration to the details in connection with this site acquisition, has taken steps whereby the Government will be fully protected.

W. E. REYNOLDS,
Acting Director of Procurement.

I am taking this opportunity to report the success of these negotiations with both the Post Office and Treasury Departments and a complete and satisfactory solution of the erection of a branch post office in my district, and in particular a

solution and an agreement which will work out for the benefit and advantage of both the citizens of Shorewood and Milwaukee.

While the negotiations, as is so often true of governmental activities, caused some short delay, the resultant effects have been of direct beneficial results. We have now obtained for the populace of an important section of the Fifth District, not only a new branch post-office building which will be larger and capable of providing greater service than originally planned, but we have been able, through these negotiations, to continue important facilities of station H for the benefit of those citizens of the Fifth District living in and around the original location of that station. The old adage that proceeding cautiously in the providing of additional Government facilities usually results in a more thorough study and more efficient decision has admirably applied to this important project. The aid and information submitted both myself and the committee by citizens and public-spirited leaders of both Milwaukee and Shorewood has been of invaluable assistance in hastening a completion of the agreement between my office and the postal authorities on this station.

The citizens of Shorewood will now enjoy postal services and postal facilities equal to any metropolitan area of its size in the United States and the citizens of the areas surrounding station H will not be deprived of the facilities and service to which they, as citizens of the metropolitan section of Milwaukee, are entitled and which they have enjoyed for years. It gives me a great deal of pleasure to bring the major facts and correspondence incident to the conclusion of these negotiations to the attention of my constituency and to point out that bids for the construcion of this new governmental building are about to be advertised for by the Treasury Department.

In spite of the fact that petitions are on record with the Post Office Department that groups of citizens of Shorewood desired a separate post office, the Department has also on record the communications of the Village Board of Shorewood in which a branch post office is requested. Since the Department has no option but to favorably consider the recommendations of the authorities and leaders of any community in the provision of postal service, I have not presumed to advise the postal authorities on what appears to be entirely a matter of local opinion, feeling confident that whatever policy is decided upon in relation to the Shorewood post-office building will be solely for the provision of the best service possible under the laws and regulations governing the postal division of the Government.

FEDERAL FARM LOAN ACT

Mr. JONES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10101) to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 12, strike out "three" and insert "two."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. STEFAN. Reserving the right to object, will the gentleman explain this bill?

Mr. JONES. This simply reduces the period of the reduction of the rate of interest from 2 to 1 year. Otherwise it is the same. It makes it only for 1 year and then goes back to the contract rate.

Mr. STEFAN. Is this a compromise on the 3½-percent Federal farm bank matter?

Mr. JONES. Yes.

Mr. STEFAN. Originally we expected to have it run 2 years?

Mr. JONES. Yes; but the Senate reduced it to 1 year, and in order to get a bill we agreed to that amendment. In this connection I wish to say that the entire Agriculture Committee has favored this bill. But I want to pay special tribute to WALL DOXEY, FRED BIERMANN, and FRED GILCHRIST, all of whom have taken special interest in getting a low interest rate for farmers. The farmers owe much to them and to all the members of the committee.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was agreed to.

ADEQUATE FACILITIES FOR PARKS, PARKWAY, AND RECREATIONAL AREA PURPOSES

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10104), "An act to aid in providing the people of the United States with adequate facilities for park, parkway, and recreational-area purposes, and to provide for the transfer of certain lands chiefly valuable for such purposes to States and political subdivisions thereof", with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of the Interior (hereinafter referred to as the 'Secretary') is authorized and directed to cause the National Park Service to make a comprehensive study, other than on lands under the jurisdiction of the Department of Agriculture, of the public park, parkway, and recreational programs of the United States, and of the several States and political subdivisions thereof, and of the lands throughout the United States which are or may be chiefly valuable as such areas, but no such study shall be made in any State without the consent and approval of the State officials, boards, or departments having jurisdiction over such lands and park areas. The said study shall be such as, in the judgment of the Secretary, will provide data helpful in developing a plan for coordinated and adequate public park, parkway, and recreational-area facilities for the people of the United States. In making the said study and in accomplishing any of the purposes of this act, the Secretary is authorized and directed, through the National Park Service, to seek and accept the cooperation and assistance of Federal departments or agencies having jurisdiction of lands belonging to the United States, and may cooperate and make agreements with and seek and accept the assistance of other Federl agencies and instrumentalities, and of States and political subdivisions thereof and the agencies and instrumentalities of either of them.

"SEC. 2. For the purpose of developing coordinated and adequate public park, parkway, and recreational-area facilities for the people of the United States, the Secretary is authorized to aid the several States and political subdivisions thereof in planning such areas therein, and in cooperating with one another to accomplish these ends. Such aid shall be made available through the National Park Service acting in cooperation with such State agencies or agencies of political subdivisions of States as the Secretary deems best.

"SEC. 3. The consent of Congress is hereby given to any two or more States to negotiate and enter into compacts or agreements with one another with reference to planning, establishing, developing, improving, and maintaining any park, parkway, or recreational area. No such compact or agreement shall be effective until approved by the legislatures of the several States which are parties thereto and by the Congress of the United States.

"SEC. 4. As used in sections 1 and 2 of this act the term 'State' shall be deemed to include Hawaii, Alaska, Puerto Rico, the Virgin Islands, and the District of Columbia."

The SPEAKER. Is there objection to the request of the gentleman from Utah?

Mr. SNELL. Mr. Speaker, reserving the right to object, I think the gentleman should explain what this bill means.

Mr. ROBINSON of Utah. There is no change from the bill as passed by the House, and, so far as the amendment is concerned, the Senate bill has struck out several items of the bill as it passed the House, but left in practically the same wording as the House had with reference to making a survey of parks and parkways.

Mr. SNELL. That is all there is to it?

Mr. ROBINSON of Utah. Yes.

Mr. RICH. It is not the intent and purpose of this bill to set up any other organization in order to do this survey work?

Mr. ROBINSON of Utah. No.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

The title was amended to read as follows:

An act to authorize a study of the park, parkway, and recreational-area programs in the United States, and for other purposes.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. ROBINSON of Utah. I am recommending to the House that they accept H. R. 10104 as amended and passed by the Senate.

I should like to call to the attention of the House, and make a matter of record, the fact that the last part of section 1 authorizes and directs the Secretary of the Interior, through the National Park Service, to seek and accept the cooperation and assistance of all Federal departments or agencies having jurisdiction over lands belonging to the United States, and that in so authorizing and directing the Secretary of the Interior to pursue this course, the intent of the bill is that the Federal departments and agencies shall furnish the information when requested.

With the above statement, I recommend that the House accept the Senate amendments to H. R. 10104.

D. E. WOODWARD

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6258) for the relief of D. E. Woodward, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ROANOKE ISLAND, N. C.

Mr. WARREN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12799) to authorize the coinage of 50-cent pieces in commemoration of the three hundred and fiftieth anniversary of Sir Walter Raleigh's colony on Roanoke Island, N. C., known in history as the Lost Colony, and the birth of Virginia Dare, the first child of English parentage to be born on the American Continent, and her baptism, with Senate amendments, and concur in the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 1, line 8, strike out "and her baptism", and amend the title.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

PROTECTION TO WORKMEN ON UNITED STATES PROPERTY

Mr. WELCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12599) to provide more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property wherever situated, belonging to the United States of America, by granting to the several States jurisdiction and authority to enter upon and enforce their State workmen's compensation, safety, and insurance laws on all property and premises belonging to the United States of America, with Senate amendments, and concur in the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 1, lines 5 and 6, strike out ", safety, and insurance."

Page 2, line 2, strike out "enter into and upon" and insert "apply such laws to."

Page 2, line 5, strike out all after "State," down to and including "on" in line 10 and insert "and to."

Page 2, line 15, strike out all after "be" down to and including "thereunder" in line 24.

Page 3, line 5, strike out ", safety, and insurance."

Page 3, line 12, strike out ", safety, and insurance."

Page 3, line 13, after "designated", insert ": *Provided further*, That nothing in this act shall be construed to modify or amend the United States Employees' Compensation Act as amended from time to time (act of Sept. 7, 1916, 39 Stat. 742, U. S. C., title 5 and supplement, sec. 751 et seq.)."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

PORT NEWARK ARMY BASE

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4737) to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes, and agree to the same.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, I think the gentleman from South Carolina should tell us something about this bill. This is similar to the bill which passed the other day. I believe there has been a change in the price and I think the gentleman should explain the measure to the House.

Mr. McSWAIN. Mr. Speaker, this bill, or at least a bill to sell the same property, passed the House unanimously. There was a veto, but the terms upon which the payment may be made have been modified so as to meet the objections that the Budget raised; and I have here a letter from the Secretary of War to the effect that the terms of the new bill have been submitted to the Budget and have been found to be in accord with the financial program.

Mr. SNELL. As I understand, the new bill raises the price from $1,000,000 to $2,000,000?

Mr. McSWAIN. No. The original price was $2,000,000. The original bill provided for the payment of $100,000 per year each year for 20 years. The present bill provides for a payment of $100,000 a year for 5 years and $200,000 a year thereafter.

Mr. SNELL. And the price is $2,000,000?

Mr. McSWAIN. Yes; and that was about the appraised value.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DEPOSIT AND INVESTMENT OF INDIAN FUNDS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8538) to authorize the deposit and investment of Indian funds, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to take from the Speaker's table the bill H. R. 8588, with Senate amendments thereto. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection?

Mr. COCHRAN. Mr. Speaker, I reserve the right to object. Please explain what the bill is.

Mr. ROGERS of Oklahoma. Mr. Speaker, this is a House bill passed some time ago authorizing the deposit and investment of Indian funds. That bill went to the Senate and the Senate amended the bill and passed it with the amendment. They have added the bill which passed last night on the Consent Calendar known as the Oklahoma Indian bill.

Mr. COCHRAN. Mr. Speaker, I think the House ought to know something about the amendments in this bill. This is a bill to which Saturday a week ago the Senate added two amendments, not one. The Senator from Oklahoma simply told the Senate that the only reason he was adding the amendments was on account of the parliamentary situation in the House, stating he could not secure favorable action on the bills here.

Mr. ROGERS of Oklahoma. I am not responsible for what the Senator said.

Mr. COCHRAN. One of those bills provided a direct appropriation of $2,000,000 from the Treasury without an authorization, and it is in this bill.

Mr. ROGERS of Oklahoma. That bill passed the House.

Mr. COCHRAN. Last night the doctor told me to go home, and half an hour after I left, the bill passed the House. I intended to object to it. The second bill the Senate added provides for an authorization of about $775,000.

Mr. ROGERS of Oklahoma. That bill also passed the House.

Mr. COCHRAN. To pay a claim. That is the Osage Tribe claim, is it not?

Mr. ROGERS of Oklahoma. Yes.

Mr. COCHRAN. When this bill was first considered, I brought out the fact that we have already paid the claim, and they are back here now, years after, asking us to pay about $775,000 more. I object to legislation of that kind.

The SPEAKER. Objection is heard.

Mr. DISNEY. Mr. Speaker, will the gentleman withhold his objection for just a moment?

Mr. COCHRAN. I withhold my objection.

Mr. DISNEY. Mr. Speaker, in view of the gentleman's statement I cannot permit his statement to go unanswered. The gentleman says that the money was paid to the Osage Indians years ago. I should correct that statement on the floor of the House. If the House will indulge me for 2 or 3 minutes, I think I can state the facts.

Mr. COCHRAN. I put a letter into the RECORD showing the gratuities that we have paid to these Indians and further showing that under the treaties we have already advanced them $22,000,000, and we paid $300,000 under the treaty agreement. I am not going to let this bill pass if I can prevent it. If the gentleman wants to have a roll call on the bill, a vote upon it, I am perfectly willing to have the House express its opinion.

Mr. DISNEY. There is no heat in my statement.

Mr. Speaker, I ask unanimous consent to proceed for 3 minutes, in view of statements made here which are incorrect and erroneous.

The SPEAKER. The gentleman from Missouri reserves the right to object for 3 minutes. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DISNEY. The item of $773,000 which is in the Senate amendment is as meritorious a claim as was ever presented to the Congress. I do not know anything about what happened in the Senate, as to how the amendment was inserted. I have not read the RECORD. These are the facts: In the early days the Government, under a treaty, took the land of the Osages and sold it for $773,000 and placed it in a so-called civilization fund and used the money, except $1.89, for other Indians, instead of its own money.

As I said, it then spent the money on what it called a "civilization fund" on other Indians and the Osage Indians received only $1.89 of the proceeds derived from the sale of their land by the Government. The Government profited by it because otherwise it would have had to spend this $773,000 out of the General Treasury on the other Indians. It took the money belonging to the Osage Indians, except $1.89, and the records of the Senate and the House prove that fact. The items in the $773,000, down to a penny, are set forth in the House and Senate reports. It all went to other Indians all over the Nation. This is shown in detail by items. The money should have been spent out of the general fund of the Treasury, and we are asking that money back now. The Court of Claims heard this, and anyone who will read the decision of the Court of Claims will find that it verifies my statement. That court decided that since the reformation of a treaty between the Government and the Indians was not a judicial function but a legislative matter, it did not have the power under its jurisdiction to award the money as a claim against the Government.

It has to be done legislatively. It may be said that the Osages are a rich tribe of Indians, and they are, because they used good judgment in keeping their oil lands in common instead of in severalty. However, outside of $1.89 of this $773,000, this money was spent by our Government on other purposes. The money belonged to the Osage Indians for the sale of their lands in Kansas, when they moved them down to what is now the Osage Reservation. Common justice demands that this claim be paid. This item has at times passed each House, but never at the same session.

[Here the gavel fell.]

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DISNEY. There is no document under the sun that disproves any statement I have made. You may not feel it is good policy to pay this just claim at this time, but let us not be mistaken as to the facts and as to what is involved here. These are the facts, regardless of what anybody at any time may have ever put into the RECORD. The decision of the Court of Claims verifies what I have said.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, the official records on file in the General Accounting Office cannot be disputed. These records show a payment of $300,000, as agreed upon under the treaty of 1865. Further, from 1867 to 1884 interest at the rate of 5 percent per annum on the said $300,000 in the amount of $270,000 was appropriated and covered into the fund in the Treasury under the heading "Fulfilling treaties with Osages." Of this fund, $442,867.17 had been disbursed for the benefit of the Osage Indians prior to July 1, 1922.

Likewise pursuant to the above-quoted terms of the treaty, the proceeds of the sale of the involved land by the United States, after reimbursement to the United States of the said sum of $300,000 and the expense of survey and sale, were placed to the credit of a civilization fund during the period from January 22, 1873, to January 29, 1901, in the aggregate amount of $776,931.58. The records of the General Accounting Office show that, of the said sum so credited, $189.55 was disbursed for the benefit of the Osage Tribe of Indians, the remainder of the said sum, with the exception of $248.78 covered into the surplus fund of the Treasury pursuant to the act of March 3, 1911—Thirty-sixth Statutes, page 1062—being disbursed for the benefit of various other Indian tribes.

Following the actual creation of the civilization fund in 1873, the Osage Indians began to protest against the interpretation of the treaty which held that the fund was available for the benefit of other tribes of Indians, and to insist that they had never so understood or intended. By act of February 6, 1921—Forty-first Statutes, page 1097—it was provided that the claim of the Osage Tribe of Indians against the United States for moneys due, arising out of the sale of Osage lands under the said treaty, should be submitted to the Court of Claims for determination; also that the court should have jurisdiction to hear and determine any set-off or counterclaim, including gratuities, which the United States might present against the Osage Tribe of Indians. On May 28, 1928, the Court of Claims rendered its decision—Sixty-sixth Court of Claims, page 64—denying recovery by the plaintiff on the ground that the treaty was a part of the supreme law of the land and could neither be reformed nor treated as inoperative by the courts. The court said also:

> We conclude that the Osage Tribe of Indians, under the language and meaning of said treaty, have not established a claim or right in the fund or moneys arising from the sale of the Osage lands under said treaty, and that the United States has not wrongfully appropriated any part or parcel of the lands or the funds of said Osage Tribe of Indians under said treaty.

The court also denied recovery by the United States on the set-offs and counterclaims on the ground that the jurisdictional act—

> • • • Did not contemplate that the court should consider or make allowance for counterclaims where the conclusion of the court was against the claim of the Osage Tribe of Indians; and therefore, as the conclusion is against the claim, no further consideration should be given to the counterclaims.

The purpose of the bill S. 2375 is to authorize an appropriation to pay the Osage Tribe of Indians, without interest,

that part of the proceeds of sale of the involved lands not already expended for their benefit, recovery of such proceeds having been denied by the Court of Claims, as above stated.

July 1, 1922, the United States disbursed for the direct benefit of the Osage Indians funds amounting to $313,370.12 of a character heretofore considered as gratuities by the Court of Claims in the determination of suits brought under various jurisdictional acts authorizing the court to entertain claims of Indians and in such connection to consider gratuities received by the Indians from the Government and make equitable adjustment accordingly, and for the benefit of the Osage Indians jointly with other Indians funds of such character amounting to $104,454.34. No accounting has been made covering such disbursements subsequent to June 30, 1922. It may be added that during the period from January 1, 1811, to June 30, 1922, the United States disbursed for the benefit of the Osage Tribe of Indians, including the amounts above-mentioned, in excess of $22,000,000 from various appropriations made in fulfillment of treaty obligations and from funds and interest on funds belonging to the Osage Tribe.

The bill does not provide for set-off of gratuities against the amount proposed to be appropriated. If this bill is to be favorably considered for enactment, it should be amended by adding to section 2 of the bill the following proviso:

Provided, That the Comptroller General of the United States is hereby authorized and directed to ascertain the aggregate amount of the gratuities theretofore paid to such Indians of the character provided for set-off by section 2 of the Second Deficiency Appropriation Act for 1935 (49 Stat. 596), and the amount so ascertained shall be deducted from the amount otherwise for crediting under this section.

Mr. MAPES. Mr. Speaker, the regular order.

The SPEAKER. The regular order is demanded. Objection is heard.

Mr. DISNEY. The gentleman from Missouri [Mr. COCHRAN] suggests he would be glad to have a roll call. I accept the challenge.

The SPEAKER. Unanimous consent was requested by the gentleman from Oklahoma [Mr. ROGERS], and there was objection.

Mr. COCHRAN. I would like to read one paragraph from the decision of the Court of Claims.

Mr. DISNEY. Oh, no; not one paragraph. Read it all.

The SPEAKER. Both gentlemen are out of order.

Mr. COCHRAN. Mr. Speaker, I object to the bill.

LAWS COVERING STEAM VESSELS AND VESSELS WITH INTERNAL-COMBUSTION ENGINES

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12419) to apply laws governing steam vessels to seagoing vessels of 300 gross tons and over propelled by internal-combustion engines, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 1, strike out "sea food" and insert "fishery or kelp or sponge."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EVELYN HARRIETT B. JOHNSTONE

Mrs. KAHN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9153) for the relief of Evelyn Harriett B. Johnstone, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "$1,000" and insert "$500."

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

BRIDGES ACROSS TENNESSEE, TOMBIGBEE, WARRIOR, ALABAMA, AND COOSA RIVERS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4622) to amend section 2 of the act entitled "An act granting the consent of Congress to the Alabama State Bridge Corporation to construct, maintain, and operate bridges across the Tennessee, Tombigbee, Warrior, Alabama, and Coosa Rivers, within the State of Alabama", approved May 26, 1928.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. SNELL. Reserving the right to object just to ask a question: Is that a general bill for all kinds of bridges, or just one bridge?

Mr. HOBBS. The State of Alabama built 15 toll bridges, and because of the depression the volume of tolls has not been large enough to keep up the payments, and they desire to extend the time for which they can charge tolls. That is all.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act granting the consent of Congress to the Alabama State Bridge Corporation to construct, maintain, and operate bridges across the Tennessee, Tombigbee, Warrior, Alabama, and Coosa Rivers within the State of Alabama", approved May 26, 1928, is amended by striking out, wherever they appear therein, the words "eighteen years" and inserting in lieu thereof the words "twenty-eight years."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL-AID ROADS IN PUERTO RICO

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1392) to extend the provisions of certain laws to the island of Puerto Rico, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 4, strike out "island" and insert "Territory."

Line 11, strike out "island" and insert "Territory."

Line 13, after "funds", insert: : *Provided*, That the system of roads on which Federal-aid apportionments to the Territory of Puerto Rico shall be expended may be determined and agreed upon by the highway departments of said Territory and the Secretary of Agriculture without regard to the limitations in section 6 of the Federal Highway Act respecting the selection and designation of such system of roads; and when the system first determined and agreed upon shall have been completed, additions thereto may be made in like manner as funds become available for the construction and maintenance of such additions.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOLCOTT. I ask the gentlewoman from New York whether Puerto Rico is a Territory?

Mrs. O'DAY. Puerto Rico is an insular possession; not a Territory.

Mr. WOLCOTT. It has not the same status as Alaska and Hawaii.

The SPEAKER. The question is on the Senate amendment.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

ADMISSIBILITY IN EVIDENCE OF CERTAIN WRITINGS AND RECORDS

Mr. DUFFY of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11690) relating to the admissibility in evidence of certain writings and records made in the regular course of business, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that the reading of the Senate amendments be dispensed with, as they are quite lengthy, but that they be printed at this point in the RECORD.

Mr. MICHENER. Mr. Speaker, reserving the right to object, I would like to have the last amendment read.

The SPEAKER. The Clerk will report the last amendment.

The Clerk read as follows:

Page 2, after line 6, insert "This act shall be prospective only, and not retroactive."

Mr. MICHENER. Mr. Speaker, further reserving the right to object, I want to call attention to the fact that this amendment was put in by the Senate. It is a companion piece to the section in legislation recently reported by a committee from the House which stated that the House reserved the right in the future to amend the law. I think it is perfectly ridiculous.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments are as follows:

Page 1, line 3, after "That", insert "in any court of the United States and in any court established by act of Congress."

Page 1, line 6, strike out "in evidence in proof" and insert "as evidence."

Page 2, after line 6, insert:

"SEC. 2. Any book, paper, statement, record, account, writing, or other document, or any portion thereof, of whatever character and in whatever form, as well as any copy thereof equally with the original, which is not in the United States (hereinafter referred to as a foreign document) shall, when duly certified as hereinafter provided, be admissible in evidence in any criminal action or proceeding in any court of the United States if the court shall find, from all the testimony taken with respect to such foreign document pursuant to a commission executed under the provisions of this act, that such document (or the original thereof in case such document is a copy) satisfies the requirements of section 1 of this act, unless in the event that the genuineness of such document is denied, any party to such criminal action or proceeding making such denial shall establish to the satisfaction of the court that such document is not genuine. Nothing contained herein shall be deemed to require authentication under the provisions of this act of any foreign documents which may otherwise be properly authenticated by law."

Page 2, after line 6, insert:

"SEC. 3. (a) The testimony of any witness in a foreign country may be taken either on oral or written interrogatories, or on interrogatories partly oral and partly written, pursuant to a commission issued, as hereinafter provided, for the purpose of determining whether any foreign documents sought to be used in any criminal action or proceeding in any court of the United States are genuine, and whether the requirements of section 1 of this act are satisfied with respect to any such document (or the original thereof in case such document is a copy). Application for the issuance of a commission for such purpose may be made to the court in which such action or proceeding is pending by the United States or any other party thereto, after 5 days' notice in writing by the applicant party, or his attorney, to the opposite party, or his attorney of record, which notice shall state the names and addresses of witnesses whose testimony is to be taken and the time when it is desired to take such testimony. In granting such application the court shall issue a commission for the purpose of taking the testimony sought by the applicant, addressed to any consular officer of the United States conveniently located for the purpose. In cases of testimony taken on oral or partly oral interrogatories the court shall make provisions in the commission for the selection as hereinafter provided of foreign counsel to represent each party (except the United States) to the criminal action or proceeding in which the foreign documents in question are to be used, unless such party has, prior to the issuance of the commission, notified the court that he does not desire the selection of foreign counsel to represent him at the time of taking of such testimony. In cases of testimony taken on written interrogatories, such provision shall be made only upon the request of any such party prior to the issuance of such commission. Selection of foreign counsel shall be made by the party whom such foreign counsel is to represent within 10 days prior to the taking of testimony or by the court from which the commission issued, upon the request of such party made within such time.

"(b) Any consular officer to whom a commission is addressed to take testimony, who is interested in the outcome of the criminal action or proceeding in which the foreign documents in question are to be used or has participated in the prosecution of such action or proceeding, whether by investigations, preparation of evidence, or otherwise, may be disqualified on his own motion or on that of the United States or any other party to such criminal action or proceeding made to the court from which the commission issued at any time prior to the execution thereof. If, after notice and hearing, the court grants the motion, it shall instruct the consular officer thus disqualified to send the commission to any other consular officer of the United States named by the court, and such other officer shall execute the commission according to its terms and shall for all purposes be deemed the officer to whom the commission is addressed.

"(c) The provisions of this act applicable to consular officers shall be applicable to diplomatic officers pursuant to such regulations as may be prescribed by the President."

Page 2, after line 6, insert:

"SEC. 4. The consular officer to whom any commission authorized under this act is addressed shall take testimony in accordance with its terms. Every person whose testimony is taken shall be cautioned and sworn to testify the whole truth and carefully examined. His testimony shall be reduced to writing or typewriting by the consular officer taking the testimony, or by some person under his personal supervision, or by the witness himself, in the presence of the consular officer and by no other person, and shall, after it has been reduced to writing or typewriting, be subscribed by the witness. Every foreign document, with respect to which testimony is taken, shall be annexed to such testimony and subscribed by each witness who appears for the purpose of establishing the genuineness of such document. When counsel for all the parties attend the examination of any witness whose testimony is to be taken on written interrogatories, they may consent that oral interrogatories in addition to those accompanying the commission may be put to the witness. The consular officer taking any testimony shall require an interpreter to be present when his services are needed or are requested by any party or his attorney."

Page 2, after line 6, insert:

"SEC. 5. If the consular officer executing any commission authorized under this act shall be satisfied, upon all the testimony taken, that a foreign document is genuine, he shall certify such document to be genuine under the seal of his office. Such certification shall include a statement that he is not subject to disqualification under the provisions of section 3 (b) of this act. He shall thereupon transmit by mail such foreign documents, together with the record of all testimony taken and the commission which has been executed, to the clerk of the court from which such commission issued, in the manner in which his official dispatches are transmitted to the Government. The clerk receiving any executed commission shall open it and shall make any foreign documents and record of testimony, transmitted with such commission, available for inspection by the parties to the criminal action or proceeding in which such documents are to be used, and said parties shall be furnished copies of such documents free of charge."

Page 2, after line 6, insert:

"SEC. 6. A copy of any foreign document of record or on file in a public office of a foreign country, or political subdivision thereof, certified by the lawful custodian of such document, shall be admissible in evidence in any court of the United States when authenticated by a certificate of a consular officer of the United States resident in such foreign country, under the seal of his office, certifying that the copy of such foreign document has been certified by the lawful custodian thereof. Nothing contained in this section shall be deemed to alter, amend, or repeal section 907 of the Revised Statutes, as amended (U. S. C., title 28, sec. 689)."

Page 2, after line 6, insert:

"SEC. 7. (a) The consular fees prescribed under section 1745 of the Revised Statutes, as amended (U. S. C., title 22, sec. 127), for official services in connection with the taking of testimony under this act, and the fees of any witness whose testimony is taken shall be paid by the party who applied for the commission pursuant to which such testimony was taken. Every witness under this act shall be entitled to receive, for each day's attendance, fees prescribed under section 8 of this act. Every foreign counsel selected pursuant to a commission issued on application of the United States, and every interpreter whose services are required by a consular officer under the provisions of this act, shall be paid by the United States, such compensation, together with such personal and incidental expense upon verified statements filed with the consular officer, as he may allow. Compensation and expenses of foreign counsel selected pursuant to a commission issued on application of any party other than the United States shall be paid by the party whom such counsel represents and shall be allowed in the same manner.

"(b) Whenever any party makes affidavit, prior to the issuance of a commission for the purpose of taking testimony, that he is not possessed of sufficient means and is actually unable to pay any fees and costs incurred under this section, such fees and costs shall, upon order of the court, be paid in the same manner as fees and costs are paid which are chargeable to the United States.

"(c) Any appropriation available for the payment of fees and costs in the case of witnesses subpenaed in behalf of the United States in criminal cases shall be available for any fees or costs which the United States is required to pay under this section."

Page 2, after line 6, insert:

"SEC. 8. The President is authorized to prescribe regulations governing the manner of executing and returning commissions by consular officers under the provisions of this act and schedules of fees allowable to witnesses, foreign counsel, and interpreters under section 7 of this act."

Page 2, after line 6, insert:

"SEC. 9. This act shall be prospective only and not retroactive."

The SPEAKER. The question is on the Senate amendments.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

Mr. DUFFY of New York. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a statement explaining the amendments.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DUFFY of New York. Mr. Speaker, when H. R. 11690 passed the House, it contained only section 1 which enlarges the exception to the hearsay rule relating to the admissibility of business records. That section removes the obsolete common-law requirement that business entries be identified by the persons who made them. The Senate has merely made several clarifying changes in the language of section 1.

Sections 2 to 8, inclusive, are amendments made by the Senate which deal with the admissibility of public and business records located outside the United States. I wish to state briefly an explanation of these provisions. The Government has been confronted with unnecessary, yet serious, difficulties in proving ordinary business transactions in criminal cases, when documents necessary for such proof are located outside the United States. Under existing law the Government is obliged first to obtain the documents from abroad, and then pursuade witnesses to come to the United States from foreign countries to testify at the trial, in order that such documents may be admitted into evidence. Obviously, in many cases the cost of bringing witnesses to this country may be prohibitive; then, too, the Government must rely on the willingness of foreign witnesses to come to this country. The result has been that the difficulty of securing documentary evidence for use in criminal cases has had a serious effect in enforcing our criminal laws, especially those involving frauds upon the revenue.

A method is prescribed under the bill whereby foreign business records may be admitted into evidence in criminal proceedings upon certification by American consular officers. Provision is made to safeguard the rights of a defendant in a criminal action in every way. He is to be represented by counsel before the consular officer, have a right to cross-examine witnesses, and may even challenge the certification of the consular officer before the trial judge, when the records are offered in evidence.

The bill also permits the admission of foreign public records when certified by consular officers. Existing law dealing with this subject is in a state of confusion and in the interest of clarity and simplicity of procedure, provision is made whereby foreign public records may be admitted into evidence, under a procedure analogous to that relating to the admissibility of domestic public records.

The amendments made by the Senate have received the careful consideration of the Department of Justice, the Treasury Department, and the State Department, and meet with their approval.

FEDERAL COMMUNICATIONS COMMISSION

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, I would have asked for more time, but I do not want to take much of the time of the House at this time, for I know how the Members feel this late in the day.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CONNERY. Mr. Speaker, I see my good friend, the Republican leader, smiling his good-natured smile at me, but this document which I now hand to the minority leader I think will take the smile off his face. This is a sample of the kind of obscene literature that is going over the radio systems of the United States. I cannot put this document in the RECORD, for it is not fit to go into the CONGRESSIONAL RECORD. I call the attention of my colleagues to the fact that for 16 weeks I have had a resolution pending before the Rules Committee for an investigation of the Federal Communications Commission. In view of the character of the matter I have just handed the minority leader and of the matter I hold in my hand and have on the desk, material that is not fit to go into the CONGRESSIONAL RECORD, this House will now be certain that an investigation is fully warranted. For 16 weeks I have been trying to get this investigation to protect little children in American homes from having to listen to filthy, obscene plays on the radio; and radio, please remember, comes under the jurisdiction of the Federal Communications Commission.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. SNELL. I think, perhaps, the gentleman from Massachusetts would do better to hand this matter to the majority leader, because he is the chairman of the Committee on Rules.

Mr. CONNERY. I will be glad to do so, and I will say for the majority leader that he has never seen this obscene material before.

One of the governmental agencies to which the Congress has delegated important powers and responsibilities is known as the Federal Communications Commission.

This body owes its existence to the Congress and, yet, I venture the prediction that there is no governmental agency which has so conducted itself as to indicate plainly the utter contempt which it seemingly has for the Congress.

Presumably, the Congress in the minds of the Federal Communications Commission exists principally as a vehicle necessary to appropriate the funds which make possible the clothing of this Commission with a legitimate standing and which permit the Commission to continue to function without someone asking questions which the Commission might find it hard to answer.

A year ago the attention of the Federal Communications Commission was directed to an obscene and indecent program broadcast into unsuspecting American homes by one of the larger networks.

This program was so indecent and so obscene that a prominent official of the network admitted that he had recommended that the program be canceled because of its indecency.

Sixteen Members of the House filed a written protest against the continuance of this type of program and asked the Commission for a public hearing.

The protest of these 16 Members of the House was virtually laughed at. No public hearing was held. No action was taken, so far as we have been able to learn, to penalize those who used this governmental grant—the license to broadcast—to broadcast into millions of unsuspecting American homes a program which was alleged to be indecent and obscene.

The Congress, in enacting the Communications Act of 1934, indicated plainly its desire to protect the American home from obscene, indecent, and profane utterances when, in section 326, it inserted the language I quote "no person within the jurisdiction of the United States shall utter any obscene, indecent, or profane language by means of radio communication."

Congress also applied a penalty which is found in section 501 of a $10,000 fine or imprisonment for not more than 2 years or both.

The Congress delegated to those comprising the Federal Communications Commission the protection of the American homes from obscene, profane, or indecent utterances by means of radio communication.

To indicate how indifferent those who control this governmental agency are and how derelict they have become in their responsibilities I direct the attention of the House to the fact that I hold in my hand copies of two radio broadcasts, copies of which have been in the possession of members of the Communications Commission for some weeks without action on their part, which broadcasts are

so obscene and so indecent that the insertion of them in the CONGRESSIONAL RECORD would violate the rules of the House and would violate the rules of common decency. Yet, these utterances have been broadcast over the radio and into the Lord alone knows how many unsuspecting American homes.

Imagine, if you can, this governmental agency, to whom the Congress has delegated the responsibility of protecting the American homes from profane, indecent, and obscene utterances by radio communication, standing nonchantly by and virtually condoning, to say the least, the continuances of utterances so indecent, so profane, and so obscene that the insertion of these utterances in the CONGRESSIONAL RECORD would offend public decency.

If there be any Member of the House or of the Congress who doubts the accuracy of the statements which I have just made or who might believe that my judgment is too strong, I have copies here for their inspection.

The Rules Committee has had before it for the past 16 weeks a resolution which I presented, calling for a congressional investigation of the Communications Commission. No action has been taken. Perhaps it will be necessary for Members of the House to take such drastic action to prevent a recurrence of such happenings that the House will see fit to order such an investigation.

When the Congress enacted the Communications Act of 1934, creating this Commission, we assumed that we were creating a governmental agency the records of which would be open to the public, or at least to the Members of the Congress.

Yet the records of this Commission, or at least most of the vital records, are withheld from the public and from Members of the Congress as well.

The hearings held by the House Appropriations Committee disclose the fact that this Commission is aware of the fact that the issuance of securities on the part of broadcasting stations has become a racket. The chairman of the Commission stated that they were investigating the possibility of such a racket when he stated—I quote—

> Just how much they can issue before they get into the value of a license given them by the Government, for which they pay nothing, is a question.

Yet, this Commission is weekly approving the sale or lease of radio facilities which facilities are of little value without the broadcast license, for sums which represent many time the value of the equipment purchased or leased. The franchise to operate, which represents the real value and without which the equipment is almost valueless, cost them nothing; and yet this arrogant Commission, which has failed to protect the American homes from profane, indecent, and obscene utterances by means of radio communication, is the sole authority for the continuance or discontinuance of these radio stations.

We are now close to adjournment. It is my intention at the beginning of the next session to demand again a thorough investigation of the Federal Communications Commission in order that we may protect the American people from the Radio Trust and American homes from profanation by indecent radio pragrams.

INAUGURATION OF PRESIDENT-ELECT ON JANUARY 20, 1937

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 38, Seventy-fourth Congress, the Chair appoints as members of the joint committee to make the necessary arrangements for the inauguration of the President-elect of the United States on the 20th day of January next the following Members of the House of Representatives: Mr. O'CONNOR, Mr. DOUGHTON, and Mr. SNELL.

The SPEAKER. The Chair asks permission to have read by the Clerk a letter from the President of the United States addressed to the gentleman from Georgia [Mr. DEEN] for the information of the House.

There being no objection, the Clerk read the letter, as follows:

THE WHITE HOUSE,
Washington, June 8, 1936.

Hon. BRASWELL DRUE DEEN,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN DEEN: I have approved H. R. 12120, a bill to provide for the further development of vocational education in the several States and Territories, because of my deep interest in providing our young people with adequate opportunities for vocational training. So many criticisms have been directed at the bill in its present state, however, that it seems to me advisable, before the act goes into effect on July 1, 1937, that a disinterested group review its provisions in relation to the experience of the Government under the existing program of Federal aid for vocational education, and the relation of such training to general education and to prevailing economic and social conditions.

Accordingly I shall take steps in the immediate future for an appointment of such a group, with instructions to make studies and recommendations which will be available to the Congress and the Executive at the beginning of the next session.

Sincerely,

FRANKLIN D. ROOSEVELT.

CALENDAR WEDNESDAY

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that business in order on tomorrow, Calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CURLEY, for 1 day, on account of important business.

SPEAKER PRO TEMPORE

The SPEAKER. The Chair appoints as Speaker pro tempore to preside at the session of the House this evening the gentleman from Pennsylvania [Mr. BOLAND].

Mr. BLANTON. Mr. Speaker, it is understood, of course, that this evening only bills on the Private Calendar will be considered?

Mr. O'CONNOR. That has been stated as the understanding several times today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 476. An act relating to promotions of civil-service employees; to the Committee on the Civil Service.

S. 2293. An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States; to the Committee on the Civil Service.

S. 4197. An act relating to the admissibility in evidence of certain writings and records made in the regular course of business; to the Committee on the Judiciary.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 11072. An act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania.

RECESS

Mr. O'CONNOR. Mr. Speaker, I move that the House now stand in recess until 7:30 o'clock p. m. this evening.

The motion was agreed to; accordingly the House (at 5 o'clock and 14 minutes p. m.) stood in recess until 7:30 o'clock p. m.

EVENING SESSION

The recess having expired, the House was called to order at 7:30 o'clock p. m. by the Speaker pro tempore, Mr. BOLAND.

THE PRIVATE CALENDAR

The Clerk called the first omnibus bill on the Private Calendar, H. R. 11215, for the relief of sundry claimants, and for other purposes.

The Clerk read as follows:

Title I—(H. R. 653. For the relief of George R. Brown.) By Mr. LUDLOW

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George R. Brown, a former second lieutenant in the National Guard in the service of the United States, the sum of $959.56 in full settlement of all claims against the Government of the United States for pay and for commutation of quarters, heat, and light from the date of his alleged discharge and last receipt of pay, August 9, 1917, to the alleged date of the receipt of notification of his discharge on January 7, 1918, and as gratuity on his discharge of 1 month's additional pay: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 9, strike out "$959.56" and insert "$698.90."

Page 2, line 2, strike out "and for commutation of quarters, heat, and light."

Page 2, line 6, after "1918", strike out "and as gratuity on his discharge of 1 month's additional pay."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, strike out "title I."

Mr. COSTELLO. Mr. Speaker, this bill provides for the payment of $698.90 to the claimant, George R. Brown, who was formerly a second lieutenant in the National Guard, and at the time he was serving he received a notice of discharge from the commanding officer which was effective as of August 9, 1917. He then retired to private life, opened up a real-estate office, and later received notice that he was still considered in the National Guard until such time as the President himself would issue a notice of the expiration of his commission. This notice of the expiration of his commission did not reach him until January 7, 1918, and as a result he contends he was in the service of the National Guard from August 9, 1917, until January 7, 1918, and this bill would provide payment for his services during this period of time.

As a matter of fact, during the period referred to he did not render any actual service as a National Guard officer; on the contrary, he remained in private life, although he did not continue the operation of his real-estate business. After he had received this second notice he was still considered a member of the National Guard.

The War Department is opposed to the passage of the bill, claiming that he was not actually in service during this period and therefore is not entitled to receive the pay that this bill would grant him.

I therefore recommend that my motion to strike out the title be adopted.

Mr. LUDLOW. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, every committee that has investigated this claim has decided it is a just claim and one that ought to be paid.

The beneficiary of the bill was a second lieutenant in the National Guard of the State of Indiana. On August 8, 1917, he received notice of his discharge. Subsequently, the Judge Advocate General of the Army decided that by virtue of the act of May 18, 1917, all officers who were discharged by department or divisional commanders subsequent to August 4, 1917, were still in the Federal service. The department adjutant, in consequence of this ruling, requested the adjutant general of Indiana to notify Mr. Brown, the beneficiary of this bill, and other officers of their status and have them furnish their post-office addresses; and from that time on, after having received this notice from the Federal Government, he held himself in the status of being ready to be called into the service at any time.

If a mistake was made it certainly was not his mistake. The mistake was the mistake of the Federal Government.

This man in a letter to me describes his status as follows:

I supposed I was in the service, having been advised to that effect by the Judge Advocate General of the Army. I had done everything I could to place myself in the service, having reported to Army headquarters in Chicago my address and that I was awaiting orders, and I was wearing a brand new military outfit which I had purchased on the strength of the orders I had received. My office was abandoned, my business completely disorganized, and I was humiliated in a way that words cannot express by the Government's mistake. None of this was my fault. If, technically, I had been legally discharged and had disregarded the orders I received from the Judge Advocate General, I would have been subject to court-martial, severe military punishment, and disgrace forever. I had no choice but to obey what I considered and what were authoritative Government orders.

Here was a man who was notified by Federal authorities that he was still in the service and he abandoned his business and could not discharge any business because he had to be ready to respond to call at any moment. He held himself ready and subject to orders until he was finally discharged. He contends he is entitled to this pay and I think this is a very just and equitable claim. Certainly, he ought to be paid when he was acting under orders from the Judge Advocate General. This is all there is to the case and I hope the House will pass the bill.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. HANCOCK of New York) there were—ayes 21, noes 24.

So the amendment was rejected.

The SPEAKER pro tempore. The Clerk will read the next title.

JAMES A. HENDERSON

The Clerk read as follows:

Title II—(H. R. 820. For the relief of James A. Henderson.) By Mr. TARVER

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, the sum of $5,000 to James A. Henderson in full settlement of all claims against the Government on account of injuries sustained by the said James A. Henderson on June 10, 1931, while riding in a truck on a Government road in Cherokee National Forest because of negligent construction and maintenance of said road.

With the following committee amendment:

Page 2, line 5, strike out the period, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. HANCOCK of New York. Mr. Speaker, I offer an amendment to strike out title II.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of New York: Strike out all of title II.

Mr. HANCOCK of New York. Mr. Speaker, the claimant in this case states that he was injured through the negligent construction and operation of a road of the United States Government through a national forest. He and some friends had been fishing and they were returning in

a truck driven by a man named Wall, who certifies that he had driven over the road innumerable times and was familiar with it both before and after the accident. To quote briefly from the report of the Department of Agriculture:

The driver of the truck, J. P. Wall, in his affidavit of February 16, 1934, states that he "traveled said road practically every week during the year the accident occurred and while said road was being changed." By his own experience he had found the road practicable during extensive use and was thoroughly familiar with it; and, excepting the alleged unsafe outer margin, there is nothing in the conditions set out which would have prevented his safe use of the road, and it is evident that they did not prevent such safe use on his part over a substantial period of time.

There is a wide conflict of testimony between the witnesses of the Government and the witnesses of the claimant, but if gentlemen will take the trouble to read the report they will find that the truck driver was thoroughly familiar with the road, that it was passage not only for this particular truck on this particular occasion but by all trucks and heavy traffic which used it both before and after the accident. The road is said by some of the witnesses to have been 9 or 10 feet wide and by others 16 or 18 feet wide. There is no evidence of any fault or negligence on the part of the Government for which the Government should be liable in damages. The case rests solely on the claim that the road was too narrow.

It is perfectly obvious from the report that the driver of the truck either had no brakes or was careless and simply drove off the road. We have no right, as I view it, to make awards of claims against the Government simply because the Government is not defended.

The utmost that we should do in cases of this kind, where there is sharp conflict in the testimony, is to confer jurisdiction on the proper district court, to hear the evidence, examine the witnesses, and reach a just conclusion. I am not prejudiced in this matter, of course, and neither is anyone else, but I am convinced there is very sharp conflict in the testimony here, and the preponderance of evidence shows that if there is any negligence on anyone's part it is on the part of the driver of the car.

Mr. KENNEDY of Maryland. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of New York. Yes.

Mr. KENNEDY of Maryland. One matter the committee considered was that immediately after the accident the Government made repairs to this particular road.

Mr. HANCOCK of New York. I understand that the road was being repaired at the time and that it was subsequently improved.

Mr. KENNEDY of Maryland. It is my understanding that it was subsequently that the Government made the improvements to the road, immediately after the accident.

Mr. HANCOCK of New York. My understanding is that it was in process of improvement at the time of the accident.

Mr. KENNEDY of Maryland. That is not my understanding.

Mr. HANCOCK of New York. There is a sharp conflict of testimony as to how wide the road was.

Mr. COSTELLO. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of New York. Yes.

Mr. COSTELLO. It seems that this road was laid out in 1930. Some time prior to the accident repairs on the road were made. The specifications call for a roadbed of at least 14 feet at this particular curve, and apparently the road was at least 14 feet wide or wider at the curve. If the repairs were made according to the specifications, and there is every reason to suppose they had been, that was done just prior to the accident.

Mr. HANCOCK of New York. I call attention to the testimony of J. D. Collins, a truck driver familiar with the road, who testified by affidavit—

That he drove a truck hauling stone on said road prior to and after the date of said accident; that at the time of the accident the road on each end of the curve was wide enough for the Defiance 3-ton trucks to pass; that he drove such a truck; that he had often passed a similar truck at either end of the curve; that the curve itself was at least 14 feet wide, and perhaps more.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. TARVER. Mr. Speaker, I rise in opposition to the amendment. I have never submitted a case to the House of Representatives where the evidence of negligence was more complete, according to the witnesses of claimant, than in the instant case.

I regret very much that the statement of the gentleman from New York [Mr. HANCOCK] seems to carry with it evidence of the fact that he has not had time to read the evidence which was submitted by claimant since this bill was heard before the Claims Committee, when he appeared and urged the same objections that he is urging now and I was able to point out to the committee conclusively from the evidence submitted by the claimant in the case that the contentions of the gentleman from New York were without foundation.

Of course, there is some conflict in the evidence. That is occasioned by the fact that when this claim was introduced the matter was referred to the Forest Service for investigation. Investigation by whom? By its own officials; those who had been charged with negligence in the construction of this road and in the opening of the road to the public in a defective and dangerous condition.

The evidence of claimant's witnesses, some of whom are among the best citizens of their section of Georgia, a merchant, a filling station operator, and others, is to the effect that this road had been newly worked and freshly graded—graded on a steep mountain side to the outward side of the curve instead of inward toward the bank, and that it was only about 8 feet wide; that on the outward side of the road next to a steep declivity 40 or 50 feet deep, the road had no chert but was made of loose shale and sand, and that when the driver of this man undertook to drive his car over it, the loose shale and sand gave way and these parties were precipitated over this declivity and this man sustained a broken back.

He is a helpless cripple and will be for the remainder of his life, bedfast for the remainder of his life. These facts are shown by the evidence which those who know the witnesses would not hesitate to believe. To say that the version of the witnesses who were found by those who were charged with negligence in this case ought to be accepted in preference to the larger number of witnesses of greater credibility who have testified for the claimant in the case is, to my mind, a position which is absolutely untenable. I cannot understand why it is continually advanced by the gentleman from New York, who first objected to the passage of the bill when it was called on the Private Calendar and then pursued his objection by appearing before the committee on the omnibus-bill hearing and presenting the same argument that he has presented here, and why, after the committee turned him down, he persists in attempting to prevent this helpless cripple, a man who was only 34 years of age when he sustained this terrible injury, from securing some small measure of compensation from the Government for the gross negligence of its officials.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman yield?

Mr. TARVER. No. I only have 5 minutes. I did not interrupt the gentleman.

Now, suppose the driver of the car was negligent. I insist that the evidence in the case does not disclose negligence on the part of the driver of the car, but it is a well-known rule of law, which prevails in most jurisdictions, familiar to every lawyer in this assembly, that the negligence of the driver of a vehicle on an occasion where injury is sustained by a passenger is not to be imputed to the passenger. He is not to blame if the driver had some undisclosed knowledge concerning the character of this road, which, as I have said, was not shown conclusively. The burden of proof is against such a contention; but if it were shown that the driver of the car was guilty of contributory negligence, bringing about an injury to his passenger, the passenger himself was not responsible. I sincerely hope that this amendment will be voted down.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

The question is on the amendment offered by the gentleman from New York [Mr. HANCOCK].

The question was taken; and on a division (demanded by Mr. HANCOCK of New York) there were ayes 16 and noes 40.

So the amendment was rejected.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon.

The SPEAKER pro tempore. The gentleman has that privilege under the general rule.

Mr. COCHRAN. I refer to the remarks I made this afternoon.

The SPEAKER pro tempore. There is general permission for all Members to extend their own remarks.

The Clerk will read.

SIXTH OMNIBUS CLAIMS BILL

The Clerk read as follows:

Title III—(H. R. 1435. For the relief of Sarah L. Smith.) By Mr. ANDREWS

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 to Sarah L. Smith as payment in full for personal injuries sustained in a fall in the United States post office at Niagara Falls, N. Y., on July 18, 1933:

With the following committee amendments:

Page 3, line 22, strike out "$3,000" and insert in lieu thereof, "$2,000."

Page 3, line 23, strike out "as payment in full" and insert "in full settlement of all claims against the United States."

Page 4, line 1, after the figures, insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 3, strike out title III.

Mr. COSTELLO. Mr. Speaker, the main purpose of taking this time to explain these objections is simply to give those on both sides of the aisle who are officially appointed as objectors an opportunity to explain to the Members their reasons for objecting to these bills. When a bill is first called on the Private Calendar it either passes immediately or must be objected to. When we consider the omnibus bills we are given a brief opportunity to explain our objections. In doing so we have no personal interest in the bills, but are simply trying to set forth the facts out of which these claims arise and give the Members an opportunity to decide for themselves whether they approve of the legislation and desire to pass it or defeat it. So far as our personal interest is concerned, we do not have any.

Regarding the claim in this particular bill, the claimant was injured while entering a temporary post-office building at Niagara Falls, N. Y. The lobby of the building was dark. The only windows were front windows and were covered with ivy. As a result there was not much light in this lobby. The claimant as she came into the building was reading a notice on the far side of the wall and in doing so did not observe the three or four steps that led down into the post office, and as a result she fell and was injured. This bill would pay her $2,000 for the injuries she sustained.

It seems to me that there is no negligence on the part of the Government. The fact she was apparently reading a notice on the wall is negligence on the part of the claimant, and for this reason I do not think she is entitled to recover. It is true the light in the lobby was of such nature as not to make the stairs particularly clear and distinct, but many people were going in and out of the building constantly, and no other cases of accident were brought to our attention. It is apparently simply a case of negligence on the part of the claimant.

Mr. KENNEDY of Maryland. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. KENNEDY of Maryland. Is it not a fact that after this accident the light was immediately replaced?

Mr. COSTELLO. The gentleman means they put a new light in the building?

Mr. KENNEDY of Maryland. Yes; they put a light where this defect existed, to prevent a recurrence of similar accidents.

Furthermore, this woman was permanently injured. I have no particular interest in the bill.

Mr. COSTELLO. It is true the woman was permanently injured; and I believe the gentleman from Maryland is correct in his statement that a new light was put in the building; and they should have done so. One accident having taken place, it would have been negligence on the part of the Government had they not done so.

Mr. KENNEDY of Maryland. Is it not further true that the condition there was such that other accidents might be caused, that the place was very dark and people could not see?

Mr. COSTELLO. I admit the place was dark and that there was a possibility that an accident could take place.

Mr. KENNEDY of Maryland. The committee felt it was the duty of the Government to keep the building properly lighted.

Mr. COSTELLO. Is it not also a fact that the claimant was reading a notice on the opposite wall as she was entering the building?

Mr. KENNEDY of Maryland. That is quite true, and she was doing it for the purpose of trying to direct herself to the place she wanted to go, just like anybody in going into a post office would look around to find where the stamp window was, or the money-order window. Because of the dark condition of the lobby she fell and was permanently injured.

The SPEAKER pro tempore. The question is on the amendment of the gentleman from California.

The question was taken; and on a division (demanded by Mr. HANCOCK of New York) there were—ayes 26, noes 41.

So the amendment was rejected.

The Clerk read as follows:

Title IV—(H. R. 2115. For the relief of First Lt. R. G. Cuno.) By Mr. BLAND

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to First Lt. R. G. Cuno, retired, formerly second lieutenant, Air Corps, Langley Field, Va., out of any money in the Treasury not otherwise appropriated, the sum of $1,419.35, such sum to be in full settlement of all claims against the United States on account of damage to and destruction of personal property of the said Lt. R. G. Cuno stored by the quartermaster in the quartermaster warehouse at Langley Field, Va., the said damage to and destruction of said property having resulted from the flooding of said warehouse during the storm of August 23, 1933, without fault or negligence on the part of the said Lt. R. G. Cuno and while he was a patient, sick in line of duty, at Walter Reed Hospital and unable to protect his interest in said property.

With the following committee amendments:

Page 4, line 20, strike out "$1,419.35" and insert "$851.61".

Page 5, line 6, after the word "property", insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. HANCOCK of New York. Mr. Speaker, I offer an amendment to strike out all of title IV.

The Clerk read as follows:

Amendment by Mr. HANCOCK of New York: Page 4, strike out all of title IV.

Mr. HANCOCK of New York. Mr. Speaker, the substance of this claim is contained in one paragraph of the report of the War Department, which reads as follows:

The records of the War Department show that Second Lt. Roy G. Cuno, Air Corps, Langley Field, Va., was ordered to proceed to Washington, D. C., and report to the commanding general, Walter Reed General Hospital, for observation and treatment in January 1933; that while still in Walter Reed Hospital on May 5, 1933, his personal property was by order of the commanding officer removed from his quarters at Langley Field and placed in storage at the quartermaster warehouse, his quarters having been required for assignment to another officer; that on August 23, 1933, a storm of unusual severity occurred, flooding practically the entire post; that the claimant's property was partly submerged for a period of several hours, damaging same irreparably; and that the loss is not covered by insurance.

Mr. Speaker, the question involved in this bill is whether or not the United States Government is an insurer of all the personal property belonging to the officers of the United States Army. Obviously there was no fault or neglect on the part of any officer of the United States Government. A flood occurred which could not have been foreseen or prevented. It was what is known in law as an act of God.

If this man is entitled to reimbursement, every officer of the Army or Navy who loses his property through fire, flood, hurricane, or any other disaster is entitled to reimbursement. There was no misconduct or claim of misconduct on the part of any agent of the Federal Government which contributed to the losses of Lieutenant Cuno.

In connection with this claim I think the Members might be interested in looking at the bill of particulars as filed by this young officer. For instance, he lost two sets of draperies which he says cost $70. He asks for reimbursement to the extent of $70, although he had them for 3½ years. He lists some blankets for which he paid $30 and claims damages of $30. He had them 3½ years. He had two pairs of trousers, costing $10, 3 years ago. He says they are worth $6 today. He owned a lot of books.

Mr. KENNEDY of Maryland. Will the gentleman yield?

Mr. HANCOCK of New York. I yield to the gentleman from Maryland.

Mr. KENNEDY of Maryland. The committee took those items into consideration and cut the amount down to $851.61; also the items the gentleman has referred to were approved by a War Department inspector.

Mr. HANCOCK of New York. I do not think that should be binding on us. He lists some books here.

Mr. KENNEDY of Maryland. We did not think so either, and we cut the amount down.

Mr. HANCOCK of New York. He has a book called "Love Songs of the Portuguese", for which he paid $5 and states it is still worth $5. He had a book called "How to Fly" for which he paid $2. He wants $2. He had an album. I do not know what was in it. He paid $5 for it, and wants us to give him $5. He had another book called "Revolt in the Desert" for which he paid $2.50. He had a Bible, for which he paid $6, and he wants us to pay him $6.

Perhaps the committee by discounting his claim about 30 percent has corrected to some extent the exorbitance of this young man's demand. The question involved, however, is whether the United States Government is a guarantor or an insurer against the losses of all officers of the Army and Navy. If we are going to do that, let us extend the same principle to other agents of the Government, including Members of Congress.

[Here the gavel fell.]

Mr. BLAND. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the facts in this case are that Lieutenant Cuno was stationed at Langley Field. He had his furniture and effects in his quarters there. By order of the War Department he was sent to the Walter Reed Hospital in Washington, D. C., in January 1933. They do not deny that he was in the hospital under orders of the War Department. He left his furniture and effects in the quarters that he had occupied at Langley Field. In May 1933, while he was still a patient at the Walter Reed Hospital, under orders of the War Department the commanding officer at Langley Field, because they needed the quarters, took the furniture and effects of Lieutenant Cuno out of these quarters and stored them in the warehouse.

In August 1933, while Lieutenant Cuno was still a patient at Walter Reed Hospital, there came this violent storm, which flooded the warehouse, damaging his furniture to the extent that is claimed in this bill. In other words, the Government, for its own convenience, moved the furniture from the place where Lieutenant Cuno had it to another place when he himself could not personally look after it, and therefore the Government assumed charge of it.

Mr. KENNEDY of Maryland. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. KENNEDY of Maryland. Is it not true that he could not have insured the property if he had wanted to do so, because he did not have the opportunity?

Mr. BLAND. That is true.

General MacArthur, as Acting Secretary of War, reported that—

The records of the War Department show that Second Lt. Roy G. Cuno, Air Corps, Langley Field, Va., was ordered to proceed to Washington, D. C., and report to the commanding general, Walter Reed General Hospital—

And the facts which I have stated.

The Acting Secretary of War, General MacArthur, concludes his report with these words:

There is no authority of law under which settlement with the claimant can be made; however, in view of the unusual circumstances and the fact that the claimant's property was moved during his absence, presumably for the convenience of the Government, the War Department will interpose no objection to the enactment of the proposed legislation.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. PITTENGER. If this were a case where private individuals were involved, there would not be any question under the law about liability, would there?

Mr. BLAND. No; there would not.

Now, as to the damage, the matter went before a board of inquiry, and this board of the War Department heard all the evidence with respect to the damage. The board made the following recommendation:

Upon careful consideration of the findings above, the board recommends that—

1. In view of the length of time that the damaged goods had been in service and the depreciation thereof the claimant, Roy G. Cuno, second lieutenant, Air Corps, be awarded 60 percent of the total amount asked for in the claim, or $851.61.

In other words, the amount of this claim as it is reported by the committee, and as contained in this bill, is the recommendation of the board of inquiry that examined into all of these facts, and the then Acting Secretary of War has said that in view of the peculiar circumstances attending this claim, the War Department interposed no objection to the proposed legislation.

I therefore ask that the amendment be rejected.

The question was taken, and on a division, demanded by Mr. HANCOCK of New York, there were—ayes 31, noes 51.

So the amendment was rejected.

The Clerk read as follows:

Title V—(H. R. 2335. For the relief of Cora Akins.) By Mr. TARVER

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, to Cora Akins the sum of $5,000 in full settlement of all claims against the United States on account of injuries received in a collision with a Civilian Conservation Corps truck, near Dahlonega, Ga., on or about October 5, 1934.

With the following committee amendments:

Page 5, line 24, strike out "$5,000" and insert "$750."

Page 5, line 22, strike out "funds" and insert "money."

Page 6, line 2, insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid

or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 5, strike out Title V.

Mr. COSTELLO. Mr. Speaker, this bill also involves an automobile accident in which the claimant suffered injuries, and by the terms of the bill would recover $750 because of these injuries.

The accident occurred between a car in which the claimant was riding and a C. C. C. truck. At the time the cars were visible, one to the other, they were at a distance of approximately 130 feet; and as shown by the evidence in the report, the C. C. C. truck traveled 30 feet while the private car in which the claimant was riding traveled a distance of 100 feet.

Mr. TARVER. Mr. Speaker, will the gentleman yield at that point?

Mr. COSTELLO. I will be pleased to yield.

Mr. TARVER. Will the gentleman kindly point out the affidavit in the report of any person stating those facts? The gentleman is quoting from the report of the Secretary of War and I would like for him to point out the affidavit of any affiant who swore to those facts.

Mr. COSTELLO. The report I was reading from is the report of the Secretary of War, which is made from the records in the War Department following their investigation of the accident.

Mr. TARVER. But is the name of any witness mentioned who swore to those facts?

Mr. COSTELLO. Not in the War Department report; no.

Mr. TARVER. Whereas there are the names of several witnesses mentioned in the report of the committee who swore to contradictory facts.

Mr. COSTELLO. The report of the War Department was based upon their findings following the accident. The other evidence submitted here includes the affidavit of the driver of the car in which the claimant was riding, and other interested witnesses, also riding in the car. So that as far as the testimony is concerned on either side of this particular case, all of it, you might say, is biased, either for or against the claimant.

Mr. KENNEY. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. Yes.

Mr. KENNEY. Does the gentleman say that what he now states is based on disinterested or interested witnesses?

Mr. COSTELLO. I state that the reports contained here, whether they come from the War Department or are affidavits of other persons, are biased either because of their interest on one side or the other of the particular case. The letter from the Secretary of War gives the viewpoint of the War Department as a result of their investigation of the accident. The other affidavits are those of the driver of the car or relatives of the claimant, so that if there is objection to the War Department report because it is claimed to be prejudiced, certainly the testimony submitted by those in the car or by those related to the claimant is equally prejudiced in her behalf.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. One moment. The Army board found that the C. C. C. truck at the point of the accident had pulled as far over to the right of the road as it possibly could, and that the accident was due to the negligence of the driver of the car in which the claimant was riding. I want the Members particularly to note the fact that the War Department also found that the brakes of the car in which the claimant was riding were defective. In other words, the car in which the claimant was riding had defective brakes, and was not able to stop in sufficient time to avoid the accident, and in view of the fact the testimony shows the C. C. C. truck was as far on its side of the road as it could be, there is, therefore, no negligence that can be attributed to the Government. For that reason I feel that the claimant here is not entitled to recover for the damages sustained.

Mr. KENNEY. Does the gentleman contend that the defective brakes, if they were defective, should be imputed to the claimant in this case?

Mr. COSTELLO. I do, because it is shown by the War Department that the claimant's car traveled a distance of 100 feet, while the Civilian truck traveled only about 30 feet.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. TARVER. Mr. Speaker, I rise in opposition to the amendment. The evidence shows that the driver of the truck was drunk and was driving on a steep mountain road at the rate of 40 to 45 miles an hour; that he could have seen this car in which claimant was driving for 130 feet, but made no effort to stop; that the road was only 15 feet wide at that point.

Mr. COSTELLO. Mr. Speaker, will the gentleman yield?

Mr. TARVER. Not at this point—that the driver of the automobile in which the lady was riding had pulled his car out to the side of the road and stopped in a ditch. The question of defective brakes does not enter it at all, because the car had come to a complete standstill, when this drunken driver came down the mountain side at 40 to 45 miles an hour, struck the automobile and demolished it, and knocked the woman unconscious, sustaining injuries as a result of which she was under treatment continuously for many months, and is still under treatment of a physician at times.

The Secretary of War in his report mentions alleged contradictory facts. Who he got them from, God only knows. He does not mention in his report the name of a single witness who undertook to testify those were the facts, while, on the contrary, there does appear in the report the complete affidavits of several witnesses, some of whom at least I know are reliable, who testified to the facts as I have detailed them to you. The gentleman says that these witnesses are biased. He made the same statement before the Claims Committee, and I challenged him then, and I challenge him now, to point out one single fact appearing in this record upon which the statement can be made that there was bias. He says they were biased. And why? Presumably because they were riding with this lady. Two of them were in no way related to her. One of them was the driver of the automobile and perhaps there is some interest there. Another young man, named Lansford, had no interest in the matter, and, so far as the accusation being founded on facts is concerned, there is not a scintilla of evidence in the files to justify any such insinuation. I yield to the gentleman from California.

Mr. COSTELLO. I ask the gentleman on what testimony he bases his statement that the C. C. C. truck driver was driving 40 to 45 miles an hour, when the War Department says it was going 10 to 16 miles an hour.

Mr. TARVER. The trouble with the gentleman is that he cannot see anything except what appears in the War Department's report. The War Department report is not based on the evidence of one single named witness. I have named to you in this record the names of witnesses who testified that he was driving 40 to 45 miles an hour and that he was drunk. Furthermore——

Mr. COSTELLO. The gentleman has not answered my question. The driver of the car testified——

Mr. TARVER. I do not yield to the gentleman. His present attitude is simply a continuation of the unfairness he has manifested in this case heretofore.

Mr. CLARK of Idaho. Will the gentleman yield?

Mr. TARVER. No.

Mr. CLARK of Idaho. I did not doubt it.

Mr. TARVER. The gentleman is likely to doubt anything that does not meet with his approval, but in this case there

is no justification for his doubt. He is a "doubting Thomas" as are his conferees in matters of this sort.

Mr. ROMJUE. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield.

Mr. ROMJUE. The gentleman says, of course, that the car was standing, not moving, and therefore the question of defective brakes would not enter.

Mr. TARVER. The question of defective brakes would not enter into the question, of course.

Mr. ROMJUE. And, furthermore, the injured person was not in charge of the car?

Mr. TARVER. Oh, just a lady going in this man's car to visit her son at a C. C. C. camp; that is all. The claim is only approved for $750, when she asked for $5,000.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

The question is on the amendment offered by the gentleman from California [Mr. COSTELLO].

The amendment was rejected.

Mr. HOFFMAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 5, line 24, after the word "of", strike out "$750" and insert "$200."

Mr. HOFFMAN. Mr. Speaker, this is all new to me. With less than a quorum present you pass all these bills or vote down all these amendments, whichever it may be, apparently without any regard to the facts except the statement of the gentleman who is interested in the bill. On one of the previous titles the gentleman made the statement that a passenger in a car, who was not a passenger for hire, was not responsible for the negligence of the driver. That is not the rule in the Federal courts. It is not the rule in a majority of the States in the Union.

Now, with reference to this bill: We are presumed to sit here as a fact-finding, law-determining body combined, as it appears to me. We have a committee composed of members from both sides of the House. They have taken the time and trouble to look into these matters. I wonder if the gentleman from California would answer a question for me?

Mr. COSTELLO. I would be glad to.

Mr. HOFFMAN. Do you look into these matters at all?

Mr. COSTELLO. I might inform the gentleman that we do spend considerable time reading the committee reports and occasionally checking with various departments of the Government when there is no report from a department, and we feel there should be a report.

Mr. HOFFMAN. And you think that information is of some value to us?

Mr. COSTELLO. Occasionally it is of very great importance and assists us very materially in determining our objection to or approval of a bill.

Mr. HOFFMAN. Do you know of any reason why we should not follow your judgment if we do not have any information ourselves?

Mr. COSTELLO. I might say that our attempt is not a case of trying to get Members to follow us because we are for or against, but to try to follow the facts as we set them out to them, and we try to give them an unbiased statement of the facts.

Mr. HOFFMAN. And outline the facts as they are?

Mr. COSTELLO. As they are reported to us and as we find them. In this particular case the driver of the car alleges that the ambulance was going 40 to 50 miles an hour. He alleges that he came along the road and saw the ambulance coming, and when he realized it was an ambulance he pulled to the side of the road, and he alleges that he stopped his car. Now, we are not to take the War Department's testimony, but we are to take his testimony. The War Department states that he was driving at a speed that is variously estimated at anywhere from 10 to 30 miles an hour. They leave that ambiguity there. They admit they do not know his speed.

Mr. HOFFMAN. Was he drunk, as stated by the gentleman?

Mr. COSTELLO. I do not know the facts, whether the driver of the C. C. C. truck was drunk or not. The only evidence is the statement of the driver of the other car. For that reason I have made no reply whatsoever to that statement. The other testimony here is all of passengers in the car who were riding with the claimant, Cora Akins.

Mr. HOFFMAN. That is all I want. I simply wanted to know some of the facts.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. TARVER. If the gentleman will look at the evidence he will find that the statement made by the gentleman from California that only one witness testified the driver was drunk is not true. The evidence of other witnesses printed in this record, which the gentleman can get in a moment by sending a page for it, shows that other witnesses testified to that fact.

Mr. HOFFMAN. Why should not all these matters be referred to some court where the actual facts can be determined?

Mr. TARVER. If the gentleman will introduce legislation to that effect, perhaps it will have proper consideration.

Mr. KENNEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. No.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. KENNEY. Mr. Speaker, I rise in opposition to the amendment.

The gentleman from Michigan [Mr. HOFFMAN] just put certain questions to one of the members of the committee of objectors in the House. As far as I am able to ascertain, this is an unofficial committee.

The gentleman from Michigan who just preceded me overlooked the fact, I believe, that this claim has been reported by the Committee on Claims. We have a Committee on Claims in this House that hears all these various claims; and there is no more conscientious man in this House than the chairman of this committee, an able, discerning, learned legislator, the gentleman from Maryland [Mr. AMBROSE KENNEDY].

This particular item in the omnibus bill comes here reported favorably by the Committee on Claims; so if the previous speaker sought information he should have addressed himself to the Committee on Claims primarily rather than to the committee of objectors. The Committee on Claims, in my experience, does not pass favorably on every claim that comes before it. Its members consider all claims very carefully. These claims are assigned to various members of the committee for report, and the committee finally passes upon them and reports them for the consideration of the House. I am one of those who have great confidence in the judgment of the Committee on Claims and in the chairman of the committee; and I ask the Members of the House, Mr. Speaker, not to be influenced solely by the committee who object to the bills as they come up here, but to consider the judgment of the Committee on Claims, which has reported this bill favorably with the recommendation that it do pass. I am going to vote in favor of this bill and against the amendment.

The SPEAKER pro tempore (Mr. O'CONNOR). The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The Clerk read as follows:

Title VI—(H. R. 2430. For the relief of Henry H. Carr; Robert E. Wise, Stanley Wise Ellis, and Peyton L. Ellis; and Hilory Wise and Flora A. Wise.) By Mr. Carden

That Henry H. Carr, owner of a certain farm consisting of 304 acres of land, more or less, near Camp Knox in Hardin County, Ky.; and Robert E. Wise, Stanley Wise Ellis, and Peyton L. Ellis, owners of a certain farm consisting of 200 acres of land, more or less, near Camp Knox in Hardin County, Ky.; and Hilory Wise and Flora A. Wise, owners of a certain farm consisting of 240 acres of land, more or less (in two separate fees of 120 acres each, more or less), near Camp Knox in Hardin County, Ky., are, as such owner or owners, hereby authorized to bring such suit or suits as they may respectively desire to so do against the United States of

America, to recover damages, if any, for loss or losses, which they may have sustained or suffered, as such respective owners, by reason of establishment, construction, or maintenance of Camp Knox in the State of Kentucky. Jurisdiction is hereby conferred upon the Court of Claims of the United States or the District Court of the United States for the Western District of Kentucky to hear, consider, determine, and render judgments for the respective amounts of such damages, if any, as may be found to have been sustained or suffered by the said owners of said farms, with the same right of appeal as in other cases, and notwithstanding any lapse of time or statute of limitation: *Provided*, That such action will be brought within 1 year from the date that this act shall become effective.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 7, line 11, strike out "Court of Claims of the United States or the."

The committee amendment was agreed to.

The Clerk read as follows:

Title VII—(H. R. 2435. For the relief of the Citizens State Bank of Marianna, Fla.) By Mr. CALDWELL

That all claims of the United States against the Citizens State Bank of Marianna, Fla., in the amount of $692.09, such sum representing five checks fraudulently negotiated by forged endorsements to such Citizens State Bank by an agent of the United States Seed Loan Department, and such checks having been cleared through the usual channels and charged back to the Treasurer of the United States by the General Accounting Office, shall be held and considered to have been satisfied as of the date of the enactment of this act.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 8, line 8, after the word "act", insert a colon and the following: "*Provided*, That the Comptroller General of the United States is authorized and directed to credit the account of the Treasurer of the United States with the sum of $692.09, representing the total amount of checks nos. 35862, 37109, 41815, 5829, and 28808."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Strike out all of title VII.

Mr. COSTELLO. Mr. Speaker, this bill provides for payment to the Citizens Bank of Marianna, Fla., the sum of $692.09. It appears from the records that one Sam Rountree, the county agent for Jackson County, Fla., for the Government, was the regular manager in the county for the United States seed-loan department. It appears that he handled all the department's business in the county, that he made the loans, received the checks, and turned them over to the beneficiaries.

It appears, however, that Rountree made applications for loans from the Government and used the names of beneficiaries; that he also made applications for loans for people who had not given him the authority to apply for loans. He then received the various checks on these loans, took them to the bank where he not only cashed them but deposited the proceeds to his own bank account in the bank.

The contention of the Government is that the fact Rountree cashed these checks and deposited them to his own account gave notice to the bank that there was something fraudulent about the transaction. For this reason I offer this motion to strike out the title. I believe the bank was put on notice when Rountree cashed the checks and deposited the money to the account of Rountree, that he was doing something he was not authorized to do, and that the bank should have realized he was using this money for his own personal benefit, and that these checks made out to different individuals were not paid to the individuals.

If we pass this bill the bank would be reimbursed this amount of money, and the Government would not only have paid the money to Rountree but would also have paid it a second time to the bank.

[Here the gavel fell.]

Mr. DALY. Mr. Speaker, regarding this particular bill, the gentleman from California overlooks the fact that Samuel Rountree was the fiduciary agent of the Government and that all applications for seed loans were filed by him. He had entire charge of the matter in the State whence he came. It occurred to us that an agent acting in a fiduciary capacity handling moneys of the United States should have been under bond to protect anybody who might have lost by reason of any speculations on his part. He was not under bond.

Mr. COSTELLO. Mr. Speaker, will the gentleman yield?

Mr. DALY. No; I will not yield. As I say, this agent was not under bond. In addition, it was the habit and custom of this man to receive checks from the Government of the United States drawn in favor of the applicants for seed loans, to deposit them in his own account in the bank, and pay out to the borrower from his own account.

This has been the practice and the custom for some time. It was the practice pursued in this case. The bank had no notice at all that anything was fraudulent or wrong because he was pursuing the usual custom that he had pursued for years. The money went into Rountree's account and remained in Rountree's account for some time. After the checks were cleared, had the Government notified the bank within 1 month or within 3 months there was anything fraudulent with the checks or the endorsements thereon, the bank could have protected the Government, itself, and anyone else; but the Government allowed months to go by before it notified the bank there was anything the matter with the endorsements on these checks. By that time Mr. Rountree had withdrawn all of his money.

The Government prosecuted Rountree, and he was convicted, sentenced to pay a fine, and went to jail. The bank, though, pursued a course that had been followed for a number of years. There was no notice given to the bank of anything peculiar with this transaction. It was the ordinary transaction; and it seems to me, and it seemed to the committee as a whole, that Rountree was acting in a fiduciary capacity and that the Government was negligent when it did not put him under bond. If the Government had notified the bank in any reasonable time—and I confess that 3 months even would have been a reasonable time—the bank could have protected itself, the Government, and everybody else; but they allowed month after month to pass during which time Rountree had money in the bank. Through the careless handling of the matter in Washington here the bank was not notified until many months thereafter, and by this time Rountree had withdrawn his money. The bank acted in the utmost good faith. The bank transacted its business in the same way as it had been transacted for years. The committee therefore thought it would be a hardship to blame the bank in this matter.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California [Mr. COSTELLO].

The amendment was rejected.

The Clerk read as follows:

Title VIII—(H. R. 3179. For the relief of Jesse Ashby.) By Mr. SCHAEFER

That the claim of Jesse Ashby, growing out of losses suffered under contract dated April 28, 1931, for painting plaster walls, Department of Commerce Building, Washington, D. C., is hereby referred to the United States Court of Claims with jurisdiction to hear the same to judgment and with instructions to adjudicate the same upon the basis of losses and/or damages suffered due to delays caused by the Government and/or to change made by substitution of Wall Hide sealer and first coater for the size coat as specified in the contract and/or to repainting surfaces where cracks in plaster were replastered and/or to porous and the chalky condition of the plaster making it necessary to apply more than three coats of paints as specified, for all of which labor and material the Government received the benefit and for which no compensation has been made.

With the following committee amendment:

Page 8, line 19, after the word "same", insert "notwithstanding the failure of any Government officer to give proper written orders for additional work."

The committee amendment was agreed to.

The Clerk read as follows:

Title IX—(H. R. 3777. For the relief of the Herald Publishing Co.)
By Mr. RICHARDS

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Herald Publishing Co., of Rock Hill, S. C., the sum of $446. Such sum represents the amount paid by the said Herald Publishing Co. to replace a broken boiler in the temporary post-office building at Rock Hill, S. C., same being leased by the Herald Publishing Co. to the Government, which boiler was injured by the post-office employee in charge of it by his own negligence and which was required to be installed by the Post Office Department.

With the following committee amendments:

Page 9, line 12, strike out "$446" and insert "$243 in full settlement of all claims against the United States."

Page 9, line 20, after the word "Department" insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. HANCOCK of New York. Mr. Speaker, I move to strike out all of title IX.

Mr. Speaker, in May 1931 the Herald Publishing Co. leased to the United States Government its quarters in Rose Hill, S. C., for use as a post office. The lease provided that the lessor should be responsible for all repairs.

A day or two later the janitor or an assistant in the post office burned up some trash in the furnace located in the building. This trash consisted of some old paper, excelsior, and sweepings from the floor. The boiler exploded or just naturally fell apart. The claim is now made that the damage was occasioned by negligence on the part of agents of the Federal Government.

There is some conflict of testimony in this case. Some claim that the boiler was in perfect condition. I think, as reasonable men, we know it could not have been in perfect condition, because the burning of waste paper would not have caused the boiler to explode. We have some testimony also of employees of the Herald Publishing Co. that the boiler was in perfect condition. On the other hand, we have the testimony of inspectors of the Post Office Department that the boiler was full of cracks; that it was old, rusty, and defective.

We also have the testimony of an expert who was commissioned to repair the boiler a few months before the Post Office Department took possession to the effect that it was full of cracks, that an unsuccessful effort had been made to cover these cracks with solder, but the job was unsatisfactory and, as a matter of fact, the furnace was in such condition that it could not be repaired.

The bill as introduced asks the Treasury of the United States to buy the Herald Publishing Co. a new furnace. We are invited to pay for a new furnace in full. Apparently the Claims Committee realized that this was a rather exorbitant demand and attempted to cut the claim in two. The bill originally asked for $446, but someone's mathematics were a little poor in trying to arrive at 50 percent of $446, because in doing so he reached the figure of $243.

Mr. Speaker, the only issue here is whether you wish to make a present or gratuity to the Herald Publishing Co., of Rock Hill, S. C. It is all right with me. I realize that 90 percent of the Members present are interested in private bills and they are prepared to vote against any amendment that may be proposed cutting down an amount or striking out a title entirely; but that is your responsibility.

[Here the gavel fell.]

Mr. RICHARDS. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I think the gentleman is a little weak in offering his amendment. I listened to him and noticed particularly where he made certain admissions with respect to the evidence in this case. He referred to the fact that we are passing all of these bills here regardless of their integrity. I do not want the Members to pass this bill because they have passed some other bill; on the other hand, I do not want them to turn it down on account of the remarks just made by the gentleman from New York.

As the gentleman from New York has said, in 1931 the Herald Publishing Co. of Rock Hill, S. C., leased to the Government of the United States this building. They leased it to be used as a post office. In the lease there was a stipulation that the lessor would be responsible for all damages except damages resulting through fault or negligence of employees of the Government.

This is the whole question. If the agents or employees of the Government were negligent here, then they should pay this company. If they were not negligent, the company should not be paid.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I have not time right now to yield to my friend.

If you will examine the evidence in this case or if you will examine the evidence before the committee, you will find there is not one scintilla of evidence to show negligence on the part of the employees of the Herald Publishing Co. except the agent of the Government of the United States, the custodian of the building.

Now, do you expect the custodian of the building to admit to the Treasury Department of the United States that he was negligent in performing his duty and lose his job or be otherwise penalized? On the other hand, I am not going to call your attention, Mr. Speaker, to what the claimant says here, or what his three employees said. There are four affidavits in here to back up what they say about the condition of this boiler, but I am going to call your attention here tonight to the evidence and affidavits of five disinterested parties, who had no interest either in the side of the Government of the United States or in the claim of the claimants here.

Mr. Butler, who was in charge of the heating plant on May 22, said the plant was in good condition.

Mr. Healan, the general contractor in charge of the repair of the building, to put it in proper shape for the Government of the United States, said it was in good condition.

Mr. L. S. Starnes, the man who made certain changes in the heating plant in accordance with the requirements of the United States Government, said it was in good condition; and yet these gentlemen come here and, while admitting there is some difference of opinion as to who was negligent, they admit they have not one scintilla of evidence to show negligence on the part of the Herald Publishing Co., except by the agent of the United States Government itself.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. KELLER. How old was this boiler?

Mr. RICHARDS. The boiler was a few years old—I do not know exactly how old it was.

Mr. KELLER. About how many years?

Mr. RICHARDS. I do not know exactly.

Mr. KELLER. What was it made of?

Mr. RICHARDS. It was of the usual boiler construction—steel, and so forth.

Mr. KELLER. How long does it take the ordinary steel boiler of this type to become valueless?

Mr. RICHARDS. I could not answer that question.

Mr. KELLER. Did either one of the gentlemen testify as to his experience and knowledge along these lines?

Mr. RICHARDS. The plumbing contractor testified to that effect.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

The Clerk read as follows:

Title X—(H. R. 3913. For the relief of Edith M. Powell.) By Mr. EKWALL

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edith M. Powell the sum of $2,000 together with interest thereon at the rate of 6 percent per annum from July 27, 1933, until the enactment of this act, in full compensation and settlement for all claims and demands of Edith M. Powell growing out of, or arising from, injuries suffered in an accident on Government property near Newport in Lincoln County, Oreg., on or about August 2, 1926.

With the following committee amendments:

Page 10, line 13, strike out "$2,000, together with interest thereon at the rate of 6 percent per annum from July 27, 1933, until the enactment of this act," and insert "$1,000."

In line 19, after the figures, insert: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 10, strike out all of title X.

Mr. COSTELLO. Mr. Speaker, this bill provides for the payment of $1,000 to Edith M. Powell for injuries which she suffered from an accident while on Government property in Lincoln County, Oreg.

It appears that the claimant was visiting the Yaquina Head Light Station up in Oregon, and, while walking along the path leading to the lighthouse, she tripped and fell.

Again, we come to one of those cases where there is a conflict of evidence. The claimant here alleges that the planks were laid end to end forming this walk and that there was an imperfect joining of the planks along the level of the walk. She claims she struck against one of these planks and as a result tripped and fell, thereby causing the injuries which she sustained to her ankle.

On the other hand, we have the testimony of the keeper of the lighthouse, and he reported that the walk was in perfect condition, that there were no defects of any kind in the walk. However, there were at frequent intervals cleats across the walk to enable the keeper of the lighthouse to pass along there during icy weather, when the ice would form on the walk, and it is quite possible she struck against one of these cleats, thereby tripping and falling and sustaining her injuries. So that the question that now arises before the membership of the House is whether they shall take the testimony offered by the beneficiary of this bill or will follow that of the keeper of the lighthouse. I am personally inclined to believe that the walk was in good condition as stated by the keeper of the lighthouse, and, therefore, I offer this amendment.

Mr. EKWALL. Mr. Speaker, I rise in opposition to the amendment. I happen to know very well the lady involved in this case and her husband. There is an affidavit here, signed by the husband and by the claimant, showing that the sidewalk was clearly defective. They were invitees upon the lighthouse grounds. This woman received a severe injury, a broken ankle, from which she will suffer for the rest of her natural life. Her bills in connection with her injury were considerably over $500. She has suffered excruciating pain and the committee saw fit in its judgment to reduce this claim from $2,000 to $1,000. I think the claim is perfectly legitimate, and it is a claim that could have been sustained in a court of law at any time, I am positive. I hope that the Members will see fit to vote down the amendment and pass the bill as recommended by the committee.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

Title XI—(H. R. 5178. For the relief of Gladys E. Faughnan, guardian.) By Mr. BRUNNER

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated to Gladys E. Faughnan, guardian, the sum of $5,000 in full settlement of claim against the United States Government on account of permanent injuries received by her son, Robert Faughnan, when struck by a United States mail truck on March 5, 1932, about 5 o'clock p. m., at Springfield Boulevard near Sheffield Avenue, Springfield, Queens County, N. Y.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 11, line 12, strike out "$5,000" and insert "$2,500."

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

Title XII—(H. R. 5815. For the relief of Bruce Bros. Grain Co.) By Mr. DUNCAN

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $279.90 to the Bruce Bros. Grain Co. in full settlement of all claims against the Government of the United States to cover loss sustained by said company on a car of wheat, car no. 96110, Chicago, Burlington & Quincy, shipped from St. Joseph, Mo., July 15, 1921, to Minneapolis, Minn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. HOPE. Mr. Speaker, I move to strike out title XII.

The SPEAKER pro tempore. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HOPE: Strike out all of title XII.

Mr. HOPE. Mr. Speaker, this is a claim by the Bruce Bros. Grain Co. in which they are asking $223 as the loss which they suffered in the sale of a carload of grain on the Minneapolis market. The basis of their claim is that the Government inspection originally showed this wheat to be No. 2 Hard Winter but subsequently changed by a review board so that it showed the wheat to be No. 2 Yellow Hard, which was an inferior grade of wheat. It is not shown here that the claimants in any way tried to mitigate the damages, or that this is the proper measure of damages. Of course, nothing accrued to the Government in this case. The United States Government did not get anything, and the only evidence we have as to there having been any damages is that the party to whom the wheat was consigned refused to accept it and the claimants thereupon sold it on the open market at a claimed loss of $223.

Mr. KENNEDY of Maryland. Is it not true that former Secretary of Agriculture Wallace admitted that the Government inspector was at fault in this particular instance, and says that upon learning the evidence, they immediately took steps to see that this matter would not occur again.

Mr. HOPE. I think there is a statement here from the Secretary of Agriculture.

Mr. KENNEDY of Maryland. In his letter of May 15, 1922.

Mr. HOPE. Yes; there is a letter from the Secretary of Agriculture to the effect that that was an unusual procedure, but the fact remains that it was No. 2 Yellow Hard wheat, as the last statement shows, that was the proper designation and proper grade, and that the claimant in this case has suffered no damages.

If it was his contention that that was not a proper grade, then it was his duty to force the purchaser to comply with his contract and accept the wheat upon the basis of the grade which the claimant contended it actually was. He knew his rights in the matter. Instead of doing that they simply went on the open market and sold the grain at a lower price than it had been contracted for. I submit it is not fair to the Government of the United States to hold it responsible for the negligence of the claimant in this case to exercise its legal right in the matter. There is nothing here to show this wheat was any other than No. 2 Yellow Hard, because that was the final opinion of the board of review in this particular case.

Mr. DUNCAN. Mr. Speaker, I rise in opposition to the amendment. The gentleman from Kansas [Mr. HOPE] has reviewed the facts approximately correctly, except that the State grain-inspection department originally inspected this carload of wheat and issued a certificate as No. 2 Hard Yellow. An appeal was taken to the Federal grain inspection at St. Joseph, which confirmed the State grain inspection, and thereupon the car of wheat was taken to Minneapolis as No. 2 Hard Yellow.

Without any authority of law or under any regulation, the Federal grain inspector at St. Joseph certified it to the board of appeals in Chicago, where it was found to have been not No. 2 Hard Winter, but Hard Yellow, which is an entirely different grade of wheat from that called for in the original inspection. When that certificate was issued to the consignee in Minneapolis and also to the consignor in St. Joseph it was refused by the consignee in Minneapolis, and it was required to be sold on the open market at a loss to the consignor of the amount set out in this bill. There was no way to protect himself against that loss. There is an affidavit attached and shown in the report, made by Bruce Bros. Grain Co., that that was the amount of loss. The Secretary of Agriculture states in his letter to the chairman of the Committee on Claims in 1922 that it was the first case arising under the United States Grain Standards Act, and, as soon as it was found that this condition existed, regulations were immediately put into effect to prohibit a recurrence of that condition. It seems to me that under the circumstances the consignor did all he could to protect himself. As a result of the failure to properly comply with the regulations and, in fact, in violation of the law, he sustained this loss.

The SPEAKER pro tempore. The time of the gentleman from Missouri [Mr. DUNCAN] has expired.

The question is on the amendment offered by the gentleman from Kansas [Mr. HOPE].

The amendment was rejected.

The Clerk read as follows:

Title XIII—(H. R. 6105. For the relief of the New Amsterdam Casualty Co.) By Mrs. KAHN

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the New Amsterdam Casualty Co., in full settlement of all claims against the Government of the United States, the sum of $10,000, being the amount of a bail bond filed in the case of the United States against Zangwell Engelsher, and subsequently forfeited when the said Engelsher failed to appear for trial, although he was later apprehended and convicted of counterfeiting through the efforts of the claimant herein: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 13, line 10, strike out "$10,000" and insert "$6,000."

The committee amendment was agreed to.

The Clerk read as follows:

Title XIV—(H. R. 6444. For the relief of Jane Alice Everson.) By Mr. EKWALL

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jane Alice Everson, the sum of $400, together with interest thereon at the rate of 6 percent per annum from November 19, 1934, until the enactment of this act, in full compensation and settlement for all claims and demands of Jane Alice Everson growing out of, or arising from, injuries suffered in an accident in an elevator in the United States customhouse in Portland, Oreg., on or about November 19, 1934:

With the following committee amendments:

Page 14, line 9, strike out, after "$400" the balance of line 9, all of lines 10, 11, 12, and 13, down to and including the word "from" and insert "in full settlement of all claims against the United States for":

Page 14, line 16, insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 14, strike out title XIV.

Mr. COSTELLO. Mr. Speaker, this bill would provide for the payment of $400 to Jane Alice Everson for injuries which she sustained by reason of an accident in the United States customshouse in Portland, Oreg. The evidence on file discloses that the claimant took hold of a rod which consisted of a part of the door of an elevator shaft in that building, and a descending elevator caught her hand and crushed it, which caused a permanent injury to the finger on her hand. Although this was one of the old-fashioned type of elevator doors, it seems to me it was extremely negligent on the part of the claimant to place her hand around that rod on that elevator door and put it in a position where the elevator might strike it.

Furthermore, it seems to me there is absolutely no responsibility on the part of the Government. It appears that the claimant having placed herself in that position must suffer the consequences. The point will probably be brought up that the Government the next day placed a sign on the elevator door warning people to keep hands off. Again I make the statement that in doing so the Government was simply warning others of the fact that the Government had knowledge that an accident had occurred there by persons inserting their hands in that position, and it was only proper for the Government to warn others not to repeat that same thing. If the Government failed to give that notice, then we might attribute negligence to the Government on a subsequent accident, but I do not think the Government was in any way responsible in this particular case. I feel that this title should be stricken out of this omnibus bill.

[Here the gavel fell.]

Mr. EKWALL. Mr. Speaker, I rise in opposition to the amendment.

I do not know what these objectors are coming to. I wonder if they think the members of the Claims Committee are passing these claims without considering them. Here is a case where a woman was severely injured. This Committee on Claims is composed of a number of good lawyers.

They carefully considered this case. This woman had a finger badly broken and deformed. Her doctor's bill and the lost time would easily amount to $400. She has a permanent injury. These objectors come here and raise technical objections which are not tenable or based on ordinary rules of evidence. It seems to me a shame that the Federal Government should try to deny payment of money due these people, simply because it is the Government. I do not think it is fair.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. EKWALL. No; I do not yield.

It seems to me we are taking up a lot of time objecting to these bills for frivolous reasons. We ought to stop it and get down to taking care of the business of this Government.

The members of the Claims Committee are going into these matters conscientiously, and we should have a little faith in their judgment. We certainly do not show it when objection is made to a claim of this nature. You can allow the claim or you can vote it down as you wish, but it seems a shame to waste time this way. [Applause.]

The SPEAKER pro tempore. The question is on the amendment of the gentleman from California.

The amendment was rejected.

The Clerk read as follows:

Title XV—(H. R. 6488. For the relief of Wayne M. Cotner.) By Mr. LESINSKI

That the United States Employees' Compensation Commission is hereby authorized to consider and determine, in the same manner and to the same extent as if application for the benefits of the Employees' Compensation Act had been made within the 1-year period required by sections 17 and 20 thereof, the claim of Wayne M. Cotner, on account of disability due to loss of an eye caused by employment in the service of the United States between March 29, 1919, and August 7, 1919: *Provided*, That no benefits shall accrue prior to the approval of this act.

With the following committee amendment:

Page 15, line 13, insert the words "alleged to have been."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Strike out all of title XV.

Mr. COSTELLO. Mr. Speaker, I have made this motion to strike out this particular title in order to get an opportunity to say a few words regarding the last bill which we have already passed. I want to bring to your attention simply this fact, that at the time, I was opposing it not because of the amount of money involved, which was only $400, nor did I oppose it because of the nature of the injury the claimant sustained, but my purpose in opposing the bill was to refute the charge of negligence alleged against the Government. There was no negligence on the part of the Government.

Mr. Speaker, I want to make this point, that the amount of money involved in these bills is not the primary consideration; and our position here as objectors is not because of any personal interest or personal dislike we have toward the author of any bill, nor is it in any sense an attempt to dispute any finding of the Committee on Claims. I, personally, have attempted to work with the committee, and I have tried to cooperate with them.

Our position today is simply one of checking various bills that are reported out on this calendar, not as censors but merely an attempt to study them, and when of doubtful merit, object, and then bring them back here in these omnibus bills to give the Members an opportunity to decide whether to pass the bills on their merits. If a bill is meritorious, we have no objection to it; but we do not feel we should be held up to criticism because we oppose these different bills any more than the Committee on Claims should be held up to criticism because it refuses to report out a large number of private bills that are introduced.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. HOPE. Is it not a fact so far as the amount of money in any particular claim is involved the amount in itself is not great? The principle involved is that the bill may establish a precedent.

Mr. COSTELLO. The gentleman is quite correct.

Mr. HOPE. Every time we pass a bill of this character we are setting a precedent for the introduction of hundreds or thousands of similar claims.

Mr. COSTELLO. The gentleman is absolutely correct. We may set precedents in some of these small bills that will result in hundreds of similar bills being introduced or in bills being introduced that may ultimately cost the Government hundreds of thousands of dollars.

Mr. KENNEDY of Maryland. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. KENNEDY of Maryland. Speaking for myself as chairman of the Committee on Claims, and I think I speak for every member of the committee, we are particularly grateful for the cooperation given by the objectors, both Democrats and Republicans. They have been very helpful to us. As a matter of fact, we have been guided by their judgment in a number of instances and have refused to report out claims in omnibus bills based on statements made by these men when they appeared before the committee. In each omnibus bill will be found a statement of the committee thanking these gentlemen for the cooperation they have given the Committee on Claims. I want personally to thank the gentleman from California [Mr. COSTELLO] and the gentleman from Kansas [Mr. HOPE] and the other gentlemen for the fine cooperation they have given the Committee on Claims and the assistance they have rendered the committee by giving us their judgment on these bills.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to withdraw my amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Title XVI—(S. 283. For the relief of Beatrice I. Manges)

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000, and $50 per month in an amount not to exceed $2,500, to Beatrice I. Manges, of Cleveland, Ohio, in full settlement of all claims against the Government for injuries received November 7, 1918, when a United States Army truck collided with an automobile of which she was an occupant: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per centum thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 15, line 21, after the word "appropriated", insert "during her natural life."

The committee amendment was agreed to.

The Clerk read as follows:

Title XVII—(S. 895. To carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.)

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $22,170.30 to the Atlantic Works, of Boston, Mass., being the difference between the actual cost of the construction of the revenue cutter *Daniel Manning* and the amount paid under the contract entered into for the building of said vessel, as found by the Court of Claims and reported in Senate Document No. 5, Sixty-eighth Congress, first session: *Provided*, That no part of the amount appropriated in this act in excess of 20 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 20 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the

provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 17, after the word "Massachusetts", strike out the word "being" and insert "in full settlement of all claims against the United States for."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 16, strike out "title XVII."

Mr. COSTELLO. Mr. Speaker, this bill provides for the payment of $22,170.30 to the Atlantic Works, of Boston, Mass., for the difference between the actual cost of the construction of a revenue cutter, the *Daniel Manning*, and the amount paid under the contract entered into for the building of that vessel as found by the Court of Claims and reported in the Senate in the Sixty-eighth Congress. This claim, as stated by the claimant, is for a grant, gift, or bounty which, it is alleged, grew out of certain delays in the construction of the steam vessel by the claimant for the United States, which vessel was to be used in revenue-cutter service.

The contract was entered into in June 1895 and the vessel was completed on October 7, 1897. The contract price was paid in full, together with the sum of $3,902.90 for extra charges in connection with the construction of the ship.

This claim was referred to the Court of Claims and that court decided the case. They found that a large part of the delay was due to lack of equipment and lack of experienced workmen on the part of the contractor and not on the part of the United States Government. They did find that some changes in the specifications, changes in the rigid tests and inspections of material and workmanship, as well as a lack of promptness in rejection of some requirements by Government inspectors, caused some delay, and that the total delay increased the contract price by $22,000.

The Court of Claims reached the conclusion that there is no liability on the part of the United States Government under the terms of the contract to pay this claim, and that the claim is neither a legal one nor an equitable one; that if anything is granted it will be a gift or a bounty which rests in the judgment and discretion of the Congress.

The objectors objected to this bill when it came up on the Private Calendar and did so because this bill involved a shipbuilding contract 37 years old. The court has held that it is merely a grant or bounty if the Congress passes the bill. I believe this is demonstrative of the benefit of having objectors to oppose these bills which come up for consideration on the Private Calendar. We are not given an opportunity when the Private Calendar is called to explain our objections. The bill must either be passed or an objection has to be made at the time the bill is called up for consideration. By objecting to such a bill as this we give you the opportunity to know the facts and either approve or disapprove of the bill. As I say, this is purely a grant or gift on the part of the Congress if this bill is passed. The claim arose over 37 years ago, and I therefore trust my amendment will be agreed to.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California [Mr. COSTELLO].

The amendment was agreed to.

The Clerk read as follows:

Title XVIII—(S. 2119. For the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased)

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, jointly to Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, owners of the schooner *Betsy Ross* and/or to the widows of any of said owners as may be deceased at the time of the payment, each to receive of the amount hereby appropriated the portion thereof to which her husband would be entitled if living, the sum of $35,916.68, in full and final settlement of all claims against the United States for loss or losses which they may have suffered by reason of the interference with, the delays to, the enforced cancelation of the private charter of, and the appropriation of the use of, the schooner *Betsy Ross* by the United States Shipping Board or other governmental agencies at the port of Melbourne, Australia, on or about April 5, 1918: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The SPEAKER pro tempore. The question is on the passage of the omnibus bill.

The question was taken; and on a division (demanded by Mr. HANCOCK of New York) there were—ayes 64, noes 17.

Mr. CLARK of Idaho. Mr. Speaker, I object to the vote on the ground there is not a quorum present, and make the point of order there is not a quorum present.

Mr. KENNEDY of Maryland. Mr. Speaker, will the gentleman withhold his point of no quorum? We have been all the evening on this bill and anyone who is familiar with these night sessions knows it is almost impossible to keep a quorum here. The committee has worked on these claims and we would like to dispose of these matters.

Mr. CLARK of Idaho. Mr. Speaker, I withdraw the point of no quorum.

Mr. HOPE. Mr. Speaker, I make the point of order there is not a quorum present and object to the vote on that ground.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and forty-seven Members present, not a quorum.

The Doorkeeper will close the doors, the Seargeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 165, nays 63, not voting 195, as follows:

[Roll No. 122]

YEAS—165

Adair	Dietrich	Kocialkowski	Richards
Allen	Disney	Kopplemann	Risk
Arends	Dorsey	Kramer	Rogers, Mass.
Ashbrook	Doughton	Kvale	Rogers, N. H.
Bacharach	Duncan	Lambeth	Sanders, Tex.
Barden	Dunn, Pa.	Larrabee	Sandlin
Barry	Eckert	Lea, Calif.	Schneider, Wis.
Beam	Edmiston	Lehlbach	Sears
Beiter	Ekwall	Lesinski	Seger
Bell	Evans	Lewis, Colo.	Shanley
Bland	Fenerty	Lewis, Md.	Shannon
Bloom	Fletcher	Lord	Snyder, Pa.
Bolleau	Focht	Lucas	Somers, N. Y.
Boland	Frey	McAndrews	South
Boykin	Fuller	McGehee	Spence
Boylan	Fulmer	McKeough	Stack
Brewster	Gavagan	McReynolds	Steagall
Brown, Ga.	Gehrmann	Maas	Stefan
Buck	Gingery	Martin, Colo.	Sutphin
Buckley, N. Y.	Goldsborough	Mason	Sweeney
Burdick	Granfield	Merritt, N. Y.	Tarver
Caldwell	Green	Mitchell, Ill.	Terry
Cannon, Mo.	Greever	Moritz	Thom
Carlson	Gregory	O'Brien	Thomason
Carpenter	Gwynne	O'Connor	Thompson
Carter	Haines	O'Day	Tonry
Cartwright	Halleck	O'Leary	Turner
Castellow	Hartley	O'Neal	Umstead
Cavicchia	Hill, Knute	Owen	Utterback
Celler	Hill, Samuel B.	Parsons	Vinson, Ky.
Citron	Hook	Patterson	Wallgren
Colden	Houston	Patton	Walter
Colmer	Hull	Peterson, Fla.	Werner
Cooper, Tenn.	Imhoff	Pettengill	West
Cravens	Johnson, W. Va.	Peyser	Whelchel
Crowe	Kahn	Pfeifer	Wilcox
Cullen	Keller	Pittenger	Williams
Cummings	Kelly	Polk	Wood
Daly	Kennedy, Md.	Quinn	Woodruff
Delaney	Kennedy, N. Y.	Rabaut	
DeRouen	Kenney	Ramspeck	
Dickstein	Kloeb	Randolph	

NAYS—63

Amlie	Darrow	Johnson, Tex.	Reed, Ill.
Andresen	Dondero	Kinzer	Romjue
Blackney	Doxey	Knutson	Russell
Blanton	Driscoll	Lambertson	Scott
Buchanan	Eicher	Lundeen	Short
Buckler, Minn.	Engel	Mahon	Smith, Conn.
Christianson	Ford, Miss.	Main	Starnes
Church	Gilchrist	Mapes	Taylor, S. C.
Clark, Idaho	Goodwin	Marcantonio	Tinkham
Cochran	Gray, Pa.	Massingale	Whittington
Coffee	Hancock, N. Y.	Michener	Wigglesworth
Cole, N. Y.	Hess	Millard	Wolcott
Cooley	Hildebrandt	Mitchell, Tenn.	Wolverton
Costello	Hoffman	Mott	Young
Crawford	Holmes	Pearson	Zimmerman
Crowther	Hope	Rankin	

NOT VOTING—195

Andrews	Dunn, Miss.	Lamneck	Reilly
Ayers	Eagle	Lanham	Rich
Bacon	Eaton	Lee, Okla.	Richardson
Berlin	Ellenbogen	Lemke	Robertson
Biermann	Englebright	Luckey	Robinson, Utah
Binderup	Faddis	Ludlow	Robsion, Ky.
Boehne	Farley	McClellan	Rogers, Okla.
Bolton	Ferguson	McCormack	Ryan
Brennan	Fernandez	McFarlane	Sabath
Brooks	Fiesinger	McGrath	Sadowski
Brown, Mich.	Fish	McGroarty	Sanders, La.
Bulwinkle	Fitzpatrick	McLaughlin	Sauthoff
Burch	Flannagan	McLean	Schaefer
Burnham	Ford, Calif.	McLeod	Schuetz
Cannon, Wis.	Gambrill	McMillan	Schulte
Carmichael	Gasque	McSwain	Scrugham
Cary	Gassaway	Maloney	Secrest
Casey	Gearhart	Mansfield	Sirovich
Chandler	Gifford	Marshall	Sisson
Chapman	Gildea	Martin, Mass.	Smith, Va.
Claiborne	Gillette	Maverick	Smith, Wash.
Clark, N. C.	Gray, Ind.	May	Smith, W. Va.
Cole, Md.	Greenway	Mead	Snell
Collins	Greenwood	Meeks	Stewart
Connery	Griswold	Merritt, Conn.	Stubbs
Cooper, Ohio	Guyer	Miller	Sullivan
Corning	Hamlin	Monaghan	Sumners, Tex.
Cox	Hancock, N. C.	Montague	Taber
Creal	Harlan	Montet	Taylor, Colo.
Crosby	Hart	Moran	Taylor, Tenn.
Cross, Tex.	Harter	Murdock	Thurston
Crosser, Ohio	Healey	Nelson	Tobey
Culkin	Hennings	Nichols	Tolan
Curley	Higgins, Conn.	Norton	Treadway
Darden	Higgins, Mass.	O'Connell	Turpin
Dear	Hill, Ala.	Oliver	Vinson, Ga.
Deen	Hobbs	O'Malley	Wadsworth
Dempsey	Hoeppel	Palmisano	Warren
Dies	Hollister	Parks	Wearin
Dingell	Huddleston	Patman	Weaver
Dirksen	Jacobsen	Peterson, Ga.	Welch
Ditter	Jenckes, Ind.	Pierce	White
Dobbins	Jenkins, Ohio	Plumley	Wilson, La.
Dockweiler	Johnson, Okla.	Powers	Wilson, Pa.
Doutrich	Jones	Ramsay	Withrow
Drewry	Kee	Ransley	Wolfenden
Driver	Kerr	Rayburn	Woodrum
Duffey, Ohio	Kleberg	Reece	Zioncheck
Duffy, N. Y.	Kniffin	Reed, N. Y.	

So the bill was passed.

The Clerk announced the following pairs until further notice:

Mr. Woodrum with Mr. Snell.
Mr. Lanham with Mr. Treadway.
Mr. Lamneck with Mr. Taber.
Mr. Corning with Mr. Wadsworth.
Mr. Smith of Virginia with Mr. Jenkins of Ohio.
Mr. Connery with Mr. Merritt of Connecticut.
Mr. Drewry with Mr. Ransley.
Mr. Sabath with Mr. Bolton.
Mr. Hill of Alabama with Mr. Cooper of Ohio.
Mr. Rayburn with Mr. Ditter.
Mr. McFarlane with Mr. Fish.
Mr. Patman with Mr. Guyer.
Mr. Burch with Mr. Robsion of Kentucky.
Mr. Robertson with Mr. Wolfenden.
Mr. Jones with Mr. Plumley.
Mr. Kleberg with Mr. Hollister.
Mr. Cox with Mr. Gifford.
Mr. Dies with Mr. Culkin.
Mr. McMillan with Mr. Burnham.
Mr. Driver with Mr. Eaton.
Mr. Mansfield with Mr. McLean.
Mr. May with Mr. Powers.
Mr. Warren with Mr. Rich.
Mr. Vinson of Georgia with Mr. Tobey.
Mr. Taylor of Colorado with Mr. Welch.
Mr. Miller with Mr. Reed of New York.
Mr. Flannagan with Mr. Martin of Massachusetts.
Mr. McCormack with Mr. Andrews.
Mr. Sumners of Texas with Mr. Thurston.
Mr. Kerr with Mr. Wilson of Pennsylvania.
Mr. McClellan with Mr. Stewart.
Mr. Mead with Mr. Reece.
Mr. Fernandez with Mr. Marshall.
Mr. Maloney with Mr. Gearhart.
Mr. Dingell with Mr. Collins.
Mr. Darden with Mr. Bacon.
Mr. Chapman with Mr. Dirksen.
Mr. Bulwinkle with Mr. Englebright.
Mr. Hancock of North Carolina with Mr. Higgins of Connecticut.
Mr. Greenwood with Mr. Doutrich.
Mr. Huddleston with Mr. Lemke.
Mr. Maverick with Mr. Taylor of Tennessee.
Mr. Weaver with Mr. McLeod.
Mr. Montague with Mr. Turpin.
Mr. Sullivan with Mr. Sauthoff.
Mr. Palmisano with Mr. Gray of Indiana.
Mr. Gambrill with Mr. Pierce.
Mr. Boehne with Mr. Carmichael.
Mr. Hobbs with Mr. Ryan.
Mr. Cole of Maryland with Mr. Kee.
Mr. Schulte with Mr. Creal.
Mr. Smith of West Virginia with Mr. Deen.
Mr. Tolan with Mr. McLaughlin.
Mr. Dobbins with Mr. Stubbs.
Mr. White with Mr. Meeks.
Mr. McGrath with Mr. Ellenbogen.
Mr. Reilly with Mr. Brown of Michigan.
Mr. Cary with Mr. Harter.
Mr. Ramsay with Mr. Clark of North Carolina.
Mr. Sirovich with Mr. Kniffin.
Mr. Curley with Mr. Luckey.
Mr. Scrugham with Mr. McGroarty.
Mr. Duffy of New York with Mr. Moran.
Mr. Sisson with Mr. Wearin.
Mr. Johnson of Oklahoma with Mr. Sadowski.
Mr. Casey with Mr. Schuetz.
Mr. Dempsey with Mr. Lee of Oklahoma.
Mr. Gasque with Mr. O'Connell.
Mr. O'Malley with Mr. Binderup.
Mr. Griswold with Mr. Brooks.
Mr. Schaefer with Mr. Gildea.
Mr. Biermann with Mr. Chandler.
Mr. Rogers of Oklahoma with Mr. Jacobsen.
Mr. Secrest with Mr. Crosby.
Mr. Dear with Mr. Ludlow.
Mr. Murdock with Mr. Faddis.
Mr. Crosser of Ohio with Mr. Monaghan.
Mr. Nelson with Mr. Farley.
Mr. Dockweiler with Mr. Claiborne.
Mr. Fitzpatrick with Mr. Nichols.
Mr. Montet with Mr. Ford of California.
Mrs. Norton with Mrs. Jenckes of Indiana.
Mr. Peterson of Georgia with Mr. Higgins of Massachusetts.
Mr. Hennings with Mr. Gillette.
Mr. Cross of Texas with Mr. Richardson.
Mr. Hamlin with Mr. Robertson.
Mr. Hart with Mr. Harlin.
Mr. Cannon of Wisconsin with Mr. Smith of Washington.
Mr. Parks with Mr. Sanders of Louisiana.
Mr. Gassaway with Mr. Oliver.
Mrs. Greenway with Mr. Ayers.
Mr. Berlin with Mr. Brennan.
Mr. Duffey of Ohio with Mr. McSwain.
Mr. Dunn of Mississippi with Mr. Wilson of Louisiana.
Mr. Feiginger with Mr. Eagle.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. BOLAND). The Clerk will report the next omnibus bill.

The Clerk called the next bill, H. R. 12322, for the relief of sundry claimants, and for other purposes.

The Clerk read as follows:

Title I—(H. R. 1369. For the relief of R. L. Tankersley.)

By Mr. THOMASON

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. L. Tankersley the sum of $15,000 as remuneration for personal injuries received at the hands of certain members of the One Hundred and Twelfth Regiment New Mexico National Guard, which regiment was on active duty, under orders of the United States Government, at Fort Bliss, Tex., in the month of August 1928.

With the following committee amendments:

Page 1, line 8, strike out "$15,000 as remuneration" and insert "$5,000 in full settlement of all claims against the United States."

In line 11, strike out the word "Twelfth" and insert "Eleventh."

On page 2, line 3, after the figures, insert a colon and following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendments were agreed to.

The Clerk read as follows:

Title II—(H. R. 1868. For the relief of Mary E. Roney.) By Mr. LEWIS of Maryland

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary E. Roney, of Chevy Chase, D. C., during her natural life, the sum of $3,000. The said Mary E. Roney is the widow of George H. Roney, who, as a result of injuries sustained when struck by a Washington (D. C.) police patrol on October 14, 1930, died on October 16, 1931, leaving also a minor son, George H. Roney, Jr., 9 years of age. Both the said Mary E. Roney and the minor son, George H. Roney, Jr., were entirely dependent upon the said George H. Roney.

With the following committee amendments:

Page 2, line 20, after the word "appropriated", insert "and in full settlement of all claims against the United States."

On page 3, line 5, after the word "Roney", insert: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. HANCOCK of New York. Mr. Speaker, I move to strike out all of title II.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of New York: Strike out all of title II.

Mr. HANCOCK of New York. Mr. Speaker, the claim here is based on the alleged negligent operation of a police patrol in the District of Columbia about 6 years ago. There is not any question that if this were a case against the operator of an automobile belonging to a private citizen there would be a clear case of negligence and the plaintiff would be entitled to substantial damages. A police patrol, while operated by the police department of the District and engaged in official business for the District, was driven down Connecticut Avenue at a rapid rate of speed. It passed a trolley car which had stopped to permit passengers to alight on the wrong side, struck a man who had just left the car and who had started across the street from the right to the left, and killed him, the decedent leaving a wife and one infant child.

There is no question that the damages were substantial. The question is one of liability, not only from a technical legal standpoint, but there is also involved the question of whether the Federal Government bears any liability whatever. If this were an accident which had occurred in your city there would probably be no liability, because, I believe it is the general rule that there is no liability on the part of a municipality for the negligence of its officers when engaged in a governmental function, and I think it is universally conceded that the activities of a police department come properly within this province; but waiving that, the District of Columbia has assumed liability. They have paid all that the law permits them to pay. There is a statute here which limits the liability in death cases in the District of Columbia to $5,000.

The widow received that limit. She has given a release and accord and satisfaction in full. We are now asked to appropriate out of the Federal Treasury the sum of $3,000 in addition to what the District of Columbia has paid. I call attention to this fact, and I wish gentlemen would listen to me and consider this proposition, because they have not thought about any other argument that has been brought up tonight. The Federal Treasury is now being asked to pay this widow the sum of $3,000 in addition to what she has already received, although the injury and the damage were occasioned by an employee of the District of Columbia. The District of Columbia is an entirely different government from the Government of the United States.

There is no reason that I can see why the State of Nevada, the State of Texas, the State of North Dakota, and the State of Arizona should pay the obligations of the District of Columbia. If you think this widow should have more money, let it be included in the next budget of the District of Columbia. There is no justice whatever in asking the people of this country to pay for a damage claim against the District, arising out of the misconduct of a policeman of the District of Columbia. These three points I wish you would bear in mind: First of all, the policeman was engaged in a governmental function. Second, the widow has had all the law permits. If you think the law does not allow sufficient damages in the case of death, let us amend that law. Third, the Treasury of the United States is being asked to reimburse an injured party for alleged negligence on the part of an employee of the District of Columbia. Those are the points involved.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. LEWIS of Maryland. Mr. Speaker, I compliment the gentleman from New York [Mr. HANCOCK] on the general accuracy of his statement and compliment the membership on the circumstances that they have only a question here of equity and justice to pass upon. That is a simple question of whether official recklessness, as in this instance, followed by the death of a man in the peace of God and in the peace of the community, 37 years old, earning a livelihood as a watchmaker for his family, the widow shall be limited to damages to $5,000 by this House sitting as a court of appeal—whether the $5,000 shall be considered as a satisfactory adjustment.

Mr. GOLDSBOROUGH. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Maryland. Yes.

Mr. GOLDSBOROUGH. I have no difficulty about the liability of the District of Columbia but would like to hear the gentleman on the liability of the United States.

Mr. LEWIS of Maryland. I think the United States Government may readily recoup itself in the allowance it makes to the District of Columbia in the annual appropriation, supplementing the revenues it collects. We may not dismiss ourselves—the great Government of the United States may not dismiss itself—as lightly as the gentleman from New York has endeavored to do.

We here tonight are one branch of the city council of the District of Columbia. I think the fact is a regrettable fact and I would not have it so if I could change it, but we are responsible as one branch of the city council of the District of Columbia. We also control a sum varying from $4,000,000 to five or six million dollars each year, which we vote out of the Treasury of the United States, and the United States Government itself is, besides all this, responsible for a limitation of recovery here in the District of Columbia to $5,000 in an instance as utterly outrageous, considering the negligence involved in the case presented.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Maryland. Yes.

Mr. HANCOCK of New York. Does the gentleman feel that the claimant in this case has a legitimate claim against the people of the United States?

Mr. LEWIS of Maryland. I have made my statement on that subject. If the city of Washington, the District of Columbia, has a legitimate claim for four or five million dollars each year in the form of appropriation it receives, then this falls within the circle of that appropriation. When a widow brings her suit in the courts we establish here, then she is met by a technical barrier of $5,000. When at length the matter is brought here, we are then to be met by another technical barrier.

The SPEAKER pro tempore. The time of the gentleman from Maryland has expired. The question is on the amendment of the gentleman from New York.

The question was taken; and on a division (demanded by Mr. HANCOCK of New York) there were—ayes 38, noes 48.

Mr. HANCOCK of New York. Mr. Speaker, I object to the vote upon the ground that there is no quorum present, and make the point of order that there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and fifty-five Members present, not a quorum.

EXTENSION OF REMARKS

THE AMERICAN FARMER

Mr. LUNDEEN. Mr. Speaker, on May 13, 1936, I voted for the Frazier-Lemke farm refinancing bill. It was defeated 142 to 235. I also voted for the motion to discharge the committee and bring the bill before the House on May 11; that motion passed 220 to 153. My name was fifth among the 218 on the written motion to bring the bill before the House. I signed this petition the same day that it was placed on the Speaker's desk during the last session of Congress. The Frazier-Lemke bill has for many years formed a plank in the platform of the Farmer-Labor Party. Personally, I favor reducing interest rates even below the rate specified in the Frazier-Lemke bill. I would reduce the rate to 1 percent, and 1 percent amortization. Bankers are being given rates lower than that by the United States Government.

COST OF PRODUCTION PLUS A FAIR PROFIT

The Frazier-Lemke bill is not dead. The campaign for it will continue. We obtained a roll-call vote, and Members of Congress who voted against the bill will have to explain their votes during the coming campaign.

The people are awakening to the fact that the prosperity and happiness of all our citizens depends on giving the American farmer cost of production plus a fair profit. I have received numerous letters, telegrams, and petitions from my constituents in the city of Minneapolis who realize the importance of giving the farmer a square deal. Enlightened people in the city as well as in rural areas know that the farm depression which has continued now for 15 years must be checked. It is time that we pay attention to what is happening to the American farmer who is so often called the backbone of this country. Unless we take drastic means to check his downward march, in the not distant future the free American farmer will be no more.

Every year there is a steady increase in the percentage of tenant farmers. Farmers, who produce 21 percent of the Nation's wealth, compose 21 percent of the Nation's population and 21 percent of our gainful workers, receive only 7 percent of the national income. If paid a wage as high as 25 cents per hour for his labor, the American farmer would owe himself at the end of the year $920. The city wage earner and business man are dependent upon the farmer for wages and profits. Enlightened city people have learned this; they sympathize with the American farmer and urge their Congressmen and Senators to vote for legislation that will aid him. It is time that we turn the spotlight on the American farmer and his problems and learn what is happening to the backbone of this country.

AGRICULTURE EMPLOYS MORE PEOPLE THAN ANY OTHER INDUSTRY

Agriculture represented 32½ percent of the gainfully employed of 1910, 25.6 percent of the gainfully employed of 1920, and 21.4 percent of the gainfully employed of 1930. For every million of our population agriculture employs 85,294. Here is a table which shows the importance of agriculture from the standpoint of employment:

Number employed per million population

Occupation:	
Agriculture	85,294
Clerks	49,805
Servants	21,577
Chauffeurs	7,920
Textile workers	7,796
Trainmen, brakemen	7,749
Carpenters	7,570
Iron and steel workers	6,731
Miners	6,064
Machinists	5,215
Tailors and dressmakers	4,421
Painters	4,261
Engineers and firemen	3,123
Barbers and hairdressers	3,049

No other occupational group totals over 3,000 per million of population, according to the World Almanac for 1936, page 311.

THE EARLY AMERICAN FARMER

When the American Constitution was framed, this country was composed largely of farmers—frontiersmen whose inspiration for toils and hardships was the American dream, a free and equal people. They formed a farmers' constitution, for they were farmers. Even then their debt was staggering, and there seemed to be no way for them to pay it. Their exports were not sufficient to cover the interest due. War was their way out—the 20-year Napoleonic wars that consumed all the goods our farmers could possibly produce. A tariff was laid on imports, and the American farmer became prosperous by the insatiable markets of Europe.

When the Napoleonic wars came to an end in 1815, prices fell, the market was glutted, and a large percentage of the population moved westward, beyond the Alleghenies, to the new frontier. Always there was a new frontier, an avenue of escape from deflation.

There were periodic struggles between eastern industrialists who demanded high tariffs on manufactured products and western and southern farmers who wanted to buy these products cheaply. The western farmers fought against financial privileges of the East and slave-holding privileges of the South. Periodically there were wars with the accompanying demand for farm products that each time gave the West a temporary boom, followed by the inevitable crash.

WAR—A MIRAGE OF PROSPERITY

During the Civil War wheat sold for about a dollar and later 2 dollars a bushel. Many products doubled in value. War always held up a mirage of prosperity for the farmer, and when each crash followed in its turn, there was a new migration to the West. Each time new millionaires were made in the industrial East. Each time captains of industry took a firmer grip upon the economic life of the country; they demanded new protections and privileges, while the farmer, beaten but always hopeful, moved to the West, once again to pioneer.

The colossal blunder of 1917 was the last of these periods of artificial prosperity for the farmer. After the war there was no new frontier to conquer. Harding's "back to normalcy" meant opening the road to farm tenancy and mounting debt—perhaps even to peasantry.

There are interesting comments on the vanishing frontier in William E. Dodd's article, "Shall Our Farmers Become Peasants?" in Century Magazine, May 1928.

THE VANISHING FRONTIER

It was time for the farmer to move again into the wilderness, but the pioneering days were over. There was no more free land in the West. His debts continued to pile high; his prices continued to retreat. Business and industry reached still another boom in 1928 and 1929, but the farmer marched right on down the road to greater debts and increasing tenancy. The only manner in which he could survive was in an organized manner, and organization is now under way.

About half the farmers no longer claim ownership to their land—mortgaged or unmortgaged. They are tenants, without even the security that was guaranteed to serfs and vassals of feudal days. Half of those who do own lands are bound by mortgages that may never be refinanced again. The large farms, operated by gentlemen farmers—managers who are not farmers, but businessmen—have pulled through these 15 years of depression in rural America. But these are not the pioneer farmers who built this country. These are not the home builders who faced the wilderness under the inspiration of the American dream.

THE FARMERS' DEPRESSION STARTED IN 1920

Depression for the farmers started in 1920 instead of 1929. One cause of the 1920 farm slide downward was the action taken by the Federal Reserve Board in May 1920 in raising the discount rate. Through this raise in the rate and propaganda put out by the Federal Reserve Board, the Federal Reserve banks, and the member banks, a period of

drastic deflation was begun. Outstanding loans were forced in. This meant that the farmers had to meet their obligations at once. In order to do so they were forced to sell at a furious rate. Their selling caused a break in the market prices that could not be stopped, and by 1921 the farmers felt the full effect of the Federal Reserve Board order. Their doom was sealed, and nothing done by Congress since has balanced the effect of the 1920 crash.

NO WESTERN FRONTIER

There was no new frontier in the West to escape the World War crash. The farmer was caught. As his income went down his costs of production went up. Hogs, sheep, wheat, corn, milk, and other farm products went down; and wagons, telephone service, binders, cultivators, fertilizer, and other farm necessities went up. Here are the prices for 1914 compared with 1934:

[From Statistical and Historical Research, compiled from records of Division of Crop and Livestock Estimates]

Item	1914	1934	Item	1914	1934
Hogs	$7.57	$4.25	Binder	$136.50	$233.29
Wagons	73.25	108.92	Corn	.72	.61
Sheep	4.79	2.96	Cultivator	31.70	55.55
Telephone, per month	1.00	2.50	Milk	1.40	1.01
Wheat	.87	.79	Fertilizer	17.50	23.60

Let us take a look at the American farmer and the average American farm.

SIZE OF FARMS

In 1935 there were 6,812,350 farms in the United States, 203,302 of which were in Minnesota. The American farm varies from the little 3-acre strip of land to extensive operations of thousands of acres under single management. (See Appendix "A" for tables showing size of farms in Minnesota and United States, p. 9668.)

Number of farms, by size, for Third District counties in Minnesota, 1900–30 [1]

[U. S. Census Bureau]

Size group	Anoka	Chisago	Isanti	Hennepin	Washington
1930					
Total	1,457	2,024	2,030	3,981	1,963
Under 3 acres	4	4	2	62	2
3 to 9 acres	61	42	14	483	95
10 to 19 acres	33	35	20	486	93
20 to 49 acres	171	221	188	897	268
50 to 99 acres	374	629	680	1,186	544
100 to 174 acres	486	802	813	706	629
175 to 259 acres	211	213	239	121	225
260 to 499 acres	90	72	70	35	95
500 to 999 acres	25	6	3	4	7
1,000 acres and over	2		1	1	5
1925					
Total	1,575	2,128	2,097	4,313	2,055
Under 3 acres	1	1		12	1
3 to 9 acres	89	62	36	768	141
10 to 19 acres	57	53	24	588	111
20 to 49 acres	184	263	194	970	308
50 to 99 acres	445	697	686	1,185	613
100 to 174 acres	464	809	827	664	604
175 to 259 acres	221	175	248	94	196
260 to 499 acres	91	61	80	29	66
500 to 999 acres	20	7	1	3	12
1,000 acres and over	3		1		3
1920					
Total	1,589	2,236	2,212	3,954	2,014
Under 3 acres	2	3	1	44	15
3 to 9 acres	39	64	9	372	88
10 to 19 acres	42	63	17	430	91
20 to 49 acres	194	294	248	934	291
50 to 99 acres	475	695	784	1,253	608
100 to 174 acres	487	848	865	744	600
175 to 259 acres	225	192	212	122	225
260 to 499 acres	102	72	73	50	82
500 to 999 acres	18	5	2	5	13
1,000 acres and over	5		1		1
1910					
Total	1,445	2,005	2,063	3,853	1,943
Under 3 acres	1			34	8
3 to 9 acres	21	42	21	298	73
10 to 19 acres	25	51	17	376	78
20 to 49 acres	206	273	247	909	314
50 to 99 acres	436	603	734	1,228	844

[1] Data for 1935 not tabulated.

Number of farms, by size, for Third District counties in Minnesota, 1900–1930—Continued

Size group	Anoka	Chisago	Isanti	Hennepin	Washington
1910—Continued					
100 to 174 acres	447	757	740	785	600
175 to 259 acres	184	192	237	160	205
260 to 499 acres	97	85	64	60	110
500 to 999 acres	23	2	3	3	14
1,000 acres and over	5				2
1900					
Total	1,356	1,969	2,044	3,084	1,843
Under 3 acres	2	6	9	65	12
3 to 9 acres	21	20	20	190	49
10 to 19 acres	33	24	21	270	60
20 to 49 acres	237	328	315	841	290
50 to 99 acres	438	684	740	1,241	591
100 to 174 acres	364	657	690	829	532
175 to 259 acres	156	163	201	183	196
260 to 499 acres	82	67	46	60	102
500 to 999 acres	18	11	2	5	8
1,000 acres and over	5				3

FARM POPULATION

Almost one-fourth of our people live on farms. The total farm population in 1930 was 30,445,350 and in 1935 it was 32,779,000.

Total population and farm population divided between rural and urban for 1930 and 1920, United States, Minnesota, and Third District of Minnesota

[Rural farm population is that living on farms in rural territory; urban farm population is that living on farms in urban places]

[Figures from U. S. Census Bureau]

	United States	Minnesota	Third District counties in Minnesota				
			Anoka	Chisago	Isanti	Hennepin	Washington
1930							
Total population	122,775,046	2,563,953	18,415	13,189	12,081	517,785	24,753
Total farm population	30,445,350	895,349	6,650	8,708	8,781	18,318	8,718
Urban-farm population	287,837	7,300	133			1,585	72
Rural-farm population	30,157,513	888,049	6,517	8,708	8,781	16,733	8,646
1920							
Total population	105,710,620	2,387,125	15,626	14,445	13,278	415,419	23,761
Total farm population	31,614,269	897,181	(1)	(1)	(1)	(1)	(1)
Urban-farm population	255,629	3,721					
Rural-farm population	31,358,640	893,460					

[1] County figures for 1920 farm population not available.

VALUE OF FARM PROPERTY SHRINKS

Congressman LEMKE placed in the RECORD on March 5, 1936, data showing that farm values have dropped steadily, from $77,900,000,000 in 1930 to $37,000,000,000 in 1934 and $32,884,000,000 in 1935. During this same period interest and taxes increased. How many industries could survive this tremendous shrinkage in property values?

Average value of farms, 1900–1935

[U. S. Census Bureau]

	United States	Minnesota	Third District counties in Minnesota				
			Anoka	Chisago	Isanti	Hennepin	Washington
1935	$4,823	$6,803	$4,549	$4,882	$4,761	$7,310	$6,358
1930	7,614	11,471	7,708	9,086	7,378	12,963	10,749
1925	7,704	12,717	9,121	9,554	7,949	11,928	10,542
1920	10,284	18,496	11,958	11,321	9,739	13,808	12,770
1910	5,471	8,085	5,568	5,186	3,699	8,024	7,215
1900	2,896	4,329	2,551	2,435	1,728	4,799	4,248

FARMERS' SHARE OF NATIONAL INCOME DECREASES

Agriculture, with 21 percent of the Nation's wealth, 21 percent of the population, and 21 percent of the gainfully employed workers, receives less than 7 percent of the national income. Here is a table showing the percentage of income received by agriculture to total national income. (A 284—National income paid out in United States, R. B.

Nathan, Department of Commerce, printed in A Solution of the Agricultural Problem, Louis B. Ward.)

	National income	Agricultural income	Percentage
1929	$78, 576, 000, 000	$6, 157, 000, 000	7.8
1930	72, 973, 000, 000	4, 595, 000, 000	6.3
1931	61, 433, 000, 000	4, 271, 000, 000	6.9
1932	47, 964, 000, 000	3, 192, 000, 000	6.7
1933	44, 431, 000, 000	2, 993, 000, 000	6.7
1934	49, 440, 000, 000	3, 299, 000, 000	6.6

Actually, if the American farmer were paid an N. R. A. minimum wage of 25 cents per hour for his labor, he would owe his farm $920 at the end of a year. This is shown by the following table, which lists the farmer's expenses, including the expense of his own wages, and we find that if he were to pay himself a 25-cent wage his deficit would be greater than the wage he paid to himself:

The balance sheet

[From A Solution of the Agricultural Problem, by Louis B. Ward, M. A., Pd. M., Jan. 29, 1936]

1. 6 percent on $32,000,000,000 (land and buildings)	$1, 920, 000, 000
2. 6 percent on $25,000,000,000 (operating capital)	1, 500, 000, 000
3. 2 percent depreciation on $32,000,000,000 (land and buildings)	640, 000, 000
4. 4 percent depreciation on $25,000,000,000 (operating capital	1, 000, 000, 000
5. $600 per year for 3,000,000 farm laborers	1, 800, 000, 000
6. $912 per year for 6,800,000 farmers	6, 199, 200, 000
7. Taxes	400, 000, 000
Total	13, 459, 600, 000
1934 gross income, including Government benefits	7, 163, 000, 000
Deficit	6, 296, 600, 000

THE FARM TAX BURDEN

On every $100 of farm property in the pre-war period there was levied a tax of $0.55. That rate has increased until the tax on the same value of property in 1933 was $1.50, or an increase of nearly 300 percent. In 1930 it took four times as many units of farm production to pay taxes as it did in 1914. By 1933 more than 15 farms per thousand were being lost through tax sales.

Here is a table, from Congressman BURDICK, showing how the pre-war tax burden has constantly increased. In 1932 there was a slight drop but the tax burden still remains over two times as much as in the pre-war period:

1900	$262, 000, 000
1910	268, 000, 000
1911	275, 000, 000
1912	278, 000, 000
1913	268, 000, 000
1914	292, 000, 000
1915	298, 000, 000
1916	304, 000, 000
1917	310, 000, 000
1918	345, 000, 000
1919	380, 000, 000
1920	452, 000, 000
1921	633, 000, 000
1922	678, 000, 000
1923	718, 000, 000
1924	727, 000, 000
1925	729, 000, 000
1926	738, 000, 000
1927	754, 000, 000
1928	766, 000, 000
1929	777, 000, 000
1930	777, 000, 000
1931	730, 000, 000
1932	629, 000, 000

Farm tax burdens increase in spite of shrinking property values.

FARM MORTGAGE DEBT UP

About 1,800,000 farms of the 6,800,000 are free from debt and operated by owners, according to the World Almanac. The mortgage information I have received from the Census Bureau is confined to farms operated by owners, not tenants. Therefore, these figures represent only a part of the mortgage debt. This table shows how the value of farm property has decreased while the mortgage debt has increased or remained about the same.

Mortgaged farms operated by full owners, 1900–1930

[U. S. Census Bureau]

	United States	Minnesota	Third District counties in Minnesota				
			Anoka	Chisago	Isanti	Hennepin	Washington
1930							
Total number of full owners	2, 911, 644	97, 878	816	1, 319	1, 426	2, 382	1, 180
Farms reporting mortgage debt	1, 145, 737	49, 667	389	626	671	1, 036	524
Acreage	168, 760, 755	7, 123, 001	44, 774	66, 233	71, 596	49, 267	56, 528
Value	$10, 307, 732, 037	$526, 963, 778	$2, 782, 792	$5, 515, 720	$4, 694, 545	$10, 781, 575	$5, 357, 985
Mortgage debt	$4, 080, 176, 438	$235, 114, 123	$1, 064, 330	$2, 193, 841	$1, 866, 223	$3, 530, 377	$2, 126, 115
1925							
Total number of full owners	3, 313, 490	112, 906	1, 014	1, 546	1, 425	2, 951	1, 474
Farms reporting mortgage debt	1, 128, 207	52, 184	435	651	641	1, 045	494
Acreage	172, 182, 218	7, 548, 504	45, 008	64, 795	72, 171	45, 210	54, 128
Value	$10, 790, 244, 351	$612, 428, 182	$3, 317, 800	$6, 136, 265	$4, 933, 355	$9, 852, 975	$5, 336, 308
Mortgage debt	$4, 517, 258, 689	$267, 026, 995	$1, 272, 140	$2, 352, 241	$2, 061, 148	$3, 368, 599	$2, 231, 741
1920							
Total number of full owners	3, 366, 510	112, 880	1, 063	1, 685	1, 699	2, 533	1, 342
Farms reporting mortgage debt	1, 193, 047	57, 585	506	726	786	871	593
Acreage	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Value	$13, 775, 500, 013	$925, 963, 060	$5, 233, 970	$7, 850, 321	$7, 324, 240	$9, 704, 550	$6, 183, 436
Mortgage debt	$4, 003, 767, 192	$254, 475, 222	$1, 403, 110	$2, 061, 599	$1, 963, 521	$2, 695, 715	$1, 817, 397
1910							
Total number of full owners	3, 354, 897	99, 493	1, 055	1, 636	1, 568	2, 623	1, 352
Farms reporting mortgage debt	1, 006, 511	41, 775	468	580	633	782	478
Acreage	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Value	$6, 330, 236, 951	$295, 015, 775	$2, 076, 511	$2, 793, 995	$2, 180, 101	$4, 841, 530	$2, 841, 935
Mortgage debt	$1, 726, 172, 851	$77, 866, 283	$512, 979	$620, 578	$512, 140	$1, 222, 061	$697, 506
1900							
Total number of full owners	3, 638, 403	125, 405	1, 060	1, 764	1, 818	2, 817	1, 544
Farms reporting mortgage debt	1, 093, 164	54, 338	416	650	613	842	573
Acreage	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Value	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Mortgage debt	(1)	(1)	(1)	(1)	(1)	(1)	(1)

[1] Not reported.

FORECLOSURES LIQUIDATE FARM MORTGAGE DEBTS

Foreclosures have caused the farm mortgage debt to drop. A million farm foreclosures for the 8 years, 1926 through 1933—that is the record shown by the United States Department of Agriculture. Year by year foreclosures were:

1926	104,200
1927	109,200
1928	105,600
1929	88,800
1930	94,200
1931	112,200
1932	170,400
1933	232,800
1934	168,000
Total foreclosures, 1926–34	1,185,600

Since 1920, over 40 percent of all farm homes in America have been either foreclosed, transferred to settle debts, or lost under delinquent-tax sales. (Based on H. Doc. 9, 73d Cong., 1st sess.)

MORTGAGE DEBT STATE BY STATE

Here are the number and percentage of farms mortgaged in each State, and the totals of mortgages on farms operated by full owners. This estimate is conservative, since practically every little 3-acre farm in the country is termed a farm statistically, and is free from debt. If the Department had included only farms of 10 acres or over, the figures would probably have been higher:

[Louis B. Ward, A Solution of the Agriculture Problem]

State	Farms mortgaged	Percentage of total	Total mortgages on farms operated by full owners	Probable distribution Frazier-Lemke refinancing
Mississippi	261,000	83.7	$36,733,000	$27,000,000
Oklahoma	163,000	80.4	60,931,000	46,000,000
Alabama	202,000	78.9	37,422,000	28,000,000
Georgia	199,000	78.2	35,624,000	26,000,000
North Dakota	60,000	78.2	60,044,000	45,000,000
Louisiana	125,000	77.6	26,675,000	20,000,000
South Dakota	64,000	77.4	64,358,000	48,000,000
Iowa	166,000	77.3	452,902,000	340,000,000
Nebraska	99,000	77.2	172,342,000	129,000,000
Arkansas	186,000	77.0	35,388,000	26,000,000
South Carolina	121,000	76.7	26,447,000	20,000,000
Texas	377,000	76.1	199,238,000	150,000,000
Kansas	119,000	71.9	113,807,000	85,000,000
Colorado	40,000	67.9	48,854,000	36,000,000
Minnesota	125,000	67.8	235,114,000	175,000,000
Idaho	27,000	67.1	50,225,000	37,000,000
Illinois	141,000	66.2	199,229,000	150,000,000
Missouri	169,000	66.1	187,863,000	140,000,000
Wiscon	119,000	65.9	355,029,000	265,000,000
Montana	30,000	64.5	36,598,000	27,000,000
North Carolina	176,000	63.2	49,670,000	37,000,000
Wyoming	10,000	62.5	12,781,000	9,000,000
Indiana	111,000	61.4	112,185,000	84,000,000
Tennessee	147,000	60.2	49,750,000	37,000,000
Oregon	32,000	59.6	64,116,000	48,000,000
Delaware	5,000	58.6	5,617,000	4,000,000
California	79,000	58.3	298,523,000	223,000,000
Washington	40,000	57.7	72,303,000	54,000,000
New Jersey	14,000	57.6	39,796,000	30,000,000
Vermont	14,000	56.4	26,376,000	20,000,000
Michigan	95,000	56.2	141,034,000	105,000,000
Utah	15,000	55.9	28,741,000	21,000,000
Maryland	23,000	53.4	32,863,000	24,000,000
Massachusetts	13,000	53.1	34,060,000	25,000,000
Connecticut	9,000	52.7	23,556,000	17,000,000
Ohio	113,000	51.9	143,089,000	107,000,000
New York	82,000	51.7	170,460,000	127,000,000
Kentucky	126,000	51.4	62,777,000	47,000,000
Nevada	1,000	46.3	8,074,000	6,000,000
Florida	26,000	44.9	21,606,000	16,000,000
Virginia	75,000	44.3	53,424,000	40,000,000
Pennsylvania	75,000	43.9	122,744,000	92,000,000
Rhode Island	1,000	43.4	2,655,000	2,000,000
Arizona	5,000	41.8	11,618,000	9,000,000
New Hampshire	5,000	38.4	8,199,000	6,000,000
New Mexico	12,000	38.4	10,325,000	7,500,000
Maine	13,000	35.1	22,539,000	17,000,000
West Virginia	25,000	32.6	16,260,000	12,000,000

INCREASE IN TENANCY

Farm tenancy has increased from 25.6 percent in 1880 to 42.4 percent in 1930. All States except Connecticut, New York, New Jersey, Pennsylvania, Delaware, South Carolina, and Arizona showed an increase in percentages of tenancy in 1930. The range of tenancy according to the 1935 census was from 4.5 percent of all farms in Maine to 72.2 percent in Mississippi.

Number of farms, by tenure, for United States, Minnesota, and Third District of Minnesota, 1930–1935

[U. S. Census Bureau]

	United States	Minnesota	Third District counties in Minnesota				
			Anoka	Chisago	Isanti	Hennepin	Washington
1935							
Total	6,812,350	203,302	1,763	2,183	2,168	4,701	2,181
Owners	3,899,091	134,012	1,268	1,715	1,578	3,539	1,768
Managers	48,104	878	21		2	34	16
Tenants	2,865,155	68,412	474	468	588	1,128	397
1930							
Total	6,288,648	185,255	1,457	2,024	2,030	3,981	1,963
Owners	3,568,394	126,570	1,125	1,566	1,659	3,021	1,539
Managers	55,889	1,047	24	11	7	79	27
Tenants	2,664,365	57,638	308	447	364	881	397
1925							
Total	6,371,640	188,231	1,575	2,128	2,097	4,313	2,055
Owners	3,868,332	136,382	1,259	1,753	1,744	3,426	1,649
Managers	40,700	766	24	4	12	48	14
Tenants	2,462,608	51,083	292	371	341	839	392
1920							
Total	6,448,343	178,478	1,589	2,236	2,212	3,964	2,014
Owners	3,925,090	132,744	1,279	1,869	1,877	3,063	1,558
Managers	68,449	1,596	23	9	19	91	50
Tenants	2,454,804	44,138	287	358	316	800	406
1910							
Total	6,361,502	156,137	1,445	2,005	2,063	3,853	1,943
Owners	3,948,722	122,104	1,247	1,831	1,854	3,081	1,584
Managers	58,104	1,222	15	3	3	51	41
Tenants	2,354,676	32,811	183	171	206	721	318
1900							
Total	5,737,372	154,659	1,356	1,989	2,044	3,684	1,843
Owners	3,653,323	126,809	1,119	1,812	1,856	2,778	1,517
Managers	59,085	1,095	12	4	2	42	23
Tenants	2,024,964	26,755	225	153	186	864	303

Owners includes both full and part owners.

WAGES OF FARM LABOR FAR BELOW CITY AVERAGE

The wages of farm labor are much less than wages received by city workers, and these are none too high. Here are the wages over a period of years:

[From A Solution of the Agricultural Problem, Louis B. Ward]

Year	Including board	Excluding board	Year	Including board	Excluding board
1920	$47.24	$65.05	1928	$34.66	$44.65
1921	30.35	42.58	1929	34.74	49.08
1922	29.31	42.09	1930	31.14	44.59
1923	33.09	46.74	1931	23.60	35.03
1924	33.34	47.22	1932	17.53	26.67
1925	33.88	47.88	1933	15.86	24.31
1926	34.86	48.86	1934	17.89	24.17
1927	34.58	48.63			

MINNESOTA FARM CONDITIONS

In Minnesota today only one-half of our farms are operated by full owners. About one-third are tenant-farmed. The rest are operated by part owners and managers. We have 203,302 farms in Minnesota, 101,307 operated by full owners, 32,705 by part owners, 878 by managers, and 68,412 by full tenants. This is an increase of 11,000 tenants and less than 4,000 full owners from the 1930 census, an increase of 18.7 percent tenants and 3.5 percent full owners.

The value of farms in Minnesota, including land and buildings, has dropped from $2,125,093,278 in 1930 to $1,383,072,263 in 1935. The average value per farm has dropped from $11,471 to $6,803.

The crop failure, largely from drought, was 2,475,322 acres in 1935 compared with 254,979 in 1930. This does not include all crop failures, but only the acreage which failed and on which no other crop was harvested in 1934.

There was an increase of from 4,358,576 acres of corn harvested in 1930 to 4,757,503 acres harvested in 1935; but the number of bushels of corn for grain that was harvested dropped from 104,419,048 to 44,058,368. There was a 25-percent increase in the number of cows and a 51-percent decrease in the number of swine.

FARMS IN ANOKA COUNTY

Throughout the Third Congressional District, which I have the honor to represent in Congress, there are generally speaking the same tendencies. We had 1,763 farms in Anoka County in 1935, compared with 1,457 in 1930, with a total value of $8,020,423 in 1935 and $11,230,745 in 1930. Of these, 885 are operated by full owners, 383 by part owners, 21 by managers, and 474 by tenants.

From 1930 to 1935 the number operated by full tenants increased by 166, while those operated by full owners increased by only 69. Percentage figures show more clearly the increase in tenancy. There was an increase of approximately 8.5 percent in the number of farms operated by full owners and an increase of about 53.9 percent in the number of farms operated by full tenants. At this rate the full-owned Anoka farm is passing out of the picture, and a farm tenant runs the farm.

The average value of Anoka County farms was $4,549 in 1935 compared with $7,708 in 1930. The average size per farm was 127.7 acres in 1935 compared with 132.6 in 1930, according to the United States Census Bureau.

FARMS IN CHISAGO COUNTY

Chisago County had 2,183 farms in 1935 compared with 2,024 in 1930. Of these, 1,405 were operated by full owners, 310 by part owners, and 468 by tenants. There were no farms operated by managers in Chisago County in 1935. From 1930 to 1935 the farm tenants increased by 21; the full owners increased by 86. This is an increase of 6.5 percent in the number of full owners and 4.7 percent in the number of tenants.

Chisago County farms were valued at $10,657,255 in 1935 and $18,389,180 in 1930. Their average size was 112.5 acres in 1935 and 115.5 acres in 1930. Their average value was $4,882 in 1935 and $9,086 in 1930, according to the United States Census Bureau.

FARMS IN HENNEPIN COUNTY

Hennepin County had 4,701 farms in 1935 compared with 3,981 in 1930. Of these, 2,754 were operated by full owners, 785 by part owners, 34 by managers, and 1,128 by tenants. This is an increase of 372, or 15.6 percent, in the number of full owners and 247, or 28 percent, in the number of tenants.

Hennepin County farms were valued at $34,366,224 in 1935 and $51,605,297 in 1930. Their average size was 57.9 acres in 1935 and 64.3 acres in 1930; the average value per farm was $7,310 in 1935 and $12,963 in 1930, according to the United States Census Bureau.

FARMS IN ISANTI COUNTY

Isanti County had 2,168 farms in 1935 compared with 2,030 in 1930. Of these, 1,245 were operated by full owners, 333 by part owners, 2 by managers, and 588 by tenants. This is a decrease of 181 farms operated by full owners and an increase of 224 in the number of tenant farmers; in other words, a decrease of 12.6 percent in the number of full owners and an increase of 61.5 percent in the number of tenant-operated farms.

Isanti County farms were valued at $10,322,710 in 1935 and $14,977,206 in 1930. The average acreage per farm was 119.7 in 1935 and 120.7 in 1930. The average value per farm was $4,761 in 1935 and $7,378 in 1930, according to the United States Census Bureau.

FARMS IN WASHINGTON COUNTY

Washington County had 2,181 farms in 1935 and 1,963 in 1930. Of these, 1,379 were in 1935 operated by full owners, 389 by part owners, 16 by managers, and 397 by tenants. The number of full owners increased by 199, while the number of tenants remained exactly the same. This is an increase of 16.9 percent in farms operated by full owners.

The average size of Washington County farms was 106.4 acres in 1935 and 114.4 acres in 1930. The average value per farm was $6,358 in 1935 and $10,740 in 1930, according to the United States Census Bureau.

NO OVERPRODUCTION

With the receipt of A. A. A. payments, the farmers' income has increased, according to the Department of Agriculture figures.

The average farm income in 1930 was $641.
The average farm income in 1931 was $396.
The average farm income in 1932 was $244.
The average farm income in 1933 was $437.
The average farm income in 1934 was $510, including A. A. A. payments. (From speech of Congressman THOMAS R. AMLIE, CONGRESSIONAL RECORD, Feb. 20, 1936.)

This increase was due partially to A. A. A. payments, partially to drought. There may have been other reasons for the increase. But the fact remains that an income of $500 a year does not give the farmer cost of production, to say nothing of a fair profit. While the Federal Land Bank makes it possible for farmers to refinance their debts in some cases, banks and insurance companies holding the farmer's mortgage get the greater part of present farm relief. While the farmers are often grateful for the help they have received, the idea of being paid for curtailing production when millions are in need does not appeal to them. They know that something is wrong with the program. They do not feel that the A. A. A. payments received have given them the standard of living to which they are entitled.

FARM HOMES—HEALTH AND SAFETY

The standard under which many farmers are compelled to live is certainly not in keeping with the fact that they produce practically the entire wealth of this Nation. It is in itself evidence that there is no overproduction. A study of the Housing Division of the Public Works Administration estimates that 5,000,000 farm homes are "of such a character as to endanger the health, the safety, and the morals, and interfere with the normal life of their inhabitants."

There may have been an excuse for such dwellings in early pioneer days. But there is no excuse for such housing now in a land of plenty and overproduction. Less than 10 percent of our farm homes have baths; 12 percent have running water; 15 percent have electric lights. We have the means to produce and furnish baths, running water, electric lights, and many other conveniences for every farm home in America. The farmer's "cost of production" means that he should be paid enough for producing for the people of America. He and his family must have clothing, food, medical and dental care, and other necessities and conveniences.

COST OF PRODUCTION PLUS FAIR PROFIT

There is one idea that survives all discussions and programs for the relief of agriculture, and that is that agriculture should receive a fair profit over the cost of production.

We cannot leave the American farmer to fight alone against these forces of nature and the man-made economic forces that tend to destroy him. Against flood and soil erosion the farmer cannot protect himself. These are the forces of nature. Manipulation of the stock market and other man-made forces bear down upon him. Here is a field for the Federal Government. Great changes have come about in the last few decades. In the interest of the Nation as a whole, the farmer must once more come into his own.

James J. Hill, railroad leader, summed up the importance of agriculture to the whole Nation when he said:

WEALTH OF A NATION

[From Wright County Journal Press]

As far back as we know anything about civilization, the cultivation of the soil has been the first and most important industry in any thriving state. It will always be. Herodotus, the father of history, tells the story of the human race in the valley of the Euphrates.

That was the garden of the world in its day. Its great cities, Babylon and Nineveh, where are they? Piles of desert sand mark

where they stood. In place of the millions that overran the world, there are a few wandering Arabs feeding half-starved sheep and goats. The Promised Land—the Land of Canaan itself—to which the Children of Israel were brought up from Egypt, what is it now?

A land overflowing with milk and honey? Today it has neither milk nor honey. It is a barren waste of desert, peopled by scattered robber bands. A provision of Providence fertilized the soil of the valley of the Nile by overflowing it every year. From the earliest records that history gives, Egypt has been a land of remarkable crops; and today the land thus fertilized by overflow is yielding more abundantly than ever.

It is made clear by every process of logic and by the proof of historic fact that the wealth of a nation, the character of its people, the quality and permanence of its institutions are all dependent upon sound and sufficient agricultural foundation. No armies or navies or commerce or diversity of manufacture or anything other than the farm is the anchor which will hold through the storms of time that sweep all else away.

APPENDIX

Number of farms, with percent distribution, by size, by divisions and States: 1880 to 1930

[U. S. Census Bureau]

[Statistics for 1930 relate to Apr. 1; for 1920 to Jan. 1; for 1910 to Apr. 15; and for earlier years to June 1. A minus sign (—) denotes decrease]

Division or State and size group	Number of farms							Increase						Percent distribution					
	1935	1930	1920	1910	1900	1890	1880	1920–30		1910–20,	1900–1910,	1890–1900,	1880–90,	1930	1920	1910	1900	1890	1880
								Number	Percent	percent	percent	percent	percent						
United States, total	6,812,350	6,288,648	6,448,343	6,361,502	5,737,372	4,564,641	4,008,907	−159,695	−2.5	1.4	10.9	25.7	13.9	100.0	100.0	100.0	100.0	100.0	100.0
Under 10 acres		358,504	288,772	335,043	267,229	150,194	139,241	69,732	24.1	−13.8	25.4	77.9	7.9	5.7	4.5	5.3	4.7	3.3	3.5
Under 3 acres		43,007	20,350	18,033	41,385		4,352	22,657	111.3	12.8	−56.4			.7	.3	.3	.7		.1
3 to 9 acres		315,497	268,422	317,010	225,844		134,889	47,075	17.5	−15.3	40.4			5.0	4.2	5.0	3.9		3.4
10 to 19 acres		559,617	507,763	504,123	406,641	265,550	254,749	51,854	10.2	.7	24.0	53.1	4.2	8.9	7.9	7.9	7.1	5.8	6.4
20 to 49 acres		1,440,388	1,503,732	1,414,376	1,257,496	902,777	781,574	−63,344	−4.2	6.3	12.5	39.3	15.5	22.9	23.3	22.2	21.9	19.8	19.5
50 to 99 acres		1,374,965	1,474,745	1,438,069	1,366,038	1,121,485	1,032,810	−99,780	−6.8	2.6	5.3	21.8	8.6	21.9	22.9	22.6	23.8	24.6	25.8
100 to 499 acres		2,314,858	2,456,107	2,494,461	2,290,282	2,008,694	1,695,983	−141,249	−5.8	−1.5	8.9	14.0	18.4	36.8	38.1	39.2	39.9	44.0	42.3
100 to 174 acres		1,342,927	1,449,630	1,516,286	1,422,262			−106,703	−7.4	−4.4	6.6			21.4	22.5	23.8	24.8		
175 to 259 acres		520,593	530,800	534,191	490,069			−10,207	−1.9	−.6	9.0			8.3	8.2	8.4	8.5		
260 to 499 acres		451,338	475,677	443,984	377,951			−24,339	−5.1	7.1	17.5			7.2	7.4	7.0	6.6		
500 to 999 acres		159,696	149,819	125,295	102,526	84,395	75,972	9,877	6.6	19.6	22.2	21.5	11.1	2.5	2.3	2.0	1.8	1.8	1.9
1,000 acres and over		80,620	67,405	50,135	4,160	31,546	28,578	13,215	19.6	34.4	6.3	49.5	10.4	1.3	1.0	.8	.8	.7	.7
Minnesota, total	203,302	185,255	178,478	156,137	154,659	116,851	92,386	6,777	3.8	14.3	1.0	32.4	26.5	100.0	100.0	100.0	100.0	100.0	100.0
Under 10 acres		4,399	3,140	2,849	2,549	812	640	1,259	40.1	10.2	11.8	213.9	26.9	2.4	1.8	1.8	1.6	.7	.7
Under 3 acres		493	340	294	555			153	45.0	15.6	−47.0			.3	.2	.2	.4		
3 to 9 acres		3,906	2,800	2,555	1,994			1,106	39.5	9.6	28.1			2.1	1.6	1.6	1.3		
10 to 19 acres		3,764	3,020	2,770	2,254	1,210	952	744	24.6	9.0	22.9	86.3	27.1	2.0	1.7	1.8	1.5	1.0	1.0
20 to 49 acres		14,966	14,111	12,028	13,278	9,742	8,003	855	6.1	17.3	−9.4	36.3	21.7	8.1	7.9	7.7	8.6	8.3	8.7
50 to 99 acres		33,150	32,743	26,571	30,990	26,163	25,530	407	1.2	23.2	−14.3	18.4	2.5	17.9	18.3	17.0	20.0	22.4	27.6
100 to 499 acres		125,643	122,146	108,260	102,258	77,048	56,375	3,497	2.9	12.8	5.9	32.7	36.7	67.8	68.4	69.3	66.1	65.9	61.0
100 to 174 acres		66,698	65,793	55,424	56,785			905	1.4	18.7	−2.4			36.0	36.9	35.5	36.7		
175 to 259 acres		33,064	31,108	27,972	24,933			1,956	6.3	11.2	12.2			17.8	17.4	17.9	16.1		
260 to 499 acres		25,881	25,245	24,864	20,540			636	2.5	1.5	21.1			14.0	14.1	15.9	13.3		
500 to 999 acres		3,100	3,046	3,359	2,965	1,594	741	54	1.8	−9.3	13.3	86.0	115.1	1.7	1.7	2.2	1.9	1.4	.8
1,000 acres and over		233	272	300	365	282	145	−39	−14.3	−9.3	−17.8	29.4	94.5	.1	.2	.2	.2	.2	.2

MEMORIAL DAY ADDRESS

Mr. SMITH of Washington. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following Memorial Day address delivered by me at National Cemetery, United States Soldiers' Home, Washington, D. C., May 30, 1936, under the auspices of Department of the District of Columbia, United Spanish War Veterans:

I cannot find words to properly express my appreciation of the high honor you have conferred upon me by asking me to be your speaker at this Memorial Day service. I shall earnestly endeavor to interpret and express the thoughts and feelings which stir our hearts and minds upon this memorable occasion.

WE REVERE THEIR MEMORIES

We count it a privilege to honor and revere the memories of the noble men who have given their lives that our beloved country might live and we strew flowers on their graves both on land and sea. These heroes have made a contribution to our national greatness and welfare which we can never hope to repay, and we shall never cease to remember them with gratitude and affection. Should we ever forget their deeds of valor and patriotism, it will be a certain sign that our love of country has become cold and that we are no longer interested in the preservation of American Government and institutions, which day, pray God, may never dawn.

AMERICA'S WARS HAVE BEEN RIGHTEOUS

Our country has never engaged in a war of aggression or aggrandizement, and our soldiers and sailors have always fought for the principles of liberty, freedom, and justice. To Washington and the Continental Army, we are indebted for our independence and liberty as a free people. In the Naval War of 1812 we vindicated the freedom of our citizens upon the seas and in the Mexican War of 1846 the rights of our nationals upon foreign soil. The Civil War, under Abraham Lincoln, was fought to save the Union and liberate a race. The Spanish-American War in 1898 was also waged to liberate an oppressed people and to vindicate the honor and integrity of our Nation throughout the world. For the first time since 1861–65 there were blended the blue of the North and the gray of the South into the khaki of our comrades who answered the call of the martyred McKinley. In 1917 we entered the World War to protect the rights and lives of American citizens and to defeat the most cruel military despotism the world has ever seen, and when our object was achieved we did not demand one dollar of indemnity or one foot of territory from our conquered foe. We therefore bow our heads and our hearts in holy greeting to every soldier and sailor living or dead whose name is inscribed honorably on the muster rolls of the wars of the Republic. We also honor and revere the women living and dead who, as the mothers, wives, daughters, sisters, and sweethearts of these heroes, played an important and dramatic role in every conflict.

OUR DEBT TO THE VETERANS

There is one debt our Government can never pay, that is the debt we owe to these noble men and women, and which we can only partially discharge by the payment of pensions and benefits to our soldiers and sailors, their widows and orphans. Since I have been a Member of Congress I have bitterly opposed all legislation designed to reduce these payments to our veterans and their dependents and I have actively favored all legislation to increase such payments, and intend to continue to do so as long as I am in public life, for I am deeply convinced that any other policy is un-American and unworthy of the great Republic of the United States of America.

LET US DEMONETIZE WAR

Our love for our war heroes living and dead is equaled only by our hatred of war itself, because war is cruel, devastating, immoral, uncivilized, and un-Christian. In this troubled world of today, however, it behooves us to be adequately prepared to defend our country and our people against foreign attack. If war does come, and we cannot avoid it, then we should conscript every dollar of wealth and every material resource as well as every able-bodied citizen in order to prosecute the war as effectively and successfully as can be done. It must never again be possible for a few to profiteer and coin fortunes out of the blood and tears and sacrifices of men and women as occurred during the last war. We must absolutely and wholly demonetize war—take every bit of profit out of war—and if we can do that in every nation in the world we shall have accomplished more to end war and bring lasting peace than any other single thing which can be done.

CLOSING TRIBUTE

My friends, may we not close our feeble tribute to the veterans of our wars and their loved ones by breathing a prayer of reverence, of honor, of undying affection, of everlasting gratitude for them, and the hope that in the years to come we may be true and loyal citizens and defenders of the Republic for which they fought and died.

MEMORIAL TO THE HONORABLE JOSHUA W. ALEXANDER, FORMER MEMBER OF THE HOUSE OF REPRESENTATIVES AND FORMER SECRETARY OF COMMERCE IN PRESIDENT WILSON'S CABINET, DECEASED

Mr. ROMJUE. Mr. Speaker and Members of the House of Representatives, during this session of Congress there has passed to his reward one of Missouri's former Members of this body. In the recent death of Hon. Joshua W. Alexander, Missouri lost one of its distinguished citizens and statesmen. He served for many years as a Member of Congress from the congressional district in which he resided. He had a long and distinguished career and rendered valuable service to his constituents and in behalf of the public welfare.

Mr. Alexander served well and faithfully as mayor of his home town, Gallatin, Mo.; served 8 years as public administrator; served for several years as a member of the State Legislature in Missouri; and finally came to Congress, where he had a long and distinguished career. He resigned his seat in Congress when he was appointed as a member of President Woodrow Wilson's Cabinet during the latter part of President Wilson's administration, occupying the position as Secretary of Commerce.

His death came when he had reached the advanced age of his 85th year. Since the redistricting of the State of Missouri within the last few years, Daviess, the county of his residence, became a part of the congressional district which I now have the honor to represent. I will never forget my most pleasant visit with him in his home at Gallatin the last time I had an opportunity to see him. He was still considerate of the public welfare and was deeply interested in public matters and problems which at the time were confronting our country.

Those who served with Mr. Alexander in this House learned to recognize and value his true worth as a statesman and as a thorough student of public matters. There was no ostentation of showmanship connected with his character. He preferred to render service in a quiet way. He was loyal and faithful to his friends.

I was intimately acquainted with his family and recognized his solicitous interest in their behalf.

Mr. Alexander was a distinguished leader of one of the most important committees in Congress during his service here, and was an authority on questions involved in legislation with which his committee had to deal. He was a dependable, faithful, hard-working, and conscientious Cabinet member.

I happened to be ill myself at the time of learning of this distinguished citizen's death, and it was with deep regret that I received word of his passing.

In his earlier years he was an active and successful practitioner of the law, and when he ascended to the judicial position he discharged the duties of that office in an intelligent and conscientious and faithful manner. Political life was one which seemed to appeal to him most and in which he found an outlet for his ability and sterling qualities of heart and mind. Perhaps the most satisfaction he had from his long and honorable service in public office in various capacities was when he succeeded to the important and influential position of Secretary of Commerce.

A large concourse of people gathered in attendance at his funeral to pay their last respects.

Those who knew him best and were in more close contact appreciated his sound judgment on legislative matters and his forward-looking statesmanship.

He held the view that the true greatness of a nation was moral and intellectual, the upbuilding of character and intelligence, the preservation and the sanctity of the family life, and the recognition of the omnipotence of the Master of the Universe. He realized that one could not possess a greater ambition than to strive to do his best spiritually and materially for his fellow men; to reduce the sum of human misery; to help those less fortunate, and whatever our faith and whatever our views relative to progress, there can be no more splendid purpose in mind than to strive as his efforts directed him, and so a distinguished citizen and a worth-while friend has passed into that Great Beyond.

Not by eastern windows only,
When daylight comes, comes in the light,
In front, the sun climbs slow, how slowly,
But westward, look, the land is bright.

NATIONAL YOUTH ADMINISTRATION

Mr. SCOTT. Mr. Speaker, a bill we passed some time ago contained provision for the continuation of the National Youth Administration. While I feel that it falls far short of the provision that should be made for the young people, I at the same time feel that this administration is to be congratulated upon having the wisdom to recognize a vital problem and the willingness to do something about it.

Recognizing the vast problem facing youths who are coming into manhood and womanhood in these disturbed times, President Roosevelt, in establishing the National Youth Administration, said:

I have determined that we shall do something for the Nation's unemployed youth because we can ill afford to lose the skill and energy of these young men and women. They must have their chance in school, their turn as apprentices, and their opportunity for jobs—a chance to earn for themselves.

The aims of the National Youth Administration are fundamentally:

To provide work for students in order that they may remain in school and continue their education; for those youth who are no longer in school, to enable them to occupy their time with a vocational training which will equip them with a better opportunity to make a living and at the same time encourage them to maintain their self-respect by doing work and actually earning wages for that work.

In carrying out the President's injunction, the National Youth Administration has varied the type of its projects so that they fit the needs of the youth in the communities in which they are operating.

The following résumé will give some idea of the character of these projects and brief reasons for their advisability:

RECREATIONAL LEADERSHIP

One of the most important phases of the youth program is the development of recreational activities for young people. The National Youth Administration is providing every possible opportunity for young men and women to employ their leisure time advantageously.

Projects to provide part-time employment as assistants and leaders in recreational activities in playgrounds, athletic fields, gymnasiums, schools, and public institutions are in operation in every State.

Training and technical instruction in those sports in which youth are principally interested is provided.

RURAL YOUTH

The scope of the National Youth Administration is not confined to cities or urban centers but extends into the rural areas as well. Projects for rural youth have been developed which provide part-time employment in vocational agriculture, beautifying school grounds, sanitation, minor repairing of public buildings, and the development of county or community centers.

PUBLIC SERVICE

This classification provides for part-time employment as assistants in various public services to conduct activities outside the normal, budgeted scope of these local governmental agencies, such as traffic checks and control, health, and investigation of local and State records.

RESEARCH

Many young men and women are employed in research in local history, tax records, safety campaigns, biological and agricultural experimental assistance, and various other types of research projects.

Many projects from each of the above classifications are in progress in my district.

March reports show the total project allocation for the State of California as $650,500, divided as follows:

Recreation	$393,605
Rural youth	145,984
Public service	78,346
Research	32,565

In Los Angeles County 2,906 young men and women are employed on National Youth Administration projects.

EDUCATIONAL AID

With family incomes decreasing, private scholarship funds dwindling, and odd jobs in university towns disappearing, college attendance figures dropped 10 percent from 1932 to 1934.

The National Youth Administration has enabled thousands of students who otherwise would have been forced to drop out to continue their college educations. It has also aided thousands of high-school students.

The yearly quota for the operation of the student-aid program is as follows: $1,054,228, college aid; $365,466, high school; $109,120, graduate aid.

March reports also show that 20,122 students are participating in this program throughout the State, divided as follows: 9,491 college students; 9,969 high-school students; 662 graduate students.

These students work in libraries, assist teachers in grading papers, perform secretarial duties, and do various kinds of socially desirable work in return for the assistance they receive.

The student work program has been arranged by the school authorities and is under their supervision.

VOCATIONAL GUIDANCE

Two vocational-guidance centers have been established in the State, one in connection with the Los Angeles public-school employment offices and one in cooperation with the United States Employment Service in San Francisco.

These offices endeavor to place young men and women in positions for which they are best qualified and trained. The directors are in constant contact with private business and governmental agencies.

A report of the youths on relief in the country prepared by the Works Progress Administration contains some valuable information that I feel is worth including in the RECORD.

YOUTHS IN THE POPULATION OF THE UNITED STATES

There were approximately 127,000,000 persons in the United States in 1935. Roughly, one-seventh of this total was on relief in May. The proportion of youths in the relief population is almost the same—16 percent—as the proportion of youth in the total population. The total number of youths on relief in May 1935 is estimated to have been 2,877,000.

AGE AND SEX CHARACTERISTIC OF YOUTH

Youths 16 and 17 years old are more heavily represented on relief than are youths in the older age group 18–24. The relative underrepresentation in the older group is confined almost entirely to males. As a partial explanation of this, it should be noted that special relief programs, the C. C. C. in particular, principally affect male youths in the upper age groups, and so reduce the number of male youths in that age group on the general relief rolls.

PLACES OF RESIDENCE OF YOUTHS ON RELIEF

Of all youths on relief 60 percent (1,727,000 in May 1935) live in urban areas, 30 percent (827,000) in open country farm or nonfarm territory, and 10 percent (323,000) in villages. A village is a community of between 50 and 2,500 inhabitants.

WHITE AND COLORED YOUTHS IN URBAN AND RURAL AREAS

A closer examination of the youth population in urban and rural areas reveals the fact that in urban areas 14 percent (1,414,000) of all white youths are on relief, in contrast with 29 percent (313,000) of all colored youths. In rural areas the corresponding proportions are 14 percent (1,028,000) and 8 percent (122,000). Thus colored youths are definitely overrepresented on relief in urban areas and underrepresented in rural areas. This does not mean that there are more colored than white youths on relief; in actual numbers only one out of every six relief youths is colored.

REGIONAL DISTRIBUTION OF YOUTH

In general the geographical distribution of the relief youth population is very similar to that of the total youth population. In the southeastern region, however, the proportion of youth who are on relief is smaller, and in the central and mountain region it is greater than in the other regions.

USUAL OCCUPATIONS OF YOUTH ON RELIEF

According to the 1930 census, 55 percent of all youth had a usual occupation; according to various research studies, only 48 percent of all youth on relief have a usual occupation.

As compared with the distribution of workers in the total population, youth are more likely to be concentrated in the clerical and sales group and among the semiskilled workers and farm laborers; they appear less frequently among the proprietary and professional groups, the farm operators, and the skilled workers. Youth on relief are most heavily concentrated in the semiskilled and unskilled worker groups, the farm laborer, and the domestic and personal-service groups, reflecting the fact that workers on relief are more likely to come from those in the lower occupational groups.

EMPLOYMENT STATUS OF YOUTH ON RELIEF

According to estimates, in May 1935 altogether 1,258,300 relief youth were seeking work, 511,000 were employed, and 1,107,100 were neither working nor seeking work. Comparison of relief youth in urban areas with those in rural areas, however, shows that only 34 percent, 584,100, of urban youth are neither working nor seeking work, whereas 46 percent, 523,000, of rural youth are to be found in this category; 55 percent, 955,300, of urban youth, compared with 26 percent, 303,000, of rural youth are seeking work; only 11 percent, 187,400, of urban youth as against 28 percent, 324,000, of rural youth are reported as working. It should, however, be noted in making these comparisons that a large proportion of the rural youth who are working are employed as unpaid laborers on the home farm.

REASONS FOR YOUTH ON RELIEF NOT SEEKING WORK (URBAN)

More detailed information pertaining to the group of relief youth neither working nor seeking work is available with respect to urban youth. Analysis of this group reveals the following facts: 50 percent, 290,400, are students attending regular full-time school; about 41 percent, 241,800, are persons employed in housework; and about 7 percent, 40,700, are disabled. Well over half of this last group are females.

EDUCATION OF YOUTH ON RELIEF (URBAN)

Among urban youth on relief over 50 percent have received no more than an elementary-school education. More than 45 percent have completed elementary school and have been enrolled in high school. Less than 3 percent have entered college. The percentage without schooling is insignificant.

SPECIAL RELIEF PROGRAMS AFFECTING YOUTH

Turning from a study of youth on the general relief program, attention is directed to the following relating to youth on special programs.

During the year 1935–36 there were four special relief programs affecting youth: Rural rehabilitation included some 170,000 youths; approximately 100,000 youths received educational aid; the transient-relief program cared for more than 50,000; and the Civilian Conservation Corps camps provided for about 270,000 youths aged 18 to 24.

YOUTH ON TRANSIENT-RELIEF PROGRAM

There were in May 1935 approximately 54,000 transient youths under care in transient bureaus and camps. Of these, about 41,000 were unattached persons, predominantly males, while the remaining 13,000 were members of family groups, and included slightly more females (3 out of 5) than males. The preponderance of females among transient youths in family groups is largely attributable to the inclusion of women whose husbands are older than 24 and consequently are not included in this chart. Transient family groups normally comprise husband and wife, or husband, wife, and children.

YOUTHS ENROLLED IN THE CIVILIAN CONSERVATION CORPS

Most of the C. C. C. youths referred to above were living in camps situated in the same region in which they enrolled. The distribution of these youths is, roughly, in proportion to the relief youth population of the major geographic regions. They are, however, heavily represented in the West. The principal activities in which these youths were engaged are road and forest-trail construction, reforestation and game restocking, fire suppression and prevention, erosion control, insect and rodent control, and topographical surveys.

NATIONAL YOUTH ADMINISTRATION PROJECTS

During the school year 1935–36, $27,000,000 were allocated for student aid. This was to provide for as many as 200,000 students to attend high school, on an average monthly grant of $6 each; 100,000 students to attend college, on an average monthly grant of $15 each; and 7,500 students to do post-graduate college work, on an average monthly grant of twenty-five to thirty dollars each.

State projects sponsored by the National Youth Administration entail a total expenditure of $20,000,000, about 60 percent of which is to be expended on community development and recreational leadership, about 20 percent on rural youth development projects, about 15 percent on public-service projects, and about 5 percent on research projects.

A MARTYR TO HUMAN WELFARE

Mr. WERNER. Mr. Speaker, with the untimely death of JOSEPH W. BYRNS, Speaker of the House, a truly great man passed.

It had been my privilege not only to serve under him but also to act with him in many matters of public moment, with an intimacy that enabled me to make a real estimate of the man as an individual and as a public servant; and I know of no contemporary American who was his peer in integrity of character, in innate gentility, in a sense of justice and responsibility, and, in its very broadest sense, of patriotism.

He was a man who loved humanity—he was a man of humility in the face of the great responsibilities that were imposed upon him because of his natural qualities for leadership. The younger Members of the House loved him because of the interest he took in them and the helpfulness of his advice. Everyone, political friend or foe, respected him because of his intense sense of fairness and his unyielding courtesy. There was nothing that was little in him—he was big in every way.

Speaker BYRNS was universal in his friendships, and he was just as cordial, just as sympathetic and understanding with the humblest employee of the House as he was with the greatest executives that he came in contact with.

The humanitarian policies of the Democratic Party appealed keenly to him, and he made every effort, in a straight, honorable way, with the cooperation of his party members and a number of the opposition party, to put them forward to completion of passage so that they might become the organic law of the land.

Because of his love, kindness, and sympathy for all, he had a magnetic quality; and because everyone recognized the honesty and sincerity of his purpose, he had the natural quality of leadership that compels others to follow. And he never consciously led them astray.

As a Speaker and parliamentarian he was the peer of any man in the Congress, yet he never used his power or his knowledge to browbeat and defeat one who opposed him. In fact, he was more than lenient in his desire to be utterly fair; and for that reason, besides his lovable personal qualities, he had amassed a wealth of affection in the House that had no party lines, for even the most ardent partisan of the opposition realized and acknowledged the qualities of true greatness of the man.

He was modest and he made no parade or clamor of the virtues that were inherent in him; and he had no jealousies such as characterize lesser men. Everyone had confidence in the purity of his purpose, the sincerity of his conviction, the breadth of his vision, and his passion for accomplishing all that could be done for the advancement of the interests of the common man.

I considered it one of the greatest privileges of my life that I have been permitted to work with him and have been subjected to his fine political creed and influenced by it. In his passing I feel a sense of personal loss, for not only I, but our great country has been deprived of a zealous and helpful friend, one who had devoted every energy and talent to the promotion of the public weal, and inspired his fellow party workers in the same direction.

Speaker BYRNS was the victim of his intense devotion to duty, for he worked day and night on the problems that had to do with the welfare of the country at a time when the crisis that had to be met was as great as one that would have been presented by war. There was no limit to his hours or his endurance. He was the dynamo of the hardest-working session of Congress since war days, and one that has taken toll of the lives of 12 of its Members since it started.

It can be truly said that Speaker JOSEPH W. BYRNS was a martyr to a great cause, and his memory will be embalmed imperishably not only in history but also in the hearts of those whose privilege it was to have worked with him through the weary months in which he gave all of his human attributes to the welfare of his country and to his fellows.

ELECTRICITY—THE LIBERATOR OF THE FARMER

Mr. HILDEBRANDT. Mr. Speaker, I have frequently emphasized the important role that rural electrification will occupy in the lives of the farmers of South Dakota and of the Nation. In so doing I do not believe that I have been overoptimistic, for I have been quite candid in calling attention to the requirements to be met. However, I am thinking, not so much of the year 1936 or the year 1937 but of years to come, when this giant program of taking electricity to as many farms as possible will become a reality. Today it is in its infant stage but growing with a rapidity that means, beyond question, a healthy and vigorous career as time goes on.

It is hardly possible to overestimate the possibilities that are just ahead. While we must approach the matter in sober, serious fashion, with honest realization of the labor and preparation that are requisite, we need offer no apologies for our enthusiasm over its ultimate significance to American agriculturists.

It is clearly pointed out by Morris L. Cooke, Rural Electrification Administrator:

> Power lines to take electricity into virgin rural territory may be built by public bodies, farm cooperatives, and similar groups, as well as by private utility companies, and R. E. A. will lend the cost of such construction at 3 percent interest on a 20-year amortization basis. To be eligible for R. E. A. financing a line must be demonstrably self-supporting.
>
> Preference is given to applications from public, cooperative, and nonprofit groups. To help such sponsors start projects in the way which promises the greatest degree of success, R. E. A. offers the services of its staff of legal, engineering, and organization experts to advise on specific problems.
>
> Federal assistance is now available in every phase of rural electrification, making it easy for farms to use electricity for every socially desirable purpose.
>
> R. E. A. will make loans for wiring groups of farmhouses and farm buildings. This service is not limited to R. E. A. projects.

Aside from the R. E. A., it is well to keep in mind that the Electric Farm and Home Authority is financing the purchase of electrical fixtures, appliances, and farm equipment, while the Federal Housing Administration is making loans for pressure water systems, including modern kitchens and inside bathrooms.

The vast implications of such steps toward Nation-wide electrification can hardly be understood at first. Looking at immediate results, it may not appear that much has been accomplished—and, of course, the total accomplishments to date are so incomplete that they are frequently not imposing.

But in summarizing this remarkable pioneer undertaking, we must consider, not only what has been started, but what it will probably lead to, and what President Roosevelt and a brilliant group of practical idealists are planning to achieve in the future.

Electricity will be the liberator of the farmer from the dreary drudgery of the past—and to Roosevelt and Cooke and Tugwell and their courageous coworkers the credit must be given in American history for laying the foundations of this scientific program of liberation.

TALKING BOOKS FOR THE BLIND

Mr. MERRITT of New York. Mr. Speaker, there is a certain newspaper syndicate which, for more than a year, has been distributing among its members, a little Works Progress Administration heckler called "Boondoggles." It is a column which makes a daily study of what is lightly termed "W. P. A. Slippage."

This "boondoggle" item must require a lot of work on the part of somebody. Humorously, day after day, it points out for ridicule the apparent fact, culled from the records, that the Works Progress Administration makes mistakes.

Ridicule based on research presumes purposeful antagonism; so it is clear that the work of the author of Boondoggles need not be deplored.

My purpose in mentioning this newspaper column is merely to afford contrast to a Works Progress Administration project which I visited in New York last week. It is called the Library of Congress talking-book project and is located on Tenth Avenue, on the top floor of a loft building.

Talking books, let me make clear, are the recorded versions of the literature of the world, which the Library of Congress, with the cooperation of the American Foundation for the Blind, has been busy manufacturing and collating for the past 2 years.

The W. P. A. employees in the New York factory which I inspected are assembling talking-book reproducers, the special electric phonographs which read talking books aloud to the blind. The project exists due to the foresight and imagination of Harry L. Hopkins, Chief Administrator of the Works Progress Administration, and the President; and, as one of the most outstanding examples of the good that public funds, thoughtfully applied, can do—deserves special commendation from this floor.

My first impressions, as I started my inspection of the W. P. A. talking-book reading-machine factory, were those of simplicity, energy, and good management. There are 300 men working on one large floor, which is divided into the necessary sections to cover all phases of manufacture, from preliminary inspection of parts to shipping. It is impossible to doubt that every one of these men derives his inspiration from the sign which hangs at one end of the room. It reads:

Every man working here is doing his part to make the blind of the country happier.

There is adequate evidence of this in the cheerfulness and energy which these W. P. A. men apply to their work.

The reciprocal angle of this project is also interesting. The men employed in the talking-book factory average in age about 25 years. Most of them are white-collar workers, who had had little, if any, experience with tools, and the work in this project has been so planned that scarcely any machinery is required. The men are learning to assemble electrical equipment as delicate as the radio, and at the same time providing an instrument of instruction and recreation to the blind of the country.

The job called for 5,000 of these reading machines, and they are being produced at the rate of 250 a week. As completed, the machines become the property of the United States Government, and they are being shipped out to the various States in the proportion which their population bears to the entire population of the country. They will be loaned to blind individuals for an indefinite period of time. It is probable that so long as a borrower shows that he is making more or less continuous use of the talking-book libraries, and that he is giving both the machines and the borrowed talking-book records reasonable care, he will be permitted to retain the machine.

Listening, even for a short time to a talking book played on one of these reproducers, gives adequate revelation of what they will mean to a blind person. It is only necessary to press a button. From the loud speaker the voice of the talking book pronounces the words of the printed volume, just as the author intended they should be interpreted. The machine does all the work—it is only necessary for the user to sit quietly and enjoy the desired book. There are no interruptions unless caused by the listener himself, and when he is tired he can turn the machine off and continue the story at some other time.

This is the scene which the Works Progress Administration's talking-book project will cause to be duplicated in many thousands of homes during the coming fall and winter. Yet I want to point out at this time the necessity for considering that the blind population of the United States is 120,000—only one-fourth of which are able to read braille with any degree of facility * * * and that 5,000 talking book reading machines, even when added to the 2,500 or more previously and independently distributed by the American Foundation for the Blind, actually form only the beginnings of a worth-while project which should be continued.

To thousands who cannot see, the talking-book reading machine opens the whole world of literature at the mere touch of a switch.

I, for one, am extremely proud of the Works Progress Administration's talking-book project.

MY REPORT TO THE PEOPLE OF THE FOURTH CONGRESSIONAL DISTRICT OF MISSISSIPPI

Mr. FORD of Mississippi. Mr. Speaker, on January 3, 1935, pursuant to the direction of the people of the Fourth Congressional District of Mississippi as given at the ballot box, I stood on the floor of this House and took the oath to well and faithfully discharge the duties of a Member of Congress for the term ending January 3, 1937. It was a very happy occasion for me when I thus entered into a larger field of service for my fellow citizens, and I make no secret of my gratitude for the opportunity conferred upon me. I duly appreciate the responsibilities of the trust therewith bestowed.

Now that the second and final session of the term is nearing adjournment, I feel it my duty to stand on this same floor and report by means of the pages of the CONGRESSIONAL RECORD direct to my people on the work that I have done as their Congressman, employed by them to represent their interests as a Member of this body. In fairness, I wish to say in the beginning that I gladly give the much-deserved credit to the people for the kind cooperation which they have shown me on every occasion in an effort to make my work all the more effective. This assistance is sincerely appreciated, and I thoroughly realize that whatever the RECORD may show, it would not be complete if it failed to carry grateful recognition for the advice, the counsel, and the support of an interested constituency. I have welcomed, and shall continue to welcome, the thoughtful aid of my friends in the discharge of the many important duties which I have been privileged to assume.

Since I came to Congress I have furnished every newspaper in my district a written report each week during the sessions of Congress informing the people of the important events that had occurred in both the Senate and the House of Representatives during that time. Everyone is entitled to know what Congress is doing, and I publicly thank those editors who cooperated in passing this material on to their readers. They indicated a spirit of service to the public, and I am sure that the readers are as grateful as I am. It is my purpose to consolidate and condense these weekly reports into one complete summary of the more important activities of this Congress, and at various points in this report I will mention my own record in that connection.

COMMITTEE ASSIGNMENTS

Before a bill is considered by the House it is first referred, after its introduction, to the committee having jurisdiction over the proposed legislation involving that subject matter. There are about 50 standing committees of the House of Representatives handling all proposed legislation. Some idea of the tremendous amount of work that has to be done can be gained from consideration of the fact that during my very first week here 3,890 bills were introduced in the House and a total of 9,270 bills were introduced before the close of the session, August 26, 1935, in addition to 721 resolutions, con-

current resolutions, and joint resolutions. Committees study the bills referred to them and if they report a bill favorably to the House it is placed on the calendar for consideration.

When committee assignments were announced I found that I had been selected a member of four committees—Accounts, Education, Immigration and Naturalization, and Public Buildings and Grounds. I was well pleased over being placed on four committees during my first term in Congress.

FARM LEGISLATION

Representing an agricultural district, beneficial farm legislation has been one of my major interests. Prior to my coming to Congress, the Bankhead Act had been made a law, and the amount of cotton a farmer could gin without buying gin certificates was strictly regulated. I knew from my own personal observation that under the operation of the Bankhead Act many farm families had actually suffered because they had not been allowed to raise cotton sufficient to fill their actual needs. On March 18, 1935, I described this situation in a speech to the House while it was considering H. R. 6424, a bill to provide a two-bale exemption to all farmers. I was advocating the adoption of an amendment providing for the exemption of three bales of cotton for every producer, small as well as large. This amendment was adopted by the House, but as H. R. 6424 was never passed by the Senate, the much-desired exemption never became a law.

The outlook for farm legislation was greatly changed, however, when the Supreme Court of the United States January 6, 1936, declared the Agricultural Adjustment Act unconstitutional.

After the Supreme Court decision the Bankhead Cotton Act was specifically repealed by Congress February 5, 1936. I voted for repeal.

A new law to replace the Agricultural Adjustment Act was speedily enacted. It provides a system whereby a farmer can plant as much of any crop as he cares to produce. If he chooses, however, to cooperate with the Government in crop-control activities for the purpose of soil conservation, he may do so, and will be paid for his cooperation. Thus practically the same effects of the old act are secured without any coercion on the farmer. Voluntary arrangements have supplanted strict contracts and mandatory gin certificates.

I made a speech on the floor of the House on February 19, 1936, relative to this bill, in which, among other things, I said:

> I have repeatedly made known my earnest conviction that we are charged with a paramount duty to furnish our farmers with enacted legislation that will be of the greatest possible benefit to each and all alike. I want a law that will work fairly for all—the small farmers as well as the large landowner. I want the benefits to be distributed equally to all according to the merit of each case.

Congress has already appropriated $470,000,000 with which to finance this act for the aid of our farmers.

Other pieces of legislation carrying much benefit for the farmer have been the measures providing for seed and crop-production loans. In 1935 I earnestly supported H. R. 3247, an authorization for $60,000,000 for seed and crop loans. This became a law upon being signed by the President, February 20, 1935.

At this session I voted for Senate bill 3612 providing for the appropriation of $50,000,000 for seed and crop production loans for 1936. This bill passed both the House and Senate, but was vetoed by President Roosevelt. After this, the President ordered allotment of $30,000,000 for 1936 seed loans from the $4,880,000,000 works-relief appropriation made last year, and the farmers thus had the needed funds made available.

The decision of the Supreme Court came at a time when many farmers had not been paid their 1935 cotton rental and parity payments. Every farmer was looking forward to the receipt of his cotton subsidy payments representing the difference between the market price on the day of sale and the 12 cents a pound pledged by the Government. I knew many farmers who were depending on that money as a means with which to pay their taxes, and it was a pleasure to support an appropriation to pay all rental, parity, and subsidy payments. Without this appropriation, no benefits would have been paid.

When the 1935 cotton crop came to be marketed, a strenuous effort was made to provide by law that the price of the cotton should be pegged at 12 cents a pound. When the bill carrying this provision died in a filibuster at the end of the session, the Southern Congressmen and Senators were nevertheless able to secure a guaranty of 12 cents through the subsidy arrangements with which every farmer is familiar.

MY RECORD FOR THE VETERANS

I came to Congress pledged to the support of beneficial legislation for our war veterans, and I am proud of the fact that I have been true to my promise.

I was heartily interested in the immediate cash payment of the adjusted-service certificates held by our war veterans. On March 12, 1935, I submitted to the House my argument in favor of immediate payment. The next day I had the pleasure of making a radio address containing the same argument over the facilities of the National Broadcasting Co. I was pleased to receive letters from citizens living in every part of the United States in response to that radio appeal.

Two leading bills were introduced in the House for the immediate payment of the face value of the certificates. H. R. 1, introduced by Congressman WRIGHT PATMAN, of Texas, was popularly called the Patman bill; while H. R. 3896, by Congressman VINSON of Kentucky, was in the same manner referred to as the Vinson bill.

The Vinson bill had the official endorsement of the American Legion, and I think I was justified in taking official endorsement of the American Legion to mean that the Vinson bill was the veterans' bill. I talked with a large number of Senators and it appeared that the Vinson bill had the better chance of passing the Senate over the veto of the President, which seemed certain to come. I received a large number of letters and telegrams from my soldier friends back home, who asked me to support the Vinson bill. For these reasons I did support it.

The Vinson bill was reported out by the House Committee on Ways and Means in preference to the Patman bill and was considered by the House. The Patman bill was offered from the floor as a substitute for the Vinson bill, and the House adopted it by the close vote of 202 to 191. When the Patman bill was put up on final passage I voted for it, because I wanted to see the veterans paid, regardless of how it might be done.

The Patman bill passed the Senate and went to the President, where my fears, unfortunately, were realized, for the President came in person and delivered a spoken veto message to a joint session of the House and Senate. Regardless of the disapproval of the President, I voted to pass the bill, and the necessary two-thirds majority was obtained in the House. In the Senate it was not obtained, however, when the vote was taken, and again hopes for speedy cash payment were dimmed. I had the consolation of knowing, however, that I had done my best to secure payment; I had lived up to my trust.

In order that early consideration might be obtained at the second session for cash payment, I joined 217 other Members of Congress in signing a written motion for the discharge of the Committee on Ways and Means from further consideration of H. R. 1.

Early consideration was obtained at this session for H. R. 9870, and once more I had the pleasure of voting for immediate payment, but again the President sent over his veto, and I voted to pass the bill regardless of his objections. Happily, the Senate joined the House in voting to override, and the bill became a law. The long battle was at last successfully over.

SPANISH-AMERICAN WAR VETERANS

I supported the passage of H. R. 6995, which restored to our Spanish-American War veterans all the benefits which were taken away from them by the Economy Act of March 19, 1933. This bill was signed by the President.

It is beyond question that my record is perfect as to the support of all legislation beneficially affecting all our veterans.

MY EFFORTS IN BEHALF OF FEDERAL AID FOR EDUCATION

Mr. Speaker, I am seriously interested in the education of the youth of our land because I sincerely feel that the proper education of our youth is our best guaranty of substantial citizenry for the future. In Mississippi it has been impressively brought to our attention in many ways that the Federal aid for our educational system is vitally necessary.

One of my first acts after taking the oath of office was to call on Administrator Harry Hopkins in order to make a personal appeal for Federal funds with which to meet the stringent emergency existing at that time.

I have pressed my fight for Federal aid to education as a permanent policy. On April 9 I addressed the House of Representatives in this behalf, and on the next day I delivered the same speech as a radio address over the National Broadcasting System.

One of my most prized magazine clippings is one taken from the May 1935 issue of the Mississippi Educational Advance entitled "Congressman FORD True to Promise."

It reads:

Dr. Belmont Farley, of the National Education Association, remembered as one of our convention speakers last year, writes: "I want to say a word for this young man Ford whom you fellows have sent up here. He is very capable and in earnest about the matter of aid to schools. We are depending on him for a great deal of help."

Dr. Farley is quoted further in the same article: "Sentiment for Federal aid to schools is growing in Congress. I think we can look forward to a decision on permanent Federal aid within the next year or two."

I am proud of what has been accomplished in connection with Federal aid for vocational education. I made a speech on the floor of the House on May 26 of this year in which I pointed out the advantages of Federal aid in this field of educational endeavor. The George bill, on which I was speaking, became a law, authorizing the appropriation of $12,000,000 a year for Federal aid to vocational education and making such assistance a permanent policy.

OLD-AGE PENSIONS

I can easily see where the path of duty lies on the matter of old-age-pension legislation, and I advocate adequate pensions paid direct from the Federal Government. The States should not be required to match funds. On April 12, 1935, and again on April 18 I made speeches on the floor of the House in which I presented arguments in behalf of old-age pensions paid directly from the Federal Government. I shall continue to fight for pensions that will meet the needs of our aged people, for I feel that they are entitled to this consideration from a Government which they have helped so long to maintain.

OTHER LEGISLATION

I voted for the railroad pension bill, providing for pensions by the railroad companies of their employees, and have consistently supported legislation for the best interest of labor.

I have voted for bills extending benefits to my people from the Federal Housing Administration, the Home Owners' Loan Corporation, and the Farm Credit Administration.

Until the first session of the Seventy-fourth Congress the Federal Deposit Insurance Corporation, guaranteeing the safety of bank deposits, was a temporary organization, but this Congress has made it permanent. The new banking law also raised total insurance of deposits from the former figure of $2,500 to $5,000 for any one depositor.

I opposed and helped defeat a bill that would have given me and every other Member of Congress an additional thousand dollars per year for clerk hire. The defeat of this bill saved the American taxpayer practically $500,000 a year.

The RECORD will show that my vote was cast against all other appropriations which I felt were unnecessary and unwarranted.

THE NATCHEZ TRACE PARKWAY

On February 20, 1934, Senator Hubert D. Stephens introduced a bill (S. 2825) authorizing the appropriation of $50,000 for a survey of the Natchez Trace. After passing the Senate and the House, this bill became a law on May 21, 1934, but I found when I came to Congress over 7 months later that the survey work for which the Senator's bill had provided had not been begun. I immediately took the matter up and after numerous conferences with officials of the Bureau of Public Roads and the National Park Service, the survey was begun in February 1935.

When the work of the preliminary survey had been completed the next move was to try to secure more funds through allotment by the President from the $4,880,000,000 work-relief appropriation. Congress did not adjourn until August 26, but I delayed my return home after adjournment in order that I might personally work for this desired allotment.

Success finally came on November 20 when President Roosevelt signed an allotment for $150,000 to be used in further survey work and $1,350,000 for construction work on the Natchez Trace.

The enactment of H. R. 11687, the road bill, made the construction of a paved roadway along the Natchez Trace a certainty, as I pointed out in my speeches to the House on June 2. This law authorized the appropriation of $10,000,000 for the fiscal year 1938 and $10,000,000 for the fiscal year 1939 for the construction of national parkways, and I have the written promise of the Director of the National Park Service—inserted in the CONGRESSIONAL RECORD—in which I am assured that $9,153,685 of these funds will be used in construction of the Natchez Trace Parkway.

An addition of the $9,153,685 authorized by the Public Highways Act, just mentioned, to the $1,500,000 authorized by the President of the United States makes a total of $10,653,685 authorized for the construction of the Natchez Trace Parkway since I came to Congress on January 3, 1935.

I wish to state that in my work in behalf of the Natchez Trace I have enjoyed the wholehearted cooperation of both United States Senators and every Member of Congress from Mississippi, and their assistance was of much value. I thank them very much.

TENNESSEE VALLEY AUTHORITY AND RURAL ELECTRIFICATION

On February 26, 1936, I made a speech in the House calling attention to the fact that cheap electricity is now possible for every home in the Fourth Congressional District.

I have supported every measure coming before the House in the interest of the Tennessee Valley Authority and Rural Electrification and am happy to report that 3 months after the completion of Norris Dam, which will occur this summer, the Tennessee Valley Authority will be at liberty to build transmission lines in every county in the Fourth Congressional District. I shall certainly continue my efforts to bring this low-cost electricity to all.

My past efforts have been highly rewarded in that rural electrification has been actually begun and is now in operation in Pontotoc County; T. V. A. lines have been extended from Randolph, in Pontotoc County, to Sarepta, Bruce, and Pittsboro, in Calhoun County; and T. V. A. power is now in Okolona.

ROADS

The House passed the Cartwright road bill—H. R. 11687—as I have just mentioned in connection with the Natchez Trace, and it became a law as the National Highways Act. This act, in addition to providing for Federal aid to highway and parkway construction, also authorizes the appropriation of $25,000,000 a year for the next 2 fiscal years for use in Federal aid for rural-roads improvement. Mississippi would appreciate a better system of farm to market roads, and Federal aid is necessary to prevent a heavy burden on the local taxpayer.

From the works-relief funds made available by the $4,880,000,000 appropriation $15,000,000 has been given outright by

the Federal Government to Mississippi for use in highway construction. This $15,000,000 gift is an important factor in Mississippi's recently initiated $40,000,000 road program.

CIVILIAN CONSERVATION CORPS CAMPS

When I was a candidate for Congress I told the people of my district that they were as much entitled to C. C. C. camps as were any other groups. When I got to Washington there was only one State park camp in my district and no other C. C. C. camps of any description. In a few months I was able to get a forestry camp for Calhoun County and soil conservation camps for Carroll and Pontotoc Counties.

I had secured final approval for the location of other camps in the district when the President's reduction policy was announced, preventing the construction of new camps. I was able to prevent the loss of any of the camps already established when the reduction policy was inaugurated.

DRAINAGE OF THE BIG BLACK RIVER

A matter of extreme importance to a large number of my people is the drainage of the Big Black River, and I promised to put forth every effort to secure the drainage of this river. Some very hard work, in cooperation with a group of outstanding citizens in several counties, for a W. P. A. drainage project came to naught when a few counties on the lower Big Black refused to grant rights-of-way for the actual work of drainage. The project called for the expenditure of $862,000.

During this time the House Committee on Flood Control was holding hearings on H. R. 8455, the 1935 omnibus flood-control bill, I appeared before the committee and told its members just what we faced in trying to cultivate the land in Big Black Bottom without proper drainage.

The committee then reported the bill to the House of Representatives authorizing the appropriation of $2,041,000 for the drainage of the headwater area of the Big Black and $950,000 for the backwater area. The House passed the bill containing this provision, but the entire bill was later defeated in the Senate in the closing days of last session.

The bill was revived at this session and passed both the House and the Senate carrying the authorization of the appropriation of $850,000 for the drainage of the Big Black River, and is now a law, quite an important step toward the happy solution of this important problem.

THE DRAINAGE OF THE YALOBUSHA RIVER

Of vital importance to the people of Calhoun, Grenada, and Carroll Counties is the drainage of the Yalobusha River. I was able to secure final Washington approval for a Works Progress Administration project calling for the expenditure of $123,100 Federal funds in the drainage of the Yalobusha River. The beginning of actual work on the drainage has been held up because of the failure of the State and district W. P. A. offices to release the project for the beginning of work. A committee of citizens from each of the three counties named above worked tirelessly in behalf of this project, and a large part of the credit for getting it so near realization properly belongs to them.

FEDERAL BUILDING FOR PONTOTOC

In 1935 I was able to secure funds for the purchase of a site and the construction thereon of a Federal building to house the post office and other Federal offices at Pontotoc.

My efforts for buildings for other towns will be continued so long as I remain in Congress.

EMPLOYMENT

One of the most serious problems which has confronted this country in its entire history is the question of unemployment. Since I have been in Congress I have tried hard on every occasion to secure work for the residents of my district. I truly regret that the number of jobs was so small as to allow places for only a few, but I was glad to put forth an honest effort in behalf of all those who called on me for assistance. Every honest citizen is entitled to an opportunity to work, and I shall do all within my power, through legislation and by other fair methods, to bring employment to as many as possible.

CONCLUSION

Mr. Speaker, I thank my people for their kindness in allowing me to serve as a Member of the Congress of the United States, and I have tried by the quality of my work to show my gratitude. Letters from every citizen alike have received my prompt and careful attention. After the adjournment of the last session of Congress I announced the date ahead of time and went to every courthouse in the district, where I spent the day in order that any person could see me for the purpose of personally discussing his problems or his interests.

Although filled with hard work, my first term has been a happy one, and in addition to first thanking those whom I represent I also thank my fellow Members of the House for their many courtesies shown me.

HON. JOSEPH W. BYRNS

Mr. HAINES. Mr. Speaker, to know JOE BYRNS was to love him. He was the friendliest man I ever met in public like. As I looked upon his quiet face, before he was laid to rest in his last resting place, I could not help but call to mind, "with loving thought, his many kindly deeds, the gentle words those frozen lips had said, and the errands on which his willing feet had sped."

His departure was a personal loss to me, for I so frequently sought his advice and guidance in matters of national interest and importance. As a legislator he was unsurpassed.

He was sound, sympathetic, and in his passing the Nation lost one of its great men. Future historians will carve his name in the niche of eternal fame, for he was the embodiment of all that was best and noblest. As a Speaker he will rank with other great men who graced that position. He was just and fair.

He believed in absolute equality among his colleagues.

Happy is a land that can boast of such a man; hence it behooves all of us to remember him and pattern after him, to continue to appreciate his virtues.

He believed in Jehovah God and practiced the fine teachings of the Christian faith.

I deeply mourn his departure.

RELIEF AND WORK RELIEF—RE FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1936

Mr. BEITER. Mr. Speaker, the recommendation of the House Committee on Appropriations, with reference to relief and work relief, appeared in H. R. 12624 under a section entitled "Works Progress Administration", and called for an appropriation of $1,425,000,000, to be expended by the Works Progress Administration in the fiscal year 1937. No appropriation was recommended for P. W. A. and no provision was contained in the bill to authorize the use of the P. W. A. revolving funds for making grants. In this form the bill was passed by the House of Representatives.

Changing the title of the section to "Relief and work relief" and making the $1,425,000,000 available to the President instead of to the Works Progress Administration, the Senate Committee on Appropriations added a paragraph which authorized the Federal Emergency Administrator of Public Works, upon the direction of the President, to use not to exceed $300,000,000 for making grants to aid in the financing of projects capable of being substantially completed, in the determination of the Administrator, not later than June 30, 1937, limiting the grants to 30 percent of the cost of the project if such cost exceeded $100,000 and to not in excess of 45 percent if such cost was less than $100,000. Certain changes were made from the floor of the Senate so that as H. R. 12624 passed the Senate the Federal Emergency Administrator of Public Works was authorized, upon the direction of the President, to use $300,000,000 from funds on hand or to be raised from the sale of securities, for the making of grants, to aid in the financing of projects capable of being substantially completed, in the determination of the Administrator, not later than June 30, 1938, but the bill restricts the amount of grant which can be made for any project to not in excess of 45 percent of the cost of the project.

The portion of the bill which relates to P. W. A. overcomes the objections which had been made to earlier suggestions for continuing the P. W. A. program, for it not only insures the continuance of the P. W. A. non-Federal program without disturbing the Budget policy or increasing the amount of the appropriation approved by the House of Representatives, but it achieves its purpose without earmarking any of the $1,425,000,000 appropriated in the deficiency bill for relief and work relief.

This is accomplished through releasing the cash and credits now in the P. W. A. revolving fund so that $300,000,000 may be used by P. W. A. for making grants to aid in the construction of additional non-Federal P. W. A. projects. Since under existing law the moneys in the P. W. A. revolving fund are available only for loans, for the past year P. W. A. has been making loans from this revolving fund and grants from rescinded allotments made from the appropriation to carry out title II of the National Industrial Recovery Act and from the $345,000,000 allocated to P. W. A. by the President from the 1935 appropriation of $4,880,000,000.

That P. W. A. may continue to finance non-Federal public-works projects on the same basis as it has operated under the Emergency Relief Appropriation Act of 1935 is insured by the Senate amendment which provides that the powers already vested in P. W. A. are not curtailed or limited. If the bill as passed by the Senate is passed by the House and approved by the President, P. W. A. will be in a position to make 4-percent loans for non-Federal public-works projects in the amount of 55 percent of the cost of the project and to supply the remaining 45 percent as an outright grant. In cases where the applicants are able to provide 55 percent of the cost of their projects through the sale of securities on the open market only a grant will be made.

At the present time the P. W. A. revolving fund amounts to approximately $450,000,000, of which $135,000,000 is in the form of securities owned by P. W. A., approximately $265,000,000 is obligated by commitments by P. W. A. to purchase bonds of public bodies under allotments heretofore made, and approximately $50,000,000 is unobligated. Although under existing law P. W. A. is authorized to sell securities either on the open market or to the Reconstruction Finance Corporation, P. W. A. has up to now sold securities only to the R. F. C., which corporation is authorized to purchase securities from P. W. A. subject only to the limitation that the amount of such securities held by the R. F. C. at any one time may not exceed $250,000,000. Over $407,000,000 of securities have been sold by P. W. A. to the R. F. C., of which over $277,000,000 have been retired or resold by the R. F. C. to the investing public at a net profit of more than $7,950,000. The $300,000,000 available for grants as well as loans, together with the remaining $150,000,000 in the revolving fund which will be available for loans only, will enable the P. W. A. to finance a non-Federal public-works program costing between $500,000,000 and $600,000,000. This program may be even greater, since P. W. A. experience has demonstrated that a large percentage of applicants are able to sell their securities in the open market, thus reducing the sums needed from P. W. A.

The activities of the trained P. W. A. staff in the past year will make it possible for the new construction program to be launched within a short time after final action on the deficiency bill, inasmuch as a substantial number of the pending applications have been examined and approved and are awaiting only the availability of P. W. A. funds.

THE NEW DEAL SUCCEEDS

Mr. LARRABEE. Mr. Speaker, frequently I receive requests from residents of my district who want to know how their Representative in Congress has voted on major legislation and just what his views may be regarding certain proposed legislation which seems to them to be of utmost importance, or at least of considerable interest.

Such information should be made available to every person and for this reason I have asked permission to extend my remarks in the RECORD, to avail myself of an opportunity to provide such information.

During the three terms I have had the honor and pleasure of serving in Congress it has been my sincere desire to serve the people of my district faithfully and efficiently. The splendid majority given me in the recent hard-fought primary in my district has been accepted as a definite vote of confidence and appreciation. It serves to stimulate my desire to devote all my energy to continued service to my district and all of my ability to a conscientious effort to fairly and impartially interpret the needs of the times in my legislative work.

As most of the people of my district know, I have been an ardent supporter of the administration of Hon. Franklin D. Roosevelt. I have voted for every individual legislative measure that our great President has indicated he desired his Congress to support. I have tried, and I feel successfully to a certain extent, to maintain a progressive, constructive attitude in consideration of all legislation that has come before the House of Representatives.

If the people of my district should see fit to give me another term in Congress I shall endeavor to the best of my ability to carry forward the progressive, liberal principles that I have supported in the past, believing that progressiveness is of paramount necessity and that liberal thinking of greatest importance if we are to achieve, in this Nation, a status of social and economic security from which we shall never again be plunged into such conditions as those of that dark period from 1929 until 1934.

While most all people admit that we have made great progress toward recovery, I know, and frankly admit, that we have much ahead to be accomplished.

Since the inauguration of the Roosevelt administration, our every effort has been directed toward economic and social reconstruction and security.

BENEFITS TO AGRICULTURE

The first Congress of the Roosevelt administration enacted a definitely successful program for relief for agriculture. Regardless of what has happened since, or may happen in the future, it cannot be denied that the agricultural people have been greatly benefited. In this program Federal loans to save mortgaged farms from foreclosure were provided; seed loans, and loans on stored grain were made possible; farm purchasing power was greatly increased, through the medium of the Agricultural Adjustment Act; and soil conservation and abandonment of useless marginal lands was made possible through the Soil Conservation and Resettlement Administration divisions.

The entire banking system of the Nation, on the verge of complete collapse, was revived and strengthened through the administration's banking and securities legislative program. The facilities of the Federal Reserve System were extended; Federal guaranty of deposits in banks was provided; the currency system and gold stocks of the Nation were strengthened and made adequate to guard against loss of financial security; existing unjust limitations on payment of depositors in banks that had closed during the panic were removed; and Federal regulation of stock and securities markets and marketing was inaugurated for the protection of the investors.

Thousands of homes were saved from loss through mortgage foreclosure in every State by the enactment of the Home Owners' Loan Act, creating the Home Owners' Loan Corporation.

Repair, remodeling, and construction of homes and housing facilities were greatly stimulated through the medium of the National Housing Act, creating the Federal Housing Administration.

LABOR PROTECTED

Labor was given new courage and new hope through the abolition of the "yellow dog" contracts between labor and employer; by providing Federal guaranty of the rights of labor to organize and elect their own representatives for collective bargaining with employers; by the creation of the Industrial Recovery Act, and by sincere efforts on the part of the administration to set up a railroad employees' pension system, and the enactment of laws providing for the establishment of Federal boards to settle labor disputes.

Immediate relief was brought to the unemployed dependent people through the agencies of the Federal Emergency Relief

Administration which carried emergency aid direct to the needy and assisted local relief agencies in financing their relief activities; appropriations for public works and civil works set up a vast program of employment relief which gave emergency employment to millions of needy.

A law providing pensions for widows and orphans of World War veterans seriously disabled in, or who died from disability incurred in, service was created; laws to restore to pension rolls all veterans who were disabled in service were enacted, and honest and sincere efforts were made to adjust inequalities in benefits paid to all veterans and their dependents.

The Tennessee Valley power project was made possible through the enactment of the Tennessee Valley Act, providing the first major Federal effort to reduce and equalize electric-power rates.

This review does not cover all, but points out in a general way the broad, progressive, visionary program that has been undertaken and which is being carried forward from day to day. Such a program is designed for the aid of all the people, that all may soon come to enjoy a more pleasant life.

WE ARE CARRYING ON

The session of Congress, soon to adjourn, has carried on, endeavoring to make more perfect and to extend the primary legislative acts already in effect, and to replace with effective legislation such laws as the Supreme Court of the United States has seen fit to declare unconstitutional.

Thought and action has been given recently occuring emergencies and necessary legislation has been provided in such cases.

An examination of the following listed laws of the present session of Congress will show that this administration is carrying on as the people have been assured it would. I have voted for the following major legislative measures during this session of Congress:

First. Adjusted Compensation Act of 1936—to provide full and immediate payment of the World War veterans' adjusted compensation—bonus.

Second. Neutrality legislation, amending and extending the existing laws to keep this Nation out of war.

Third. Conservation of soil resources, an act to provide additional Federal aid to farmers cooperating in the broad program of soil conservation and crop control.

Fourth. Impeachment of Federal Judge Ritter, of Florida, for having been involved in alleged transactions unbecoming a member of the judiciary.

Fifth. An act to continue the Electric Home and Farm Authority until February 1937, to aid in financing installment sales of electrical fixtures and appliances for homes in rural and suburban districts.

Sixth. Federal employees' leave bill and Federal employees' sick-leave bill, to extend to Federal employees the same privileges that we advocate for employees in private industry.

AID HOME BUILDERS

Seventh. To extend the provisions of the National Housing Act to April 1, 1937, providing insurance of loans and advances for the purpose of financing alterations, repairs, and improvements of homes and other real property, including churches.

Eighth. An act to assist the Commodity Credit Corporation in better serving the farmers in orderly marketing and to provide credit and facilities for carrying surpluses from season to season.

Ninth. To extend the provisions of the Rural Electrification Administration, to provide a 10-year program to extend electric current and power facilities throughout the rural sections, to furnish farmers and farm homes with conveniences, economies, and comforts equal to those of the electrified city home.

Tenth. A bill to extend to July 1, 1938, the power of the Federal Deposit Insurance Corporation to make loans, purchase of assets, or guarantee to reduce or avert threatened insurance losses, for the protection of depositors in closed banks.

Eleventh. To authorize Federal aid for highways and road construction, for the elimination of dangerous grade crossings, for the fiscal years of 1938 and 1939, and to establish in the Bureau of Public Roads a section of Rural Roads, as advocated by national farm organizations, for the purpose of directing the interests of better roads for farmers.

Twelfth. The corporate tax bill, to tax incomes, excess profits and capital stock of large corporations, in preference to a sales tax on the necessities of life.

Thirteenth. The work-relief bill, to provide additional funds to carry on the administration's vast program of providing work relief for the needy unemployed.

Fourteenth. The Frazier-Lemke bill, to refinance farm mortgages at a low rate of interest, with extended principal payments, to prevent further loss of farm homes through mortgage foreclosures. Also signed petition to bring this bill before the House for debate and vote by discharging the committee which had failed to secure favorable action.

Fifteenth. To extend and strengthen the Labor Relations Act to provide for greater security of employees in private industry and in commercial employment.

Sixteenth. Legislation for the protection of the independent merchant from unfair trade practices and unjust competition by gigantic chain corporations.

AID FOR AGED PEOPLE

In addition to the above legislation of the recent session of Congress, my stand on pensions for the aged needy people and on retirement benefits for aged persons no longer able to find employment has resulted in much favorable comment from the people of my State and district.

I have always supported liberal pensions for the aged, and worked for and voted for the administration's entire social-security program enacted in the Seventy-third Congress and extended in the Seventy-fourth Congress. I was coauthor of the first State old-age pension bill introduced in the Indiana Legislature while serving as a representative in that legislative body. While I have not found it possible to support all suggested plans of old-age pension, I have never permitted myself to fail to conscientiously consider the needs of the aged. I feel that more liberal pensions than those now provided must be granted just as soon as the Federal Government and the various State governments are able to provide the necessary funds without oppressive taxation. I shall permit no one to be more liberal in his views regarding such matters than I, while at the same time considering the ability of the taxpayers to provide such benefits.

I have constantly and consistently worked and voted for legislation for the strengthening of our banking system and to guarantee the deposits of the depositors in the banks. I advocated and worked for guarantee of bank deposits while serving in Congress during the Hoover administration. My ambition of such protection to depositors was realized soon after the inception of the Roosevelt administration. Guarantee of bank deposits was a major plank in my campaign platform in 1932.

APPRECIATE VETERANS' SUPPORT

It is with considerable personal pleasure that I acknowledge the thanks extended me by the various organizations of veterans of military and naval service for my support of legislation benefiting veterans and their dependents, whose interests I have always advanced. I have consistently voted for payment of the World War veterans' bonus, benefits for widows and orphans of veterans, and worked for and voted for restoration of benefits lost by Spanish War veterans and their dependents under the Economy Act.

Many letters of endorsement and messages of appreciation have come to me from the several labor organizations in appreciation of my active support of all labor legislation which I believed was for the common good. I have consistently worked for and supported laws to guarantee labor rights of organization and collective bargaining with employers, shorter hours of work with no decrease in the weekly pay check, and better working conditions in both commerce and industry. I have held to the theory that all the people are prosperous only when purchasing power

is maintained at a high standard among the masses of the people.

FARMERS SEE IMPROVEMENT

For similar reasons, as I have exemplified by my vote, I have supported consistently legislation that has resulted in an advance of more than 150 percent in the price of corn and 110 percent in the price of wheat since March 1, 1933, with comparable increases in the prices of all other agricultural commodities.

I am happy in the knowledge that the farming people of my district have already seen many of the promises of our administration fulfilled in detail. To a large extent threatened loss of farms and homes through mortgage foreclosure was prevented by the enactment of the Farm Credit Administration Act and mortgage loans provided through the Federal land banks.

Increased purchasing power resulting from great increases in the prices paid the farmer for his commodities and produce has again put the farmer in the class of the purchasing consumer as well as in that of the producer.

This has resulted in a marked increase in the demand for manufactured goods, and labor has already felt the benefit of this cycle of purchasing.

MANY JOBS ARE CREATED

My district has been fortunate in having received a generous share of the permanent improvements that have been made possible through the cooperation of local and State governmental agencies with the Federal Government's work-relief program.

Several new public buildings, schools and post-office structures, and buildings in municipal parks have been completed or are under construction. More are probable under recent appropriations.

Many miles of primary type highway construction have already been completed in the three counties of my district. Many additional miles are soon to be undertaken as the result of the splendid cooperation of Indiana State officials with Federal agencies.

Grade-crossing improvements, including grade-crossing elimination by elevations and bridges, have been provided, and more are planned for the near future.

I am happy to have had an important part in providing the necessary Federal legislation and the necessary appropriations for this work, which has, in addition to establishing permanent and valuable improvements, resulted in much helpful employment. Many hundreds of men who otherwise would have been unemployed have been given jobs in this work.

YOUTH IS NOT FORGOTTEN

One feature of our Federal program which we are likely to overlook is the splendid assistance that has been extended the young people of school age.

As a member of the House Committee on Education it has been my priviledge and pleasure to have had an important part in the formulation and enactment of this program.

From relief funds has come a system of work aid for young people who, otherwise, could not have continued their educational pursuits.

Appropriations and legislation to continue vocational education and extend its scope have been provided. Direct aid, under this legislation, is providing training of young people for 300 occupations, and similar training for 109,970 adult farmers, in evening schools; 215,715 farm youths over 14 years of age, in rural schools; 131,580 youths in trade schools; 134,391 rural and urban women in training to improve home-making efforts; 176,321 rural and urban girls in high schools training in better home-making methods; and 38,634 wage-earning girls over 14 years of age in part-time classes training for home making.

This Federal aid is making it possible for local schools to employ full- or part-time vocational education instructors that many such schools could not otherwise afford. It is preparing the young people for, and aiding even the adults to better and happier lives.

The State of Indiana, under the Federal vocational aid program, received a total of $185,584.34 from the Federal Treasury for this type of work. The value of this investment can never be measured in dollars and cents, but this, we do know, its value is felt in practically every community of the Nation.

RECAPITULATION OF BENEFITS

Endeavoring to briefly summarize the actual benefits that have come to the Nation since the inception of the New Deal, we find the following very encouraging facts:

Unemployment under the old order increased 313 percent from April 1, 1930, to April 1, 1933, while unemployment, under the Democratic administration declined 30 percent from April 1, 1933, to December 1, 1935, and according to all reliable indices is continuing to decline as the benefits of Democratic legislation becomes more widespread.

Agricultural prices under the old order for three major commodities, from March 1, 1930, to March 1, 1933, declined 61 percent for cotton, 59 percent for wheat, and 73 percent for corn, with declines for other commodities in similar ratio. Agricultural prices for the same major commodities have shown marked increase from March 1, 1933, to January 1, 1936. Cotton prices advanced 92 percent, wheat prices 111 percent, and corn prices 152 percent, and indications for continued fair prices for the harvest of 1936 are more than encouraging.

Industrial improvement has been even more pronounced. From January 1, 1930, to January 1, 1933, under the old order, general industrial production declined 44 percent, steel production declined 70 percent, and auto registrations decreased 66 percent.

Under the Democratic administration general industrial production increased 51 percent from January 1, 1933, to January 1, 1936. During the same period steel production increased 257 percent and auto registrations increased 326 percent.

Commerce has made a most gratifying recovery. During the period from January 1, 1930, to January 1, 1933, under the old order, wholesale prices declined 34 percent, exports fell off 56 percent, and imports decreased 52 percent.

Under the Democratic administration, from January 1, 1933, to January 1, 1936, wholesale prices advanced 33 percent, exports increased 33 percent, and imports advanced 37 percent.

SECURITIES MADE SECURE

In spite of wails from the money changers that the "New Deal will crush trading", the figures tell quite a different story. The facts regarding securities indicate that the New Deal has definitely aided the buying and selling of legitimate stocks and bonds while providing much-needed safeguards for the public. From March 1, 1930, to March 1, 1933, under the old order, listed stocks declined 75 percent and listed bonds declined 22 percent.

Under the Democratic administration from March 1, 1933, to January 1, 1936, listed stocks advanced 134 percent, while listed bonds advanced 22 percent.

Public-utility corporations and operators have been among the loudest denouncers of the administration. Why, is difficult for the average person to understand when the actual facts are examined. From January 1, 1930, to January 1, 1933, under the old order, power production declined 9 percent.

Under the Democratic administration from January 1, 1933, to January 1, 1936, power production advanced 326 percent. It is evident from this that the power producers have suffered no loss of production. Perhaps the margin of profit possible under Democratic administration regulation—the prices charged the consumer—is such that power barons are displeased.

As I consider the improvements that have come to the Nation under the Democratic administration I have a feeling of pride, which I believe is pardonable, in the knowledge that I have had some little part, at least, in the enactment of the legislation that has brought about these improvements.

FACTS PROVE OUR CLAIMS

It is inconceivable that the people of this Nation will do otherwise than vote their approval of the work of this administration in the November election.

We are by nature a progressive people, a forward-looking people, a people that have an inherent desire to improve our state in life.

The people have faith in the Democratic Party, the present Democratic administration, and the program it has undertaken. The people have faith in the leadership of our party—faith in our great President, his inspiring and constructive policies.

I have reviewed the facts and the facts support our case. I have shown that our President has courageously pursued the policies which are restoring the Nation's economic life while those who profit most by his untiring efforts are trying to hamper him at every step.

When the voters of America look about them and see the chaos and confusion which exist in the rest of the world today, while we forge steadily forward under the New Deal, there will be no question of whether or not they will vote to continue our present program.

WE MUST HOLD TO GAINS

Let us remember that those same influences and those same individuals who now ask that America go back to the old order stood in places of high responsibility in the period from 1929 to 1933, silent, bewildered, and inactive. They did nothing then. They had no plan, no program, and no courage.

We must and shall remember that the flaming spirit of Franklin Delano Roosevelt revived the optimism of America while these same influences and individuals were still idle and wondering what to do.

Today, as we near the goal of complete recovery, these same influences and individuals have the temerity to ask the electorate to cast aside all that has been gained and restore them to power.

If I know the people of my district, the people with whom I have lived all my life, if I can understand human nature, if I can read the obvious signs, we have nothing to fear. My district is overwhelmingly favorable to President Roosevelt, to the New Deal, and the policies we pursue. My State, like my district, will cast a definite and unmistakable vote of confidence.

America is on the way back and will come back with Roosevelt and a Democratic Congress.

THE SOUTH IS RISING—NO MORE MAGNOLIA BLOSSOMS—COLD FACTS—HARD ECONOMICS—REPRINT OF ARTICLE IN NATION

Mr. MAVERICK. Mr. Speaker, by unanimous consent, I include in the RECORD an article written by me and printed in the Nation of June 17, 1936. It is as follows:

THE SOUTH IS RISING

Buried under the rapidly deteriorating soil and choked economically from the outside and inside since it lost the Civil War, somehow the South is rising. We have been robbed by cotton speculators, utilities, big-town and small-town money lenders. We have sent our "upper" classes off to northern colleges and our poorer ones off to be burned up by machines in eastern industrial cities, and we have thus been drained of our best energies. We have taken punishment long enough and we are sick of it.

ERODED HILLS—HUEY LONG—MISERY—REVOLT

There are signs of revolt. As yet it is only a vague rumbling restlessness, but it is growing and cannot be ignored. In this revolt look back to that figure that rose up in the eroded hills of Louisiana—Huey Long. In his bones and his blood was deep hatred born of the oppression, undernourishment, sorrow, misery, ignorance, and desperation of his people. Raging in his soul, he clattered on the scene and slashed and cut and cursed the gods of oil and sulphur—his first hates—and then all the other gods right across the national scene. He was like a violent Gargantua shouting his Rabelaisian song as he went. God rest his troubled soul in peace. There was much in him that was vicious, but what stirred up cannot be downed.

Drawn by this ferment but not part of it, except to get the little lickin's around the kettle of graft, have come lesser ones like Talmadge. Talmadge—little, mean, cheap, and common—with not a millionth of the brains and none of the endearing qualities of Huey—inheriting only what was dangerous in him. Others as well have rattlesnaked up and have for the time fooled and are fooling southern people, who have been slugged so long that they are easy to deceive.

SELFISH INTERESTS—MAGNOLIA BLOSSOMS—SOUTH DRAINED OF HUMAN AND NATURAL RESOURCES

Against what are the southerners rising? They are beginning to rise out of their slavish submission to an economy which has given them the sweet imaginary odor of the magnolia blossoms—and also poverty, hunger, hopelessness. They are rising against the economic consequences of Appomattox; against what Charles W. Pipkin calls "selfish interests that have been able to screen themselves behind * * * southern ideals, * * * traditions which they meant to exploit and degrade."

They have had enough of that inferiority complex which takes the form of a reminiscent self-satisfaction born of the war gloriously lost. They are rising finally against political separatism which brings inequality and a system of business enterprise which has drained the South of its natural and human resources for three-quarters of a century.

SOUTHERN POLICY COMMITTEE—VALID MOVEMENT

An indication that the South is beginning to prepare for action is the recent formation in Washington of the Southern Policy Committee. Numbering among its members many southern Congressmen and officials in the various administrative departments of the Government, the committee represents a valid southern movement of a genuinely progressive nature. The Nation will be hearing from it before very long.

KING COTTON IS DEAD—WILL NEVER RISE

What are the facts and forces behind the present restlessness of the South? First of all King Cotton is dead, and the South knows he will never rise again. Cotton was king after the Civil War, but at no time was he a gentle-mannered George V. He was a brutal Hitler who ordered the southerners to grow cotton and sell it for cash—or be purged by starvation.

The results of cotton tyranny are inscribed on the death scroll of soil erosion. Mississippi has 63.7 percent of its farm lands injured by sheet erosion, and 47.1 percent by gullying; Tennessee, where over half the land has been rendered valueless for farming, has the same proportion of sheet erosion and 80.7 percent of gullying; big-mouthed Eugene's Georgia, 50 percent washed out, is going fast. Sixty-one percent of the Nation's eroded land lies in the South. Five million more acres of fertile bottomland have been lost to cultivation through stream choking and floods, and 20,000,000 tons a year of potash, nitrogen, and phosphates race to the ocean from the stark fields of the old cotton empire.

This relentless drainage creates a vicious circle in which the South is forced to grow cotton for sale in order to buy fertilizer (5,500,000 tons of it a year, compared with 2,500,000 tons for all the rest of the Nation) with which to grow cotton for sale. Sacrificing all to cotton, the South has neglected its other agricultural opportunities and has been compelled to buy produce it could grow more economically itself. Christmas trees from the west coast are sold in the Carolinas, land of evergreens; spinach and carrots from distant California are sold in the Southeast; southern farmers buy winter rutabagas from Canada and cabbage from everywhere; hay, corn, and feed are sold by the West to the Southeast; and those that can afford it live to a large extent on canned goods bought from nearly anywhere but from the South. For the South to import these things, a group of southern economists have recently stated, "results in everyday scarcity of what could abound without limits."

Furthermore, the goods the South buys must jump the prices jacked up by a high tariff wall; but the goods it sells must grovel and beg miserably under the protectionist spite fence and compete against the whole wide world. This would be enough to explain the unenviable records of the South in American agriculture: The lowest per capita farm income; the lowest income per farm worker; the lowest return per horsepower unit; the lowest ratio of income from livestock; the lowest per capita amount of purebred livestock; the lowest production of milk and butter.

HUMAN DRAIN ON SOUTH

Worse still is the human drain on the South. Since the turn of the century it has had a net loss of three and a half million people. In the single decade of 1920–30, 380,000 Negroes emigrated to northern cities. The charts of population movements prepared by the Government show the people fleeing from the South as from the invasion of a foreign army, black and white alike, flooding North, West, and even down into Florida, from the devastated provinces of our dead king.

Of those who are left behind, many live in areas where from half to nine-tenths of the children receive diets inadequate by any human standard, resulting in disease, feeble-mindedness, and social degeneration. A particularly bitter aspect of the emigration is that it empties the South of its best leaders and turns them into betrayers of their homeland.

EDUCATION HIGH—BUT EXPLOITATION GREAT

Education in the South may lag behind the national average, but it has its high spots equal to any in the country. The University of North Carolina is outstanding as an intellectual center; Texas has perhaps the finest university library in America; while Rice, Duke, and others offer the same advantages to students as any of the old pre-Revolutionary eastern universities.

Yet traditionally substantial numbers of the most intelligent—educated on the last resources of proud families—go North, there engaging in the exploitation of the land of their birth. By the contracts they learned to write in eastern colleges, by ownership

documents, mortgages, bonds, stocks, utilities, and rail franchises, they syphon out our salt, oil, sulphur, cattle, cotton, and natural resources, along with the brain and brawn that must inevitably follow.

EXODUS HURTS WHOLE NATION

This exodus has helped nobody. By draining off the population it has inflicted heavy loss on the South, and by flooding other parts of the country with millions of unorganized, uneducated, untrained day laborers it has lowered purchasing power and wage scales in those regions, thus causing economic loss to the Nation as a whole.

It is easy for critics whose ignorance and prejudice are different only in kind from ours to say categorically just what is wrong with the South. The story, however, is deeper than they know. Some, with abolitionist psychology, blame the planters. But planters and tenants are caught in the same trap.

ANONYMOUS LANDLORDISM CURSE OF SOUTH

Landlordism is the curse of the South, but it is a stupid landlordism that denies profitable production and purchasing power to its serfs. It is the hateful landlordism of the anonymous—the banks, the insurance companies, the distant investors, the credit lines, the bankruptcy receiverships, all the dreary apparatus of financial exploitation by remote control.

All this time most southerners have thought, if they have taken time to think at all, that it was exploitation by the northerners, of which they were the victims. The same crowd of exploiters are doing in the North and West just what they are doing in the South. Exploitation knows no geographical divisions.

So the South has decided to "muscle in" at the national table. Southerners have come to realize that, helped by their climate, they can by conservation and coordination change their record of the lowest per capita farm income to the highest.

TWO YANKEES MARCH ON—BUT NOT LIKE SHERMAN

Who but a couple of damned Yankees should be the ones to have led the South to this realization? Senator GEORGE W. NORRIS and President Roosevelt, by setting up the T. V. A., have given the South the first real hope of revival it has known since the Civil War. They marched in, pitched camp, and set to work, but, unlike General Sherman, they came with an army of construction.

Covering 40,000 square miles, enriching the lives of over 2,000,000 people, T. V. A. has become the great central dynamo for seven States. T. V. A. has brought light, heat, and power to the destitute South. Its enemies, the utilities, backed by their eastern friends and by southern gentlemen who have stolen carpetbags, still fight it bitterly. They profess to see in T. V. A. a deliberate slap in their faces from the hand of Roosevelt. They picture the President sitting off in Washington, like a Count of Monte Cristo, throwing gold into pet schemes like T. V. A. merely to gratify a personal hate for the private power groups.

But they have not seen the truth, for T. V. A. is a great deal more than just a negative gesture of spite. It is a break for, and in, the South and it is also the most successful enterprise of the New Deal.

ROOSEVELT ONLY PRESIDENT TO RECOGNIZE SOUTH

The great majority of the southern people realize that Roosevelt is the only President who has given the South full support, full encouragement, full recognition since the Civil War. The allegiance and strict obedience of southern Senators and Representatives is sincere and almost fanatical. Roosevelt, heart, liver, and lights, is our man.

T. V. A. VICTORIOUS

Together he and NORRIS have set 16,000 men to work. They are unlocking the magic of electricity and farm technology in an area which was one of the most backward in the entire Nation, releasing the energies of modern science with a dash and morale akin to that of war. A little army but a victorious one—victorious over local prejudice, victorious over utilities, partially victorious even over the Supreme Court.

ANOTHER REBELLION—NORTHERNERS JOIN GRANDSONS OF JACKSON AND LEE

What this peace army means for the South not even those who know the South can say. It means breaking with a past which took mournful pride in having been overpowered, not licked, by the Yankees, and which despised the only means by which the defeated Confederacy could convert defeat into victory.

Yes; there is another southern rebellion. But there is no nonsense or equivocation about the facts. There are no bugles, no faint smells of imaginary magnolias, no inferiority complexes. It is a rebellion in which northerners—damned Yankees—lend assistance to the grandsons of the ragged troopers who starved and fought and died with Jackson and Lee. Both have found that they have a common enemy—and that enemy is to be seen, not in terms of sectional cleavage but in terms of economic power.

THE REPUBLICAN RECORD ON NEW DEAL LEGISLATION

Mr. WARREN. Mr. Speaker, the distinguished minority leader, who was one of the eminent keynoters at the late Republican national convention, has returned from the wars and his masterly speech has been officially embalmed in the CONGRESSIONAL RECORD. Press reports say that our friend from New York [Mr. SNELL] was surrounded at the Cleveland convention by almost the entire Republican membership of the House, who cheered him to the echo. It has been related how the Republican Members of the House worked themselves into a mad frenzy when the gentleman from New York and his co-keynoter, Senator STEIWER, attacked the legislation that Congress has enacted during the period of the Roosevelt administration.

An opposition party will always have its place in the Nation, but it must be one that adheres to its principles and is militant, constructive, and united, regardless of its numerical strength. For 4 years the Democratic Party has had no opposition worthy of the name, and what was once the proud, arrogant, and dominant Republican Party has degenerated into groups of carping critics, going in all directions, each playing the opportunist role as it best suits him. It was the brilliant minority leadership of men like Champ Clark, Oscar Underwood, Claud Kitchin, and others that overturned the Taft administration during the middle of its term and elected a Democratic House and paved the way for Woodrow Wilson in 1912. It was a constructive, fighting, and united minority under John N. Garner, Joseph W. Byrns, Henry T. Rainey, W. B. Bankhead, and others that exposed the political and economic mistakes of the Hoover administration and overturned the House in 1930 and brought in Roosevelt 2 years later. Issues are made in Congress. Here the lines are formed and here is where the battle is waged.

Even though at times he has joined in ardently supporting measures of the Roosevelt administration, our friend the minority leader from New York [Mr. SNELL] must not be blamed for the utter rout and collapse of his party in the House of Representatives. I doubt if the Republicans could have selected a wiser or abler man. They would not follow anyone, and it has been every man for himself.

What are the American people going to say in the next few months when these Republican Members of the House go out on the stump and urge the defeat of the President, criticize the measures of the administration, and ask that their party be placed in control? What are they going to say when they find that large numbers of Republicans have voted for most of the major New Deal legislation? What will they say when men try to repudiate their own handiwork?

What will the voters of Minnesota say to men like Governor CHRISTIANSON, now a candidate for the Senate, when he talks to them about unconstitutional laws and find that he voted for the A. A. A. and was one of its strongest advocates? What will they say to those 70 Republicans who in 1933 voted for the F. E. R. A. and then condemn appropriations? When such stalwart Republican leaders as Mr. BACHARACH, of New Jersey, and Dr. CROWTHER, of New York, are found voting with 50 other Republicans—a majority—for the N. R. A., what are they going to say about Democrats passing unconstitutional acts? And pray tell me, Mr. Speaker, what will 65 Republicans say when their memories go back to January 20, 1934, when under the urging of their assistant minority leader, Mr. MARTIN of Massachusetts, they voted for the Gold Reserve Act?

And then on February 5, 1934, we find 97 Republicans voting for the C. W. A. relief bill, carrying vast appropriations. We find 96 out of 103 voting for the tax bill of 1934. We find 74 Republicans voting for the Collateral Security Act. Twenty-two voted for the National Securities Exchange Act. Twenty-eight of them voted for the $4,880,000,000 relief act.

The great and constructive Social Security Act is a most interesting vote to look at. Already the guns of the Republicans have been leveled at it, and yet we find 77 out of 95 Republicans casting their votes for it. Twenty-five Republicans voted for the utility holding company bill. Fifteen of them voted for the Guffey coal bill. Seventy-nine voted for the Neutrality Act. Twenty-one voted for the Soil Conservation Act.

They say, Mr. Speaker, they are going to make spending one of the issues of this campaign. Just 1 month before the Republican convention we find 62 out of 92 Republicans, under the whip and lash of their leader, Mr. SNELL, voting for the deficiency bill of 1936, carrying relief and amounting

to approximately $2,500,000,000. "Balance the Budget" they cry, but their answer is to vote for staggering appropriations and then refuse to vote taxes in 1936 to pay them.

In the last 4 years there has been much major legislation passed in the House without a roll-call vote. There was no roll call on the Wagner-Connery labor bill, the municipal bankruptcy bill, nor on the second Guffey coal bill in the House. Any time the Republicans desire and ask for a roll-call vote, under the rules of the House, they get it. It is well known that they have refrained from demanding roll calls, so as the occasion suits they could say they were either for or against a measure because they could not be confronted with their record.

Mr. Speaker, the record has been made and the issues drawn. Mr. Roosevelt will be reelected together with a Democratic Congress to support him because he is today the one and only hope of the American people. The old order has disappeared and will never return. His is a record of achievement and accomplishment. We have been offered nothing to turn to in his stead. Under a dynamic leadership our country has been saved and again restored.

He which hath no stomach to this fight
Let him depart;
His passport shall be made.

I herewith attach, Mr. Speaker, a series of important and crucial roll-call votes taken in the House of Representatives during the Roosevelt administration showing how our Republican friends voted on these measures.

The following Republicans in the House of Representatives voted for New Deal legislation, as shown by these roll calls:

ECONOMY ACT

(Passed the House Mar. 11, 1933, roll call no. 4, p. 181, CONGRESSIONAL RECORD, H. R. 2820)

Allen, Illinois; Andrew, Massachusetts; Andrews, New York; Bacharach, New Jersey; Bacon, New York; Bakewell, Connecticut; Beedy, Maine; Bolton, Ohio; Britten, Illinois; Burnham, California; Carter, California; Cavicchia, New Jersey; Christianson, Minnesota; Cochran, Pennsylvania; Cooper, Ohio; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; Doutrich, Pennsylvania; Eaton, New Jersey; Edmunds, Pennsylvania; Eltse, California; Evans, California; Fish, New York; Foss, Massachusetts; Gifford, Massachusetts; Goodwin, New York; Goss, Connecticut; Guyer, Kansas; Hancock, New York; Hartley, New Jersey; Hess, Ohio; Higgins, Connecticut; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; Jenkins, Ohio; Kahn, California; Kinzer, Pennsylvania; Knutson, Minnesota; Lambertson, Kansas; Lehlbach, New Jersey; Luce, Massachusetts; McGugin, Kansas; McLean, New Jersey; Marshal, Ohio; Martin, Massachusetts; Merritt, Connecticut; Millard, New York; Moynihan, Illinois; Muldowney, Pennsylvania; Perkins, New Jersey; Powers, New Jersey; Reed, New York; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Simpson, Illinois; Snell, New York; Stalker, New York; Stokes, Pennsylvania; Swick, Pennsylvania, Taber, New York; Tinkham, Massachusetts; Tobey, New Hampshire; Treadway, Massachusetts; Wadsworth, New York; Wigglesworth, Massachusetts.

68 voted "aye", 40 voted "nay", 6 not recorded.

BEER BILL

(Passed the House Mar. 14, 1933, roll call no. 5, p. 290, CONGRESSIONAL RECORD, H. R. 3341)

Andrew, Massachusetts; Andrews, New York; Bacharach, New Jersey; Bacon, New York; Bakewell, Connecticut; Beck, Pennsylvania; Blanchard, Wisconsin; Boileau, Wisconsin; Bolton, Ohio; Britten, Illinois; Burnham, California; Carter, California; Carter, Wyoming; Cavicchia, New Jersey; Connolly, Pennsylvania; Darrow, Pennsylvania; DePriest, Illinois; Dirksen, Illinois; Ditter, Pennsylvania; Dondero, Michigan; Doutrich, Pennsylvania; Eaton, New Jersey; Edmunds, Pennsylvania; Englebright, California; Fish, New York; Foss, Massachusetts; Frear, Wisconsin; Gifford, Massachusetts; Goodwin, New York; Goss, Connecticut; Hancock, New York; Hartley, New Jersey; Hess, Ohio; Higgins, Connecticut; Hollister, Ohio; Holmes, Massachusetts; James, Michigan; Kahn, California; Knutson, Minnesota; Lehlbach, New Jersey; Lemke, North Dakota; McLean, New Jersey; McLeod, Michigan; Martin, Massachusetts; Merritt, Connecticut; Millard, New York; Mott, Oregon; Moynihan, Illinois; Muldowney, Pennsylvania; Perkins, New Jersey; Powers, New Jersey; Ransley, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Simpson, Illinois; Stokes, Pennsylvania; Traeger, California; Treadway, Massachusetts; Turpin, Pennsylvania; Waldron, Pennsylvania; Welch, California; Whitley, New York; Wigglesworth, Massachusetts; Withrow, Wisconsin; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, N. J.; Woodruff, Michigan.

68 voted "aye", 38 voted "nay", 5 not recorded.

ECONOMY ACT

Rule to take from Speaker's table H. R. 2820, "To maintain credit of United States Government", and agree to Senate amendments.

(Passed the House Mar. 16, 1933, roll call no. 6, p. 516, CONGRESSIONAL RECORD, H. Res. 53)

Allen, Illinois; Andrew, Massachusetts; Andrews, New York; Bacharach, New Jersey; Bacon, New York; Bakewell, Connecticut; Beedy, Maine; Blanchard, Wisconsin; Boileau, Wisconsin; Bolton, Ohio; Britten, Illinois; Burnham, California; Carter, California; Carter, Wyoming; Chase, Minnesota; Christianson, Minnesota; Cochran, Pennsylvania; Collins, California; Connolly, Pennsylvania; Cooper, Ohio; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; Dirksen, Illinois; Ditter, Pennsylvania; Dondero, Michigan; Dowell, Iowa; Edmonds, Pennsylvania; Eltse, California; Englebright, California; Evans, California; Foss, Massachusetts; Frear, Wisconsin; Gifford, Massachusetts; Gilchrist, Iowa; Goodwin, New York; Goss, Connecticut; Guyer, Kansas; Hancock, New York; Hartley, New Jersey; Hess, Ohio; Higgins, Connecticut; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Jenkins, Ohio; Kahn, California; Kelly, Pennsylvania; Kinzer, Pennsylvania; Knutson, Minnesota; Kurtz, Pennsylvania; Lambertson, Kansas; Luce, Massachusetts; McFadden, Pennsylvania; McGugin, Kansas; McLean, New Jersey; McLeod, Michigan; Mapes, Michigan; Martin, Massachusetts; Merritt, Connecticut; Millard, New York; Mott, Oregon; Moynihan, Illinois; Muldowney, Pennsylvania; Perkins, New Jersey; Powers, New Jersey; Ransley, Pennsylvania; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Simpson, Illinois; Sinclair, North Dakota; Taylor, Tennessee; Thurston, Iowa; Tobey, New Hampshire; Traeger, California; Treadway, Massachusetts; Turpin, Pennsylvania; Waldron, Pennsylvania; Welch, California; Whitley, New York; Wigglesworth, Massachusetts; Withrow, Wisconsin; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, Pennsylvania; Woodruff, Michigan.

88 voted "aye", 4 voted "nay", 17 not recorded.

A. A. A.—ESTABLISHMENT OF THE AGRICULTURAL ADJUSTMENT ADMINISTRATION

(Passed the House Mar. 22, 1933, roll call no. 8, p. 766, CONGRESSIONAL RECORD, H. R. 3835)

Allen, Illinois; Blanchard, Wisconsin; Boileau, Wisconsin; Burnham, California; Chase, Minnesota; Christianson, Minnesota; Collins, California; Cooper, Ohio; Culkin, New York; Dirksen, Illinois; Dondero, Michigan; Doutrich, Pennsylvania; Dowell, Iowa; Focht, Pennsylvania; Frear, Wisconsin; Gilchrist, Iowa; Hartley, New Jersey; James, Michigan; Jenkins, Ohio; Kinzer, Pennsylvania; Lambertson, Kansas; Lemke, North Dakota; McGugin, Kansas; Marshall, Ohio; Mott, Oregon; Peavey, Wisconsin; Reece, Tennessee; Reid, Illinois; Sinclair, North Dakota; Taylor, Tennessee; Thurston, Iowa; Tobey, New Hampshire; Traeger, California; Welch, California; Withrow, Wisconsin; Wolverton, New Jersey; Woodruff, Michigan.

37 voted "aye", 72 voted "nay", 5 not recorded.

REFINANCING OF FARM MORTGAGES

(Passed the House Apr. 13, 1933, roll call no. 12, p. 1669, CONGRESSIONAL RECORD, H. R. 4795)

Allen, Illinois; Andrews, New York; Bacharach, New York; Bakewell, Connecticut; Beedy, Maine; Blanchard, Wisconsin; Bolton, Ohio; Burnham, California; Carter, California; Carter, Wyoming; Cavicchia, New Jersey; Chase, Minnesota; Christianson, Minnesota; Cochran, Pennsylavnia; Collins, California; Cooper, Ohio; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; DePriest, Illinois; Dirksen, Illinois; Dondero, Michigan; Doutrich, Pennsylvania; Dowell, Iowa; Eaton, New Jersey; Edmonds, Pennsylvania; Eltse, California; Englebright, California; Evans, California; Fish, New York; Focht, Pennsylvania; Foss, Massachusetts; Frear, Wisconsin; Gilchrist, Iowa; Goodwin, New York; Hancock, New York; Hartley, New Jersey; Hess, Ohio; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Jenkins, Ohio; Kahn, California; Kelly, Pennsylvania; Kinzer, Pennsylvania; Knutson, Minnesota, Kurtz, Pennsylvania; Lambertson, Kansas; Lemke, North Dakota; Luce, Massachusetts; McGugin, Kansas; McLean, New Jersey; McLeod, Michigan; Mapes, Michigan; Marshall, Ohio; Martin, Massachusetts; Millard, New York; Mott, Oregon; Peavey, Wisconsin; Perkins, New Jersey; Powers, New Jersey; Reed, New York; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Sinclair, North Dakota; Stalker, New York; Stokes, Pennsylvania; Strong, Pennsylvania; Swick, Pennsylvania; Taber, New York; Taylor, Tennessee; Thurston, Iowa; Tobey, New Hampshire; Traeger, California; Treadway, Massachusetts; Wadsworth, New York; Waldron, Pennsylvania; Welch, California; Whitley, New York; Wigglesworth, Massachusetts; Withrow, Wisconsin; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

87 voted "aye", 9 voted "nay", 14 not recorded.

FEDERAL EMERGENCY RELIEF ADMINISTRATION

(Passed the House Apr. 21, 1933, roll call no. 19, p. 2137, CONGRESSIONAL RECORD, H. R. 4606)

Andrews, New York; Blanchard, Wisconsin; Boileau, Wisconsin; Britten, Illinois; Carter, California; Cavicchia, New Jersey; Christianson, Minnesota; Cochran, Pennsylvania; Collins, California; Connolly, Pennsylvania; Cooper, Ohio; Crowther, New York; Culkin,

New York; Darrow, Pennsylvania; Dirksen, Illinois; Ditter, Pennsylvania; Dondero, Michigan; Doutrich, Pennsylvania; Dowell, Iowa; Eaton, New Jersey; Edmonds, Pennsylvania; Eltse, California; Englebright, California; Evans, California; Focht, Pennsylvania; Foss, Massachusetts; Frear, Wisconsin; Gilchrist, Iowa; Guyer, Kansas; Hartley, New Jersey; Hess, Ohio; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Jenkins, Ohio; Kahn, California; Kelly, Pennsylvania; Kinzer, Pennsylvania; Kurtz, Pennsylvania; Lambertson, Kansas; Lehlbach, New Jersey; Lemke, North Dakota; McFadden, Pennsylvania; McGugin, Kansas; McLean, New Jersey; McLeod, Michigan; Mapes, Michigan; Marshall, Ohio; Mott, Oregon; Muldowney, Pennsylvania; Peavey, Wisconsin; Perkins, New Jersey; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Seger, New Jersey; Sinclair, North Dakota; Strong, Pennsylvania; Taylor, Tennessee; Thurston, Iowa; Tobey, New Hampshire; Traeger, California; Turpin, Pennsylvania; Welch, California; Whitley, New York; Withrow, Wisconsin; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

70 voted "aye", 30 voted "nay", 13 not recorded.

MUSCLE SHOALS AND TENNESSEE VALLEY DEVELOPMENT

(Passed the House Apr. 25, 1933, roll call no. 22, p. 2361, CONGRESSIONAL RECORD, H. R. 5081)

Boileau, Wisconsin; Chase, Minnesota; Collins, California; Frear, Wisconsin; Gilchrist, Iowa; Kelly, Pennsylvania; Lemke, North Dakota; Mott, Oregon; Peavey, Wisconsin; Reece, Tennessee; Reid, Illinois; Sinclair, North Dakota; Taylor, Tennessee; Traeger, California; Welch, California; Withrow, Wisconsin; Woodruff, Michigan.

17 voted "aye", 89 voted "nay", 10 not recorded.

HOME-OWNERS' LOAN CORPORATION ACT, 1933

(Passed the House Apr. 28, 1933, roll call no. 26, p. 2620, CONGRESSIONAL RECORD, H. R. 5240)

Allen, Illinois; Andrew, Massachusetts; Andrews, New York; Bacharach, New Jersey; Bacon, New York; Beck, Pennsylvania; Beedy, Maine; Blanchard, Wisconsin; Boileau, Wisconsin; Bolton, Ohio; Britten, Illinois; Burnham, California; Carter, California; Carter, Wyoming; Cavicchia, New Jersey; Chase, Minnesota; Christianson, Minnesota; Cochran, Pennsylvania; Collins, California; Connolly, Pennsylvania; Cooper, Ohio; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; DePriest, Illinois; Dirksen, Illinois; Dondero, Michigan; Doutrich, Pennsylvania; Dowell, Iowa; Eaton, New Jersey; Edmonds, Pennsylvania; Eltse, California; Englebright, California; Evans, California; Fish, New York; Foss, Massachusetts; Frear, Wisconsin; Gilchrist, Iowa; Goodwin, New York; Goss, Connecticut; Guyer, Kansas; Hancock, New York; Hartley, New Jersey; Hess, Ohio; Higgins, Connecticut; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Jenkins, Ohio; Kelly, Pennsylvania; Kinzer, Pennsylvania; Knutson, Minnesota; Kurtz, Pennsylvania; Lehlbach, New Jersey; Lemke, North Dakota; Luce, Massachusetts; McGugin, Kansas; McLean, New Jersey; Mapes, Michigan; Marshall, Ohio; Martin, Massachusetts; Merritt, Connecticut; Millard, New York; Mott, Oregon; Muldowney, Pennsylvania; Peavey, Wisconsin; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Reed, New York; Reid, Illinois; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Simpson, Illinois; Sinclair, North Dakota; Satker, New York; Swick, Pennsylvania; Taber, New York; Thurston, Iowa; Tobey, New Hampshire; Traeger, California; Turpin, Pennsylvania; Wadsworth, New York; Waldron, Pennsylvania; Welch, California; Whitley, New York; Wigglesworth, Massachusetts; Withrow, Wisconsin; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan;

93 voted "aye", 1 voted "nay", 16 not recorded.

MUSCLE SHOALS—CONFERENCE REPORT—TENNESSEE VALLEY AUTHORITY—ADOPTION OF REPORT

(Passed the House May 17, 1933, roll call no. 42, p. 3679, CONGRESSIONAL RECORD, H. R. 5081)

Boileau, Wisconsin; Chase, Minnesota; Gilchrist, Iowa; Kelly, Pennsylvania; Lemke, North Dakota; Peavey, Wisconsin; Reece, Tennessee; Sinclair, North Dakota; Taylor, Tennessee; Withrow, Wisconsin.

Ayes 10, nays 85, not recorded 21, present 1.

NATIONAL INDUSTRIAL RECOVERY ACT

(Passed the House May 26, 1933, roll call no. 50, p. 4431, CONGRESSIONAL RECORD, H. R. 5755)

Andrews, New York; Bacharach, New Jersey; Beedy, Maine; Blanchard, Wisconsin; Boileau, Wisconsin; Britten, Illinois; Burnham, California; Carter, California; Carter, Wyoming; Collins, California; Cooper, Ohio; Crowther, New York; Culkin, New York; Dirksen, Illinois; Dondero, Michigan; Doutrich, Pennsylvania; Englebright, California; Evans, California; Focht, Pennsylvania; Foss, Massachusetts; Frear, Wisconsin; Gilchrist, Iowa; Goss, Connecticut; Hess, Ohio; Higgins, Connecticut; Holmes, Massachusetts; James, Michigan; Jenkins, Ohio; Kahn, California; Kelly, Pennsylvania; Knutson, Minnesota; Lemke, North Dakota; McGugin, Kansas; McLeod, Michigan; Marshall, Ohio; Millard, New York; Mott, Oregon; Muldowney, Pennsylvania; Peavey, Wisconsin; Reece, Tennessee; Sinclair, North Dakota; Taylor, Tennessee; Thurston, Iowa; Tobey, New Hampshire; Traeger, California; Treadway, Massachusetts; Turpin, Pennsylvania; Welch, California; Withrow, Wisconsin; Wolcott, Michigan; Wolverton, Pennsylvania; Woodruff, Michigan.

52 voted "aye", 49 voted "nay", 12 not recorded, 1 present.

COINS AND CURRENCIES—1933 GOLD-CONTRACT BILL

(Passed the House May 29, 1933, roll call no. 52, p. 4606, CONGRESSIONAL RECORD, H. J. Res. 192)

Boileau, Wisconsin; Britten, Illinois; Carter, Wyoming; Christianson, Minnesota; Collins, California; Dirksen, Illinois; Dondero, Michigan; Frear, Wisconsin; Gilchrist, Iowa; Guyer, Kansas; Hope, Kansas; James, Michigan; Knutson, Minnesota; Lambertson, Kansas; Lemke, North Dakota; McGugin, Kansas; Mott, Oregon; Peavey, Wisconsin; Sinclair, North Dakota; Taylor, Tennessee; Thurston, Iowa; Turpin, Pennsylvania; Welch, California; Whitley, New York; Withrow, Wisconsin; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 28, nays 43, not recorded 40, present 1.

LIQUOR-TAXING BILL

(Passed the House Jan. 5, 1934, roll call no. 76, p. 158, CONGRESSIONAL RECORD, H. R. 6131)

Andrew, Massachusetts; Andrews, New York; Bakewell, Connecticut; Beck, Pennsylvania; Beedy, Maine; Blanchard, Wisconsin; Boileau, Wisconsin; Bolton, Ohio; Britten, Illinois; Buckbee, Illinois; Burnham, California; Carter, California; Carter, Wyoming; Cavicchia, New Jersey; Chase, Minnesota; Christianson, Minnesota; Cochran, Pennsylvania; Collins, California; Connolly, Pennsylvania; Cooper, Ohio; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; Dirksen, Illinois; Ditter, Pennsylvania; Dondero, Michigan; Doutrich, Pennsylvania; Eaton, New Jersey; Eltse, California; Englebright, California; Evans, California; Fish, New York; Focht, Pennsylvania; Foss, Massachusetts; Frear, Wisconsin; Gifford, Massachusetts; Gilchrist, Iowa; Goodwin, New York; Goss, Connecticut; Guyer, Kansas; Hancock, New York; Hartley, New Jersey; Higgins, Connecticut; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Jenkins, Ohio; Kahn, California; Kelly, Pennsylvania; Kinzer, Pennsylvania; Kurtz, Pennsylvania; Lambertson, Kansas; Lehlbach, New Jersey; Lemke, North Dakota; Luce, Massachusetts; McGugin, Kansas; McLean, New Jersey; McLeod, Michigan; Mapes, Michigan; Marshall, Ohio; Martin, Massachusetts; Merritt, Connecticut; Millard, New York; Mott, Oregon; Muldowney, Pennsylvania; Peavey, Wisconsin; Perkins, New Jersey; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Reed, New York; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Sinclair, North Dakota; Snell, New York; Stalker, New York; Stokes, Pennsylvania; Strong, Pennsylvania; Swick, Pennsylvania; Taber, New York; Taylor, Tennessee; Tinkham, Massachusetts; Tobey, New Hampshire; Traeger, California; Treadway, Massachusetts; Turpin, Pennsylvania; Wadsworth, New York; Waldron, Pennsylvania; Welch, California; Whitley, New York; Wigglesworth, Massachusetts; Withrow, Wisconsin; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 98, nays 4, not recorded 9, present 1.

GOLD RESERVE ACT, 1934

(Passed the House Jan. 20, 1934, roll call no. 82, p. 1021, CONGRESSIONAL RECORD, H. R. 6976

Allen, Illinois; Bacharach, New Jersey; Blanchard, Wisconsin; Boileau, Wisconsin; Buckbee, Illinois; Carter, California; Carter, Wyoming; Chase, Minnesota; Christianson, Minnesota; Collins, California; Connolly, Pennsylvania; Cooper, Ohio; Culkin, New York; DePriest, Illinois; Dirksen, Illinois; Doutrich, Pennsylvania; Dowell, Iowa; Eaton, New Jersey; Edmonds, Pennsylvania; Englebright, California; Focht, Pennsylvania; Foss, Massachusetts; Frear, Wisconsin; Gifford, Massachusetts; Gilchrist, Iowa; Goss, Connecticut; Hartley, New Jersey; Higgins, Connecticut; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Kelly, Pennsylvania; Kinzer, Pennsylvania; Knutson, Minnesota; Kurtz, Pennsylvania; Lambertson, Kansas; Lehlbach, New Jersey; Lemke, North Dakota; McLean, New Jersey; Mapes, Michigan; Martin, Massachusetts; Mott, Oregon; Moynihan, Illinois; Muldowney, Pennsylvania; Peavey, Wisconsin; Perkins, New Jersey; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Seger, New Jersey; Simpson, Illinois; Sinclair, North Dakota; Strong, Pennsylvania; Taylor, Tennessee; Thurston, Iowa; Traeger, California; Turpin, Pennsylvania; Waldron, Pennsylvania; Welch, California; Whitely, New York; Withrow, Wisconsin; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey, Woodruff, Michigan.

Ayes 65, nays 37, not recorded 9.

CIVIL WORKS EMERGENCY RELIEF

(Passed the House Feb. 5, 1934, roll call no. 83, p. 1971, CONGRESSIONAL RECORD, H. R. 7527)

Allen, Illinois; Andrew, Massachusetts; Andrews, New York; Bacon, New York; Bakewell, Connecticut; Blanchard, Wisconsin; Boileau, Wisconsin; Burnham, California; Carter, California; Carter, Wyoming; Cavicchia, New Jersey; Chase, Minnesota; Christianson, Minnesota; Clarke, New York; Cochran, Pennsylvania; Collins, California; Connolly, Pennsylvania; Cooper, Ohio; Crowther, New York; Culkin, New York; DePriest, Illinois; Dirksen, Illinois; Dondero, Michigan; Doutrich, Pennsylvania; Dowell, Iowa; Eaton, New Jersey; Edmonds, Pennsylvania; Eltse, California; Englebright, California; Evans, California; Fish, New York; Focht, Pennsylvania; Foss, Massachusetts; Frear, Wisconsin; Gifford, Massachusetts; Gilchrist, Iowa; Goodwin, New York; Goss, Connecticut; Guyer, Kansas; Hancock, New York; Hartley, New Jersey; Higgins, Connecticut; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Kahn, California; Kelly, Pennsylvania; Kinzer, Pennsylvania;

Knutson, Minnesota; Kurtz, Pennsylvania; Lambertson, Kansas; Lehlbach, New Jersey; Lemke, North Dakota; Luce, Massachusetts; McFadden, Pennsylvania; McGugin, Kansas; McLean, New Jersey; McLeod, Michigan; Mapes, Michigan; Marshall, Ohio; Martin, Massachusetts; Merritt, Connecticut; Millard, New York; Mott, Oregon; Muldowney, Pennsylvania; Moynihan, Illinois; Peavey, Wisconsin; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Reed, New York; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Simpson, Illinois; Sinclair, North Dakota; Snell, New York; Strong, Pennsylvania; Swick, Pennsylvania; Taber, New York; Taylor, Tennessee; Thurston, Iowa; Tinkham, Massachusetts; Traeger, California; Treadway, Massachusetts; Waldron, Pennsylvania; Welch, California; Whitley, New York; Wigglesworth, Massachusetts; Withrow, Wisconsin; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey.

Ayes 97, not recorded 14.

REVENUE ACT OF 1934

(Passed the House Feb. 21, 1934, roll call no. 90, p. 3082, CONGRESSIONAL RECORD, H. R. 7835)

Allen, Illinois; Andrew, Massachusetts; Bacharach, New Jersey; Bacon, New York; Bakewell, Connecticut; Beedy, Maine; Blanchard, Wisconsin; Boileau, Wisconsin; Bolton, Ohio; Burnham, California; Carter, California; Carter, Wyoming; Cavicchia, New Jersey; Chase, Minnesota; Christianson, Minnesota; Clarke, New York; Cochran, Pennsylvania; Collins, California; Connolly, Pennsylvania; Cooper, Ohio; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; DePriest, Illinois; Ditter, Pennsylvania; Dondero, Michigan; Doutrich, Pennsylvania; Dowell, Iowa; Eaton, New Jersey; Edmonds, Pennsylvania; Englebright, California; Evans, California; Fish, New York; Focht, Pennsylvania; Frear, Wisconsin; Gifford, Massachusetts; Gilchrist, Iowa; Goodwin, New York; Goss, Connecticut; Guyer, Kansas; Hancock, New York; Hartley, New Jersey; Higgins, Connecticut; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Jenkins, Ohio; Kelly, Pennsylvania; Kinzer, Pennsylvania; Knutson, Minnesota; Kurtz, Pennsylvania; Lambertson, Kansas; Lehlbach, New Jersey; Lemke, North Dakota; Luce, Massachusetts; McGugin, Kansas; McLean, New Jersey; McLeod, Michigan; Mapes, Michigan; Marshall, Ohio; Martin, Massachusetts; Merritt, Connecticut; Millard, New York; Mott, Oregon; Muldowney, Pennsylvania; Peavey, Wisconsin; Perkins, New Jersey; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Reed, New York; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Sinclair, North Dakota; Snell, New York; Stalker, New York; Stokes, Pennsylvania; Swick, Pennsylvania; Taber, New York; Taylor, Tennessee; Thurston, Iowa; Tinkham, Massachusetts; Tobey, New Hampshire; Traeger, California; Treadway, Massachusetts; Turpin, Pennsylvania; Wadsworth, New York; Waldron, Pennsylvania; Whitley, New York; Wigglesworth, Massachusetts; Withrow, Wisconsin; Wolcott, Michigan; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 96, nays 7, not recorded 8.

COLLATERAL SECURITY ACT

(Passed the House Mar. 3, 1934, roll call no. 98, p. 3706, CONGRESSIONAL RECORD, S. 2766)

Allen, Illinois; Andrew, Massachusetts; Andrews, New York; Bacon, New York; Bakewell, Connecticut; Beck, Pennsylvania; Beedy, Maine; Boileau, Wisconsin; Buckbee, Illinois; Burnham, California; Carter, California; Carter, Wyoming; Chase, Minnesota; Clarke, New York; Cochran, Pennsylvania; Collins, California; Cooper, Ohio; Culkin, New York; Darrow, Pennsylvania; DePriest, Illinois; Dirksen, Illinois; Ditter, Pennsylvania; Dondero, Michigan; Eltse, California; Englebright, California; Evans, California; Fish, New York; Focht, Pennsylvania; Frear, Wisconsin; Gifford, Massachusetts; Goodwin, New York; Goss, Connecticut; Guyer, Kansas; Hancock, New York; Hartley, New Jersey; Hess, Ohio; Higgins, Connecticut; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; James, Michigan; Jenkins, Ohio; Kahn, California; Kelly, Pennsylvania; Knutson, Minnesota; Kurtz, Pennsylvania; Lehlbach, New Jersey; Luce, Massachusetts; McGugin, Kansas; Mapes, Michigan; Marshall, Ohio; Martin, Massachusetts; Merritt, Connecticut; Mott, Oregon; Moynihan, Illinois; Muldowney, Pennsylvania; Perkins, New Jersey; Luce, Massachusetts; McGugin, Kansas; Mapes, Michigan; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Snell, New York; Taylor, Tennessee; Traeger, California; Turpin, Pennsylvania; Wadsworth, New York; Welch, California; Whitley, New York; Wigglesworth, Massachusetts; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey.

Ayes 74, nays 19, not recorded 19.

REVENUE ACT OF 1934—CONFERENCE REPORT

(Passed House May 1, 1934, roll call no. 134, p. 7839, CONGRESSIONAL RECORD, H. R. 7835)

Boileau, Wisconsin; Cochran, Pennsylvania; Dowell, Iowa; Frear, Wisconsin; Gilchrist, Iowa; James, Michigan; Lemke, North Dakota; McGugin, Kansas; Mott, Oregon; Peavey, Wisconsin; Thurston, Iowa; Withrow, Wisconsin; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 14, nays 77, not recorded 24.

NATIONAL SECURITIES EXCHANGE ACT

(Passed House May 4, 1934, roll call no. 137, p. 8116, CONGRESSIONAL RECORD, H. R. 9323)

Boileau, Wisconsin; Christianson, Minnesota; Connolly, Pennsylvania; Dowell, Iowa; Evans, California; Frear, Wisconsin; Gilchrist, Iowa; Hope, Kansas; James, Michigan; Knutson, Minnesota; Lambertson, Kansas; Lemke, North Dakota; Mapes, Michigan; Mott, Oregon; Peavey, Wisconsin; Reece, Tennessee; Sinclair, North Dakota; Thurston, Iowa; Welch, California; Withrow, Wisconsin; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 22, nays 73, not recorded 20.

INTERNATIONAL LABOR ORGANIZATION

(Passed House June 16, 1934, roll call no. 197, p. 12362, CONGRESSIONAL RECORD, S. J. Res. 131)

Boileau, Wisconsin; Carter, California; Carter, Wyoming; Christianson, Minnesota; Cochran, Pennsylvania; Dowell, Iowa; Frear, Wisconsin; Gilchrist, Iowa; James, Michigan; Kelly, Pennsylvania; Welch, California; Withrow, Wisconsin.

Ayes 12, nays 79, not recorded 24.

SEVENTY-FOURTH CONGRESS, FIRST SESSION

APPROPRIATING $4,880,000,000 FOR RELIEF

(Passed House Jan. 24, 1935, roll call no. 11, p. 956, CONGRESSIONAL RECORD, H. J. Res. 117)

Andrew, Massachusetts; Brewster, Maine; Buckbee, Illinois; Burdick, North Dakota; Burnham, California; Carlson, Kansas; Carter, California; Collins, California; Ekwall, Oregon; Gearhart, California; Gilchrist, Iowa; Guyer, Kansas; Higgins, Connecticut; Hope, Kansas; Kahn, California; Lambertson, Kansas; Lemke, North Dakota; McLeod, Michigan; Mapes, Michigan; Marcantonio, New York; Mott, Oregon; Powers, New Jersey; Seger, New Jersey; Stefan, Nebraska; Taylor, Tennessee; Tobey, New Hampshire; Welch, California; Wolverton, New Jersey.

Ayes 28, nays 68, not recorded 7.

EXTENDING R. F. C. FOR 2 YEARS

(Passed House Jan. 31, 1935, roll call no. 12, p. 1365, CONGRESSIONAL RECORD, S. 1175)

Andrew, Massachusetts; Andrews, New York; Bacon, New York; Blackney, Michigan; Brewster, Maine; Buckbee, Illinois; Burnham, California; Carlson, Kansas; Carter, California; Cavicchia, New Jersey; Christianson, Minnesota; Church, Illinois; Cole, New York; Collins, California; Darrow, Pennsylvania; Ditter, Pennsylvania; Dondero, Michigan; Doutrich, Pennsylvania; Eaton, New Jersey; Ekwall, Oregon; Engel, Michigan; Fenerty, Pennsylvania; Fish, New York; Focht, Pennsylvania; Gearhart, California; Gifford, Massachusetts; Goodwin, New York; Guyer, Kansas; Hartley, Pennsylvania; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; Jenkins, Ohio; Kahn, California; Kinzer, Pennsylvania; Knutson, Minnesota; Lehlbach, New Jersey; Lord, New York; McLean, New Jersey; Marshall, Ohio; Martin, Massachusetts; Merritt, Connecticut; Millard, New York; Mott, Oregon; Pittenger, Minnesota; Plumley, Vermont; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Reed, Illinois; Robsion, Kentucky; Rogers, Massachusetts; Seger, New Jersey; Short, Missouri; Snell, New York; Stewart, Delaware; Taber, New York; Taylor, Tennessee; Thomas, New York; Tinkham, Massachusetts; Treadway, Massachusetts; Wadsworth, New York; Welch, California; Wigglesworth, Massachusetts; Wilson, Pennsylvania; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 69, nays 21, not recorded 10.

EXTENDING HOME OWNERS' LOAN ACT AND NATIONAL HOUSING ACT

(Passed House Mar. 12, 1935, roll call no. 27, p. 3604, CONGRESSIONAL RECORD, H. R. 6021)

Allen, Illinois; Andresen, Minnesota; Andrew, Massachusetts; Arends, Illinois; Bacharach, New Jersey; Bacon, New York; Blackney, Michigan; Bolton, Ohio; Brewster, Maine; Buckbee, Illinois; Burdick, North Dakota; Burnham, California; Carlson, Kansas; Carter, California; Cavicchia, New Jersey; Christianson, Minnesota; Church, Illinois; Cole, New York; Collins, California; Cooper, Ohio; Crawford, Michigan; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; Dirksen, Illinois; Ditter, Pennsylvania; Dondero, Michigan; Eaton, New Jersey; Ekwall, Oregon; Engel, Michigan; Englebright, California; Fenerty, Pennsylvania; Fish, New York; Focht, Pennsylvania; Gearhart, California; Gifford, Massachusetts; Gilchrist, Iowa; Goodwin, New York; Guyer, Kansas; Gwynne, Iowa; Hancock, New York; Hartley, Pennsylvania; Hess, Ohio; Higgins, Connecticut; Hoffman, Michigan; Holmes, Massachusetts; Hope, Kansas; Kimball, Michigan; Kinzer, Pennsylvania; Knutson, Minnesota; Lambertson, Kansas; Lehlbach, New Jersey; Lemke, North Dakota; Lord, New York; McLean, New Jersey; McLeod, Michigan; Maas, Minnesota; Mapes, Michigan; Marcantonio, New York; Marshall, Ohio; Martin, Massachusetts; Michener, Michigan; Millard, New York; Mott, Oregon; Perkins, New Jersey; Pittenger, Minnesota; Plumley, Vermont; Powers, New Jersey; Ransley, Pennsylvania; Reed, New York; Reed, Illinois; Rich, Pennsylvania; Robsion, Kentucky; Rogers, Massachusetts; Seger, New Jersey; Short, Missouri; Snell, New York; Stefan, Nebraska; Stewart, Delaware; Taber, New York; Taylor, Tennessee; Thomas, New York; Thurston, Iowa; Tinkham, Massachusetts; Tobey, New Hampshire; Turpin, Pennsylvania; Wadsworth, New York; Welch, California; Wigglesworth, Massachusetts; Wilson, Pennsylvania; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 94, nays 2, not recorded 6.

TO PREVENT PROFITEERING IN TIME OF WAR

(Passed House Apr. 9, 1935, roll call no. 51, p. 5516, CONGRESSIONAL RECORD, H. R. 5529)

Allen, Illinois; Andresen, Minnesota; Andrew, Massachusetts; Arends, Illinois; Bacharach, New Jersey; Blackney, Michigan; Bolton, Ohio; Brewster, Maine; Buckbee, Illinois; Burdick, North Dakota; Burnham, California; Carlson, Kansas; Carter, California;

Cavicchia, New Jersey; Christianson, Minnesota; Church, Illinois; Cole, New York; Collins, California; Cooper, Ohio; Crawford, Michigan; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; Dirksen, Illinois; Dondero, Michigan; Eaton, New Jersey; Ekwall, Oregon; Engel, Michigan; Englebright, California; Fenerty, Pennsylvania; Focht, Pennsylvania; Gearhart, California; Gifford, Massachusetts; Gilchrist, Iowa; Goodwin, New York; Guyer, Kansas; Gwynne, Iowa; Hancock, New York; Hess, Ohio; Higgins, Connecticut; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; Jenkins, Ohio; Kahn, California; Kimball, Michigan; Kinzer, Pennsylvania; Knutson, Minnesota; Lehlbach, New Jersey; Lemke, North Dakota; McLean, New Jersey; McLeod, Michigan; Maas, Minnesota; Mapes, Michigan; Marcantonio, New York; Marshall, Ohio; Martin, Massachusetts; Michener, Michigan; Millard, New York; Mott, Oregon; Pittenger, Minnesota; Plumley, Vermont; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Reed, New York; Reed, Illinois; Rich, Pennsylvania; Robsion, Kentucky; Rogers, Massachusetts; Short, Missouri; Snell, New York; Stefan, Nebraska; Taylor, Tennessee; Thurston, Iowa; Tobey, New Hampshire; Treadway, Massachusetts; Turpin, Pennsylvania; Welch, California; Wigglesworth, Massachusetts; Wilson, Pennsylvania; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 85, nays 6, not recorded 11.

SOCIAL SECURITY ACT

(Passed House Apr. 19, 1935, roll call no. 57, p. 6290, CONGRESSIONAL RECORD, H. R. 7260)

Allen, Illinois; Andresen, Minnesota; Arends, Illinois; Bacharach, New Jersey; Blackney, Michigan; Brewster, Maine; Buckbee, Illinois; Burnham, California; Carlson, Kansas; Carter, California; Cavicchia, New Jersey; Christianson, Minnesota; Church, Illinois; Cole, New York; Collins, California; Cooper, Ohio; Crawford, Michigan; Crowther, New York; Darrow, Pennsylvania; Dirksen, Illinois; Ditter, Pennsylvania; Dondero, Michigan; Eaton, New Jersey; Ekwall, Oregon; Engel, Michigan; Englebright, California; Fenerty, Pennsylvania; Focht, Pennsylvania; Gearhart, California; Gifford, Massachusetts; Gilchrist, Iowa; Guyer, Kansas; Gwynne, Iowa; Hartley, Pennsylvania; Hess, Ohio; Holmes, Massachusetts; Hope, Kansas; Jenkins, Ohio; Kahn, California; Kimball, Michigan; Kinzer, Pennsylvania; Knutson (paired), Minnesota; Lambertson, Kansas; Lehlbach, New Jersey; Lord, New York; McLeod, Michigan; Maas, Minnesota; Mapes, Michigan; Marshall, Ohio; Martin, Massachusetts; Michener, Michigan; Mott, Oregon; Pittenger, Minnesota; Plumley, Vermont; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Reed, Illinois; Rich (present), Pennsylvania; Robsion, Kentucky; Rogers, Massachusetts; Seger, New Jersey; Short, Missouri; Snell, New York; Stefan, Nebraska; Stewart, Delaware; Taylor, Tennessee, Thurston, Iowa; Tinkham, Massachusetts; Tobey, New Hampshire; Treadway, Massachusetts; Turpin, Pennsylvania; Welch, California; Wigglesworth, Massachusetts; Wilson, Pennsylvania; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 77, nays 18, not recorded 5.

CONTROL AND ELIMINATION OF PUBLIC-UTILITY HOLDING COMPANIES

(Passed House July 2, 1935, roll call no. 116, p. 11050, CONGRESSIONAL RECORD, S. 2796)

Brewster, Maine; Burdick, North Dakota; Carlson, California; Christianson, Minnesota; Culkin, New York; Engel, Michigan; Fish, New York; Gearhart, California; Gilchrist, Iowa; Guyer, Kansas; Gwynne, Iowa; Hope, Kansas; Lambertson, Kansas; Lemke, North Dakota; Mapes, Michigan; Marcantonio, New York; Mott, Oregon; Robsion, Kentucky; Stefan, Nebraska; Taylor, Tennessee; Thurston, Iowa; Tobey, New Hampshire; Welch, California; Wolverton, New Jersey; Woodruff, Michigan.

Ayes, 25, nays 74, not recorded 4.

AMENDING TENNESSEE VALLEY AUTHORITY ACT

(Passed House July 11, 1935, roll call no. 122, p. 11478, CONGRESSIONAL RECORD, H. R. 8632)

Brewster, Maine; Burdick, North Dakota; Ekwall, Oregon; Gearhart, California; Gilchrist, Iowa; Higgins, Connecticut; Lemke, North Dakota; Marcantonio, New York; Mott, Oregon; Reece, Tennessee; Stefan, Nebraska; Taylor, Tennessee; Welch, California; Wolverton, New Jersey.

Ayes 14, nays 81, not recorded 8.

GUFFEY-SNYDER COAL BILL

(Passed House Aug. 19, 1935, roll call no. 170, p. 14136, CONGRESSIONAL RECORD, H. R. 9100)

Burdick, North Dakota; Dirksen, Illinois; Doutrich, Pennsylvania; Fenerty, Pennsylvania; Focht, Pennsylvania; Gilchrist, Iowa; Jenkins, Ohio; Lemke, North Dakota; Marcantonio, New York; Robsion, Kentucky; Taylor, Tennessee; Thurston, Iowa; Turpin, Pennsylvania; Welch, California; Wolverton, New Jersey.

Ayes 15, Nays 72, not recorded 16.

PUBLIC-UTILITY HOLDING COMPANY BILL—INSTRUCTING CONFEREES ON THE "DEATH PENALTY" AMENDMENT

(Passed House Aug. 22, 1935, roll call no. 189, p. 14546, CONGRESSIONAL RECORD, S. 2796)

Burdick, North Dakota; Gearhart, California; Lambertson, Kansas; Lemke, North Dakota; Marcantonio, New York; Mott, Oregon; Welch, California.

Ayes 7, nays 83, not recorded 14.

FEDERAL ALCOHOL ADMINISTRATION ACT

(Passed House Aug. 24, 1935, roll call no. 194, p. 14809, CONGRESSIONAL RECORD, H. R. 8870)

Andresen, Minnesota; Andrews, New York; Bacon, New York; Blackney, Michigan; Bolton, Ohio; Burdick, North Dakota; Burnham, California; Carlson, Kansas; Cavicchia, New Jersey; Christianson, Minnesota; Church, Illinois; Cole, New York; Cooper, Ohio; Crowther, New York; Darrow, Pennsylvania; Ditter, Pennsylvania; Dondero, Michigan; Ekwall, Oregon; Engel, Michigan; Fenerty, Pennsylvania; Gearhart, California; Guyer, Kansas; Halleck, Indiana; Hancock, New York; Hartley, Pennsylvania; Hess, Ohio; Higgins, Connecticut; Holmes, Massachusetts; Hope, Kansas; Jenkins, Ohio; Kahn, California; Kinzer, Pennsylvania; Knutson, Minnesota; Lambertson, Kansas; Lemke, North Dakota; Lord, New York; McLean, New Jersey; Mapes, Michigan; Marcantonio, New York; Martin, Massachusetts; Merritt, Connecticut; Michener, Michigan; Millard, New York; Mott, Oregon; Plumley, Vermont; Powers, New Jersey; Reed, New York; Reed, Illinois; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Short, Missouri; Snell, New York; Stefan, Nebraska; Stewart, Delaware; Taylor, Tennessee; Thomas, New York; Turpin, Pennsylvania; Wadsworth, New York; Welch, California; Wigglesworth, Massachusetts; Wolcott, Michigan; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 64, nays 4, not recorded 35.

REVENUE ACT OF 1935—ADOPTION OF CONFERENCE REPORT

(Passed House Aug. 24, 1935, roll call no. 199, p. 14872, CONGRESSIONAL RECORD, H. R. 8974)

Burdick, North Dakota; Carlson, Kansas; Ekwall, Oregon; Guyer, Kansas; Gwynne, Iowa; Hope, Kansas; Lambertson, Kansas; Lemke, North Dakota; Marcantonio, New York; Mott, Oregon; Pittenger, Minnesota; Rich, Pennsylvania; Stefan, Nebraska; Welch, California.

Ayes 14, nays 58, not recorded 33.

SECOND SESSION, SEVENTY-FOURTH CONGRESS

NEUTRALITY ACT

(Passed House Feb. 17, 1936, roll call no. 19, p. 2253, CONGRESSIONAL RECORD, H. J. Res. 491)

Allen, Illinois; Andresen, Minnesota; Andrew, Massachusetts; Arends, Illinois; Bacharach, New Jersey; Bacon, New York; Blackney, Michigan; Brewster, Maine; Buckler, Minnesota; Burnham, California; Carlson, Kansas; Carter, California; Cavicchia, New Jersey; Christianson, Minnesota; Church, Illinois; Collins, California; Cooper, Ohio; Crowther, New York; Culkin, New York; Darrow, Pennsylvania; Dondero, Michigan; Eaton, New Jersey; Engel, Michigan; Englebright, California; Fenerty, Pennsylvania; Fish, New York; Focht, Pennsylvania; Gifford, Massachusetts; Gilchrist, Iowa; Goodwin, New York; Guyer, Kansas; Halleck, Indiana; Hancock, New York; Hartley, Pennsylvania; Hess, Ohio; Higgins, Connecticut; Hoffman, Michigan; Hollister, Ohio; Holmes, Massachusetts; Hope, Kansas; Jenkins, Ohio; Kahn, California; Kinzer, Pennsylvania; Knutson, Minnesota; Lambertson, Kansas; Lehlbach, New Jersey; Lord, New York; McLean, New Jersey; McLeod, Michigan; Mapes, Michigan; Marcantonio, New York; Martin, Massachusetts; Michener, Michigan; Millard, New York; Mott, Oregon; Pittenger, Minnesota; Plumley, Vermont; Ransley, Pennsylvania; Reece, Tennessee; Reed, Illinois; Reed, New York; Rich, Pennsylvania; Rogers, Massachusetts; Seger, New Jersey; Stefan, Nebraska; Taber, New York; Taylor, Tennessee; Thurston, Iowa; Tinkham, Massachusetts; Tobey, New Hampshire; Treadway, Massachusetts; Turpin; Pennsylvania; Welch, California; Wigglesworth, Massachusetts; Wilson, Pennsylvania; Wolcott, Michigan; Wolfenden, Pennsylvania; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 79, nays 8, not recorded 15.

CONSERVATION OF AGRICULTURAL LAND RESOURCES

(Passed House Feb. 21, 1936, roll call no. 23, p. 2578, CONGRESSIONAL RECORD, S. 3780)

Allen, Illinois; Andresen, Minnesota; Arends, Illinois; Buckler, Minnesota; Carlson, Kansas; Christianson, Minnesota; Dirksen, Illinois; Gilchrist, Iowa; Guyer, Kansas; Gwynne, Iowa; Halleck, Indiana; Hope, Kansas; Kinzer, Pennsylvania; Knutson, Minnesota; Marshall, Ohio; Reece, Tennessee; Reed, Illinois; Stefan, Nebraska; Taylor, Tennessee; Thurston, Iowa; Welch, California.

Ayes 21, nays 61, present 1, not voting 20.

ELECTRIC HOME AND FARM AUTHORITY

(Passed the House Mar. 25, 1936, roll call no. 51, p. 4350, CONGRESSIONAL RECORD, S. 3424)

Blackney, Michigan; Burdick, North Dakota; Crawford, Michigan; Dondero, Michigan; Gearhart, California; Gilchrist, Iowa; Lambertson, Kansas; Lemke, North Dakota; Main, Michigan; Mapes, Michigan; Marcantonio, New York; Michener, Michigan; Reece, Tennessee; Stefan, Nebraska; Taylor, Tennessee; Welch, California; Wolverton, New Jersey; Woodruff, Michigan.

Ayes 18, nays 65, not voting 18.

THE DEFICIENCY BILL OF 1936

(Passed House May 11, 1936, roll call no. 92, p. 7022, CONGRESSIONAL RECORD, H. R. 12624)

Allen, Illinois; Andresen, Minnesota; Arends, Illinois; Bacharach, New Jersey; Bacon, New York; Blackney, Michigan; Brewster, Maine; Burdick, North Dakota; Burnham, California; Carlson, Kansas; Carter, California; Cavicchia, New Jersey; Christianson, Minnesota; Church, Illinois; Crawford, Michigan; Culkin, New

York; Dirksen, Illinois; Dondero, Michigan; Eaton, New Jersey; Ekwall, Oregon; Engel, Michigan; Englebright, California; Fenerty, Pennsylvania; Fish, New York; Focht, Pennsylvania; Gearhart, California; Gifford, Massachusetts; Gilchrist, Iowa; Guyer, Kansas; Hartley, Pennsylvania; Hess, Ohio; Hope, Kansas; Kahn, California; Lambertson, Kansas; Lemke, North Dakota; McLeod, Michigan; Maas, Minnesota; Main, Michigan; Mapes, Michigan; Marcantonio, New York; Martin, Massachusetts; Michener, Michigan; Mott, Oregon; Pittenger, Minnesota; Powers, New Jersey; Ransley, Pennsylvania; Reece, Tennessee; Reed, Illinois; Risk, Rhode Island; Robsion, Kentucky; Rogers, Massachusetts; Seger, New Jersey; Snell, New York; Stefan, Nebraska; Taylor, Tennessee; Thurston, Iowa; Tobey, New Hampshire; Turpin, Pennsylvania; Welch, California; Wigglesworth, Massachusetts; Wilson, Pennsylvania; Wolverton, New Jersey.

Ayes 62, nays 30, not recorded 10.

TAX BILL OF 1936—CONFERENCE REPORT

(Passed the House June 19, 1936, roll call no. 128, p. 10270, CONGRESSIONAL RECORD, H. R. 12395)

Lemke, North Dakota; Marcantonio, New York; Stefan, Nebraska; Welch, California.

Ayes 4, nays 77, not voting 19.

FROM THE SICKLE AND THE SCYTHE TO THE AIRPLANE AND THE RADIO

Mr. SNYDER of Pennsylvania. Mr. Speaker, it was my good fortune to be born on a poor farm in Upper Turkeyfoot Township, Somerset County, Pa. I say "good fortune" because it was the hardships and the experiences which I received on this farm, plus the sincerity of God-fearing parents and neighbors, that made it possible for me to be a Member of the United States Congress today.

I have contended for years that although we have many complex problems facing us—economically, socially, and otherwise—the biggest problem confronting us at all times is the problem of adjusting our individual selves to the ever-changing conditions in the sphere in which we live.

In my boyhood days we rode to the post office horseback, 2 or 3 miles away, because the roads were not good enough to drive the old buckwagon over more than once a week, when we went to town to get the coffee, spices, and matches, and a few articles like that. Other food articles for the table were grown on the farm. I well recall that one of the chief concerns of Mr. Shultz when he built a store in Casselman was how many hitching posts he was going to put around the store. The same might be said of the stores at Kingwood. These two small towns were about 2 miles from the home farm, but in opposite directions.

Well, later on the people in that community bought buggies, and still later on we had rubber-tired buggies. It was when we got these better vehicles of transportation that I would hear my parents and other fathers in that community affirm that we ought to have better roads, in order to get out and save the wear and tear on these new buggies.

At the same time we had the old buckwagon we had the scythe and the hand grain cradle. But with the improved rubber-tired buggies came the dump reaper, the mowing machine, and grain drill and other improved units of machinery for farming.

In the days of the old buckwagon we worked out our road tax. For instance, if the county assessment of road tax against our farm was $50, we would work it out. Father and the older brother would get a dollar a day, and the boys 16, 17, or 18 years old would get 50 cents a day, and $2 for a team of horses. Of course, these days started at 7 o'clock sharp, and we worked right along until 6 o'clock in the evening, with a few minutes off for what we called dinner.

Later on came the first automobiles. The prediction was in the corner store on a Saturday evening that they would not last because they were just fads. You could hear expressions to the effect that they were only for city dudes, and automobiles would never be practical in the country. At the same time someone here and there would be saying that we would have to have better roads before we would get automobiles in our community.

Well, in a short space of time some of the more prosperous ones got automobiles, and then they made demands for better roads. It was only a few years after the prosperous ones got automobiles until they were quite a few in number. As more people got automobiles, the demand for better roads grew. Today almost everyone in Upper Turkeyfoot Township and other parts of the district owns some kind of automobile, and in some cases two or three.

Mr. Speaker, I mention these settings for one purpose only. They vividly paint the picture of how we adjust ourselves from time to time as a people to keep pace with the ever-increasing adjustments in the business world and the social world around us.

It was not necessary in those buckwagon days and dump-reaper days to have traffic regulations on our highways, just as it was not necessary to have concrete ribbons as highways. However, who of us would do away with the automobile, the concrete roads, the telephone, the radio, and a thousand other modern inventions and conveniences? Of course, no one wants to do away with them. If we enjoy all these additional facilities that we did not enjoy back in those days, of course, we have to expect to pay more taxes to support a set-up that gives us such improvements.

We are not living in those days now. Pioneering as such is over. The West is conquered. The acreage is all taken up. More and more we are growing to be a commercial nation. Inventions and discoveries do the work that men used to do. It seems that the avenues for employment are not and will not be sufficient to absorb the unemployment for some time to come.

Unemployment and bad management by our bankers in the twenties, has brought us to a place where we must consider legislation we never dreamed of being necessary 20 years ago, any more than my father dreamed of airplanes flying over the old farm every hour.

In the near future Congress will have to consider much legislation that has to do with our social, industrial, and economic order. A few of the avenues in which we will be called upon to legislate might be summed up as follows. I shall use the positive. In other words, I shall express myself as being in favor of certain types of legislative procedure. Of course, no one familiar with legislation would ask you to make a specific expression on such prospective legislation, because good legislation, like oak trees, takes time For instance:

(a) I favor doing away with tax-exempt securities. I introduced a bill in the Seventy-fourth Congress to that effect.

(b) I believe in adjusting our tax structure so it will be based on ability and capacity to pay.

(c) I strongly favor the proposition that labor has a right to legitimately organize and deal, through collective bargaining, in a way similar to that set up in section 7–A of the National Recovery Act.

(d) I am convinced that we must arrive at a set-up in our economic structure whereby the farmer will get a fair profit for his commodities over and above the cost of production.

(e) I believe that we have arrived at the place in our Nation-building structure that a Government central bank could replace the Federal Reserve Bank System.

(f) I believe that we must so support our Nation-building institutions—the home, the church, and the school—that the right to worship God according to dictates of one's own conscience shall ever be enjoyed by all and that the institutions to educate our children shall be free from material pressure.

(g) I am in favor of an economic and social set-up that will give every man not only a living annual wage but a saving annual wage.

(h) I favor a sound and workable social-security program. Perhaps we could learn much from the country of Denmark along this line. In that country old-age pensions, as well as forced unemployment, are taken care of in their plan. Our own national plan and State plan are on the right road, but will be enriched as we go along.

(i) I favor the Government's taking over everything that has to do with financing and promoting the social and economic sphere in the event that we go to war with a foreign foe.

(j) I favor more rigid rules on immigration. A stricter rule in seeing to it that those aliens who are here take out

naturalization papers and get busy helping to build a better and stronger Nation. If they refuse to do that, I believe in deporting them. This does not apply to fine elderly people who came here 30 or 40 years ago and never had a chance to become adjusted. I further favor a rule that will give our own American citizens the preference when it comes to employment over aliens who have thus far refused to take steps to become American citizens.

I further favor more strict guarding of our seashores and boundary lines. It is evident that thousands of aliens are coming in every year unnoticed and unnamed.

(k) I favor further Government assistance for the farmer in lower rates of interest, as well as building him farm-to-market roads.

The farmer of today is entitled to cheap electric current, not only to light his home but to operate the necessary machinery to run a modern home on a modern farm. To this end I favor rural electrification, so that the people in my congressional district may enjoy the same cheap electrical current as the people in Tennessee and Alabama enjoy today, because of the development of the Muscle Shoals water and power project. We have the Youghiogheny watershed. When this is developed on a plan similar—but on a smaller scale—to the Muscle Shoals water and power project, the farmers in my congressional district will be able to have not only their houses and barns lighted up but all modern household and farm implements which are run by electricity, and it would cost them less to have all this than it does now to have a half dozen electric bulbs to light a few rooms.

COMPTROLLER OF CURRENCY HAS DONE A BIG JOB IN A BIG WAY

Mr. SNYDER of Pennsylvania. Mr. Speaker, history teaches us that a man does big things, but they are not appreciated until many years after he is called to the other side. However, in the case of the Comptroller of the Currency, the Honorable J. F. T. O'Connor, it is a little different. It was a tremendous undertaking to restore financial order after the bank holiday in March 1933. It was a bigger task to get conservators and receivers adjusted so as to take care of the depositors in a big way. But my observation leads me to conclude that Mr. O'Connor has done a big job well.

I cannot go into detail concerning the insolvent national banks as Mr. O'Connor found them, but inasmuch as all congressional districts are similar in basal matter, I am giving you herewith a list of all the loans obtained by conservators and receivers of the insolvent national banks in Somerset and Fayette Counties, Pa. This table shows the following: Name of bank, kind of loan, date, amount of loan, balance due.

Loans made in Somerset and Fayette Counties, Pa.

Name of town	Name of bank	Loan	Date	Amount of loan	Balance due July 3, 1936
Boswell, Pa.	The First National Bank of Boswell	First receiver's loan	Dec. 6, 1932	$72,000.00	
		Second receiver's loan	Sept. 7, 1934	95,000.00	$29,400.00
Cairnbrook, Pa.	The First National Bank of Cairnbrook	First receiver's loan	May 18, 1934	25,000.00	3,000.00
Davidsville, Pa.	The First National Bank of Davidsville	do	Jan. 20, 1933	11,000.00	
		Second receiver's loan	Sept. 6, 1934	10,000.00	
Hooversville, Pa.	The Citizens National Bank of Hooversville	First receiver's loan	June 12, 1935	50,000.00	6,400.00
Do.	The First National Bank of Hooversville	Conservator's loan	May 21, 1934	27,486.10	
		First receiver's loan	Aug. 26, 1935	68,000.00	33,228.02
Rockwood, Pa.	The First National Bank of Rockwood	Conservator's loan	Mar. 16, 1934	25,000.00	
		First receiver's loan	Nov. 9, 1935	35,000.00	24,500.00
Somerfield, Pa.	The First National Bank of Somerfield	do	Aug. 20, 1932	46,000.00	
		Second receiver's loan	Aug. 2, 1933	15,000.00	
		Third receiver's loan	June 11, 1934	18,000.00	
Total				497,486.10	96,528.02
Brownsville, Pa.	The Monongahela National Bank of Brownsville	First receiver's loan	May 16, 1932	250,000.00	
		Second receiver's loan	Apr. 2, 1934	355,000.00	69,500.00
Connellsville, Pa.	Citizens National Bank of Connellsville	First receiver's loan	Oct. 31, 1934	120,000.00	63,300.00
Do.	Union National Bank of Connellsville	do	Aug. 3, 1932	35,000.00	
Fairchance, Pa.	The First National Bank of Fairchance	do	Apr. 15, 1932	30,000.00	
		Second receiver's loan	Nov. 16, 1933	25,000.00	
Masontown, Pa.	The First National Bank of Masontown	First receiver's loan	Aug. 12, 1932	95,000.00	
		Second receiver's loan	Feb. 12, 1934	180,000.00	60,738.33
Point Marion, Pa.	The Peoples National Bank of Point Marion	First receiver's loan	Dec. 3, 1932	57,000.00	
		Second receiver's loan	Apr. 30, 1934	55,000.00	
		Third receiver's loan	Sept. 7, 1935	32,000.00	13,902.47
Republic, Pa.	The First National Bank of Republic	First receiver's loan	May 16, 1932	8,000.00	
		do	Mar. 23, 1932	56,000.00	
Smithfield, Pa.	The First National Bank of Smithfield	Second receiver's loan	Feb. 7, 1933	26,000.00	
		Third receiver's loan	May 28, 1934	29,500.00	11,258.08
Uniontown, Pa.	The National Bank of Fayette County	First receiver's loan	Apr. 26, 1932	715,000.00	
		Second receiver's loan	Sept. 30, 1933	1,050,000.00	
Total				3,118,500.00	218,698.88

ROOSEVELT'S ADMINISTRATION ADJUSTS R. F. C. TO HELP THE LITTLE FELLOW

Mr. SNYDER of Pennsylvania. Mr. Speaker, the Reconstruction Finance Corporation has always been a worthy institution. It was designed to render service to groups and individuals when they were financially pinched, but had assets and collateral that would eventually materialize. In other words, the R. F. C. has saved many institutions from bankruptcy.

However, the R. F. C. was revamped under the Roosevelt administration and instead of just giving loans to the bigger institutions, such as millions to the banks and millions to the railroads, it now gives thousands to the little institutions. Throughout the Nation during the past few years, institution after institution has been kept away from the sheriff's hammer because of the fine work of Jesse Jones and his aides. In the two counties in my congressional district, Fayette and Somerset Counties, Pa., I observe that the following received help from the R. F. C. since March 4, 1933. This, I think, is typical of the services rendered in every congressional district in the United States. My congressional district is not a district where many calls would be made, but if we would multiply what has been granted to my district by 435, the number of Congressmen, we would have a substantial sum indeed.

Authorizations in Fayette and Somerset Counties, Pa. (exclusive of authorizations to banks and trust companies), by the Reconstruction Finance Corporation, during the period from Mar. 4, 1933, to July 5, 1936, inclusive (exclusive of authorizations withdrawn or canceled in full)

AGREEMENT TO PURCHASE A PARTICIPATION IN A LOAN TO AN INDUSTRIAL OR COMMERCIAL BUSINESS, UNDER SECTION 5D OF THE RECONSTRUCTION FINANCE CORPORATION ACT, AS AMENDED

County	City	Name	Amount authorized	Amount disbursed
Fayette	Connellsville	Fayette Baking Co.	$12,000	

Authorizations in Fayette and Somerset Counties, Pa.—Continued

SUBSCRIPTIONS FOR PREFERRED STOCK OF BANKS AND TRUST COMPANIES, UNDER SECTION 304, TITLE III, OF THE ACT APPROVED MAR. 9, 1933, AS AMENDED

County	City	Name	Amount authorized	Amount disbursed
Somerset	Meyersdale	The Citizens National Bank of Meyersdale.	$50,000	$50,000
Do	Sipesville	The First National Bank of Sipesville.	12,500	12,500
Do	Somerset	The Peoples National Bank of Somerset.	50,000	50,000
Do	Windber	Citizens National Bank in Windber.	50,000	50,000

LOANS UNDER THE ACT APPROVED APR. 13, 1934, AS AMENDED (FLOOD RELIEF)

Somerset	Hollsopple	L. R. Allen and Nora B. Allen.	$3,500	
Do	R. D. 4, Somerset County.	D. Mishler, C. C. Mishler, and E. R. Mishler, a copartnership, trading as D. Mishler & Sons.	6,000	

Amounts made available for relief under the Emergency Relief and Construction Act of 1932, as amended, and disbursements for relief under the Federal Emergency Relief Act of 1933 are not broken down by counties.

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 10 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 17, 1936, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. GREENWOOD: Committee on Rules. House Resolution 549. A resolution providing for the consideration of S. 3055; without amendment (Rept. No. 2995). Referred to the House Calendar.

Mr. MANSFIELD: Committee on Rivers and Harbors. H. R. 12764. A bill to create a Division of Stream Pollution Control in the Bureau of the Public Health Service, and for other purposes; with amendment (Rept. No. 2996). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 12224. A bill to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensation of Government officers and employees; without amendment (Rept. No. 2997). Referred to the Committee of the Whole House on the state of the Union.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 12913. A bill to protect for American actors, vocal musicians, operatic singers, solo dancers, solo instrumentalists, and orchestral conductors the artistic and earning opportunities in the United States, and for other purposes; without amendment (Rept. No. 3000). Referred to the Committee of the Whole House on the state of the Union.

Mr. WERNER: Committee on Indian Affairs. Senate Joint Resolution 207. Joint resolution to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" (44 Stat. L. 807); without amendment (Rept. No. 3001). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEVER: Committee on the Public Lands. S. 3866. An act to further extend the period of time during which final proof may be offered by homestead and desert-land entrymen; without amendment (Rept. No. 3002). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 12789. A bill to authorize the exchange of certain lands within the Great Smoky Mountains National Park for lands within the Cherokee Indian Reservation, N. C., and for other purposes; without amendment (Rept. No. 3003). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOTT: Committee on the Public Lands. S. 4241. An act to provide for the sale of a certain isolated tract of the public domain in the State of Oregon; without amendment (Rept. No. 3004). Referred to the Committee of the Whole House on the state of the Union.

Mr. DIMOND: Committee on the Public Lands. H. R. 9275. A bill to permit mining within the Glacier Bay National Monument; with amendment (Rept. No. 3005). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 12892. A bill to quiet title and possession with respect to certain lands in Lawrence County, Ala., to wit: All of fractional section 25 which lies south of the Elk River Shoals Canal and the NW¼ sec. 36, T. 3 S., R. 7 W., Huntsville meridian; without amendment (Rept. No. 3007). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BEITER: Committee on War Claims. H. R. 11940. A bill conferring jurisdiction on certain courts of the United States to hear and determine the claim of the owner of the coal hulk *Callixene*, and for other purposes; with amendment (Rept. No. 2998). Referred to the Committee of the Whole House.

Mr. BEITER: Committee on War Claims. H. R. 12280. A bill to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co., in lieu of the Bowers Southern Dredging Co.; with amendment (Rept. No. 2999). Referred to the Committee of the Whole House.

Mr. GREEVER: Committee on the Public Lands. S. 3733. An act authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey; without amendment (Rept. No. 3006). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 10514. A bill for the relief of Lena Hendel, nee Lena Goldberg; without amendment (Rept. No. 3008). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MORITZ (by request): A bill (H. R. 12987) to provide for occupational representation in Congress, prevent election frauds, to allow poor citizens to compete with the wealthy for congressional office, provide for life of political parties, registration of candidates, and for other purposes; to the Committee on Elections of President, Vice President, and Representatives in Congress.

By Mrs. NORTON (by request): A bill (H. R. 12988) to provide for the extension of Prospect Street in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. GREEN: A bill (H. R. 13000) to reenact the law providing for disability allowances for World War veterans, and to restore former service-connected disability status; to the Committee on World War Veterans' Legislation.

By Mr. GUYER: Resolution (H. Res. 550) authorizing the Committee on the Judiciary to study bankruptcy laws and to recommend legislation to place such laws on sounder basis; to the Committee on Rules.

By Mr. MEAD: Resolution (H. Res. 551) authorizing the Committee on the Post Office and Post Roads to investigate

the fair and proper basis of compensation for postmasters of the fourth class and the fair and proper basis of compensation for carrying mail on star routes; to the Committee on Rules.

By Mr. THURSTON: Joint resolution (H. J. Res. 627) reappropriating the unexpended balance of an appropriation for chinch-bug control and making the same available for chinch-bug control and for grasshopper control; to the Committee on Appropriations.

By Mr. MASSINGALE: Joint resolution (H. J. Res. 628) reappropriating the unexpended balance of an appropriation for chinch-bug control and making the same available for chinch-bug control and for grasshopper control; to the Committee on Appropriations.

By Mr. CELLER (by request): Joint resolution (H. J. Res. 629) proposing that Congress shall have power to make laws to regulate agriculture, commerce, industry, and labor; to the Committee on the Judiciary.

By Mr. LUCKEY: Joint resolution (H. J. Res. 630) to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery; to the Committee on Interstate and Foreign Commerce.

By Mr. KVALE: Joint resolution (H. J. Res. 631) to limit (prohibit) outside activities of officers, teachers, and other employees in the public schools of the District of Columbia (receiving compensation at a rate in excess of $2,000 per annum) in competition with persons in private occupations or professions; to the Committee on the District of Columbia.

By Mr. PALMISANO: Joint resolution (H. J. Res. 632) to authorize further stay in pending proceedings under the immigration and naturalization laws against certain groups of foreign-born persons; to the Committee on Immigration and Naturalization.

By Mr. BELL: Concurrent resolution (H. Con. Res. 56) authorizing the printing of additional copies of the report of the Select Committee Investigating Old Age Pension Plans and Organizations, together with additional copies of the hearings held before said committee; to the Committee on Printing.

By Mr. PATMAN: Concurrent resolution (H. Con. Res. 57) authorizing the printing of additional copies of the hearings held before the special committee, appointed to investigate the lobbying activities of the American Retail Federation, of the House of Representatives (H. Res. 203, 74th Cong., 1st sess.); to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FITZPATRICK: A bill (H. R. 12989) for the relief of Cristofaro Sapienza; to the Committee on Immigration and Naturalization.

By Mrs. JENCKES of Indiana: A bill (H. R. 12990) granting a pension to Claude A. Hunter; to the Committee on Pensions.

Also, a bill (H. R. 12991) for the relief of the heirs and creditors of Charles W. Sumner, deceased; to the Committee on Claims.

Also, a bill (H. R. 12992) granting a pension to James William Westerfield; to the Committee on Pensions.

Also, a bill (H. R. 12993) granting a pension to Wanneta May Dempsey; to the Committee on Pensions.

Also, a bill (H. R. 12994) for the relief of Nicholas Sevaljevick, now known as Nicholas Hornacky; to the Committee on Military Affairs.

By Mr. LEE of Oklahoma: A bill (H. R. 12995) for the relief of William E. Burch; to the Committee on Military Affairs.

By Mr. LUDLOW: A bill (H. R. 12996) for the relief of John S. Sherman; to the Committee on Claims.

Also, a bill (H. R. 12997) granting a pension to Gussie Dawson; to the Committee on Invalid Pensions.

By Mr. LUNDEEN: A bill (H. R. 12998) for the relief of U. S. Pratt and Della Pratt; to the Committee on Claims.

By Mr. SISSON: A bill (H. R. 12999) granting an increase of pension to Catherine Lockwood; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

11107. By Mr. CONNERY: Petition of the Housing Association of Metropolitan Boston, Inc., endorsing the passage of the Wagner-Ellenbogen bills providing for housing projects; to the Committee on Banking and Currency.

11108. Also, petition of the town of Hadley, Mass., approving Federal aid and maintenance for projects in the New England flood-stricken areas; to the Committee on Flood Control.

11109. Also, petition of the city of Cambridge, Mass., endorsing passage of the Wagner-Ellenbogen housing bill; to the Committee on Banking and Currency.

11110. By Mr. GOODWIN: Petition of the Kingston (N. Y.) Council, No. 124, of the Sons and Daughters of Liberty, urging upon Congress immediate passage of the Reynolds-Starnes immigration restriction and alien deportation bill; to the Committee on Immigration and Naturalization.

11111. By Mr. WIGGLESWORTH: Petition of the General Court of Massachusetts, memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather; to the Committee on Labor.

11112. By Mrs. ROGERS of Massachusetts: Petition of the General Court of Massachusetts, memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather; to the Committee on Labor.

11113. By Mr. PFEIFER: Petition of the American Gold Star Mothers of the World War, Inc., New York City, urging the passage of the Copeland joint resolution (S. J. Res. 115); to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 17, 1936

(Legislative day of Monday, June 15, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

FILING OF CONFERENCE REPORTS

Mr. ROBINSON. Mr. President, I ask unanimous consent that during the recess of the Senate conferees or conference committees may be privileged to file reports with the Secretary of the Senate.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, I have no objection to that request.

The VICE PRESIDENT. Without objection, the order is entered.

HOUR OF MEETING AND ORDER FOR CONSIDERATION OF CALENDAR TOMORROW

Mr. ROBINSON. Mr. President, yesterday a unanimous-consent agreement was entered that when the Senate assembled on today it should proceed to the consideration of unobjected bills on the calendar, beginning with No. 2218. I ask unanimous consent that that order be postponed until tomorrow, and that when the Senate completes its labors today it take a recess until 10 o'clock a. m. tomorrow.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

DEATH OF SENATOR DUNCAN U. FLETCHER, OF FLORIDA

Mr. ROBINSON. Mr. President, before taking the formal order which it is customary in the Senate to enter of record I desire to make a brief statement.

Senator DUNCAN U. FLETCHER has been a Member of this body for many years. During the period of his service he has exemplified exceptional diligence and notable ability. Even after his health had become somewhat impaired he was so persistent in the performance of the tasks assumed

by him that he labored daily an excessive number of hours. He was prompt in his attendance upon committees and almost always in the Senate when this body was at work. During my time here there has never been one more beloved than Senator FLETCHER, nor has there been in the service of his State and Nation one more conscientiously devoted to high standards of duty and of service. I know that all his colleagues are deeply grieved at his departure.

Mr. LOFTIN. Mr. President, it is with profound regret and a keen sense of personal loss that I have to announce the passing of my distinguished colleague, Florida's senior Senator, DUNCAN U. FLETCHER. He was truly known as Florida's grand old man. His death is a great loss to the Nation, but an even greater loss to the State of Florida.

On Monday of this week I endeavored to persuade him to give up his attendance upon this body and go to his home, because I felt that he was not physically able to be here; but he refused and remained here, steadfastly performing his duty to the last. In my judgment, he died as he wanted to die, in harness.

I offer the resolutions which I send to the desk.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 323) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Senate Resolution 323

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. DUNCAN U. FLETCHER, late a Senator from the State of Florida.

Resolved, That a committee of six Senators be appointed by the Vice President to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Under the second resolution, the Vice President appointed Mr. LOFTIN, Mr. SMITH, Mr. GLASS, Mr. TOWNSEND, Mr. BULKLEY, and Mr. CHAVEZ as the committee to take order for superintending the funeral of the deceased Senator.

Mr. LOFTIN. Mr. President, as a further mark of respect to the memory of the deceased Senator, I move that the Senate do now take a recess until 10 o'clock a. m. tomorrow.

The motion was unanimously agreed to; and (at 12 o'clock and 6 minutes p. m.) the Senate, under the order previously entered, took a recess until tomorrow, Thursday, June 18, 1936, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 17, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Again, our Heavenly Father, we wait in Thy presence to pray. The touch of Thy mercy is as gentle as the morning light. For every encouraging hope and prospect we give Thee praise and thanksgiving. In all that we are and do may we prove ourselves worthy of Thy bountiful gifts. May Thy manifold blessings be used unselfishly. Be with us, blessed Lord, that we may think clearly, feel deeply, and labor wisely. Moved by an intense spirit of devotion, keep us close to the feelings and needs of our fellow citizens. Let the light of Thy truth kindle our desires and direct our ways. We entreat Thee to teach us the best way to see, the best way to reason, and the best way to act in serving society and the state, and Thine shall be the praise forever. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 12. An act to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.; and

H. R. 2259. An act for the relief of Addie I. Tryon and Lorin H. Tryon.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 4424. An act to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes;

S. 4490. An act for the relief of F. W. Elmer; and

S. J. Res. 278. Joint resolution to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2127. An act to amend section 4471 of the Revised Statutes of the United States, as amended;

S. 3257. An act to amend the World War Adjusted Compensation Act;

S. 3488. An act to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and the Animas River, and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama and the Rio Grande.

S. 4132. An act to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army;

S. 4462. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa; and

S. 4654. An act to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11581) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the amendments of the Senate numbered 1, 54, 56, and 57 to the foregoing bill, further insists upon its amendments to said bill numbered 5, 7, 11, 16, 17, 24, 26, 27, 28, 30, 33, 34, 35, 37, 38, 39, 42, 44, 49, 50, 51, 52, 53, 58, 64, 65, 66, 75, 78, 79, 84, 85, and 86, agrees to a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. GLASS, Mr. COPELAND, Mr. KING, Mr. NYE, and Mr. KEYES to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12869. An act to liberalize the provisions of Public Law No. 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes.

POSITION OF REPUBLICAN MEMBERS ON ADMINISTRATION LEGISLATION

Mr. WARREN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, the distinguished minority leader, the eminent keynoter at the late Republican national convention, has returned from the wars, and his masterly speech has been officially embalmed in the CONGRESSIONAL RECORD. [Laughter.]

Press reports say that our friend from New York [Mr. SNELL] was surrounded at the Cleveland convention by almost the entire Republican membership of the House, who cheered him to the echo. I have received much pleasure and satisfaction in the last few days in checking over the RECORDS to see just how the Republicans in the House, including the gentleman from New York [Mr. SNELL], have been voting during the Roosevelt administration.

I ask unanimous consent, Mr. Speaker, that I may be given permission to extend my remarks and to include the names of Republican Members of the House who, on about 40 outstanding, crucial roll calls, so wholeheartedly supported the Roosevelt administration, which they now seek to condemn.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DEDICATION OF THE GEORGE ROGERS CLARK MEMORIAL

Mr. GREENWOOD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing therein an address delivered by the President of the United States at the dedication of the George Rogers Clark Memorial on last Sunday.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like to ask the gentleman if that is the speech he made last Sunday?

Mr. GREENWOOD. That is the speech delivered at the dedication.

Mr. RICH. On last Sunday. Instead of going to church he delivered that memorial speech. [Laughter.]

The SPEAKER. Is there objection?

There was no objection.

Mr. GREENWOOD. Mr. Speaker, on last Sunday morning, June 14, 1936, there was held in the city of Vincennes, Ind., the dedication of the George Rogers Clark Memorial. This ceremony was of widespread interest, not only to all the States of the old Northwest Territory but to the people of all other sections of the Nation. At this dedicatory service the principal address was delivered by the President of the United States. Knowing that the broadcast of the address of the Chief Executive made an impression upon all who heard, and believing that the full text should be preserved in the CONGRESSIONAL RECORD, and acting upon the unanimous consent given by the House of Representatives, I insert the address, which was as follows:

ADDRESS OF FRANKLIN D. ROOSEVELT, PRESIDENT OF THE UNITED STATES

Events of history take on their due proportions when viewed in the light of time. With every passing year the capture of Vincennes more than a century and a half ago when the Thirteen Colonies were seeking their independence, assumes greater and more permanent significance.

The first grave danger as the War of the Revolution progressed lay in the effort of the British, with their Indian allies, to drive a wedge from Canada through the valley of Lake Champlain and the valley of the Mohawk to meet the British frigates from New York at the head of navigation on the Hudson River. If this important offensive in 1777 had been successful, New England would have been cut off from the States lying to the south, and by holding the line of the Hudson the British, without much doubt, could have conquered first one half and then the other half of the divided Colonies.

The defeat and surrender of General Burgoyne at Saratoga is definitely recognized as the turning point of the Revolution.

The other great danger lay thereafter, not in the immediate defeat of the Colonies but rather in their inability to maintain themselves and grow after their independence had been won. Records show that the British planned a definite hemming-in process whereby the new Nation would be strictly limited in area and in activity to the territory lying south of Canada and east of the Alleghany Mountains. Toward this end they conducted military operations on an important scale west of the Alleghanies, with the purpose, at first successful, of driving back eastward across the mountains all those Americans who before the Revolution had crossed into what is now Ohio and Michigan and Indiana and Illinois and Kentucky and Tennessee.

In the year 1778 the picture of this western country was dark, indeed. The English held all the region northwest of the Ohio, and their Indian allies were burning cabins and driving fleeing families back across the mountains south of the river. Three regular forts were all that remained in Kentucky, and their fall seemed inevitable.

Then, against the dark background, stood forth the tall young Virginian, George Rogers Clark. Out of despair and destruction he brought concerted action. With a flash of genius, the 26-year-old leader conceived a campaign—a brilliant masterpiece of military strategy. Working with the good will of the French settlers, and overawing the Indians by sheer bravado, he swept through to Kaskaskia and other towns of the Illinois country.

But the menace of the regular British forces remained. Col. Henry Hamilton, the British commander of the Northwest, had come down from Detroit and seized and fortified Vincennes. Fort Sackville, where we stand today, made Clark's position untenable. His desperate resolution to save his men and the Northwest by a midwinter march and an attack by riflemen on a fort manned by the King's own regiment and equipped with cannon marked the heroic measure of the man.

It is worth repeating the story that the famous winter march began at Kaskaskia with a religious service. To Father Pierre Gibault and to Col. Francis Vigo, a patriot of Italian birth, next to Clark himself, the United States is indebted for the saving of the Northwest Territory. And it was in the little log church, predecessor of yonder Church of St. Francis Xavier, that Colonel Hamilton surrendered Vincennes to George Rogers Clark.

It is not a coincidence that this service in dedication of a noble monument takes place on a Sunday morning. Governor McNutt and I, aware of the historic relationship of religion to this campaign of the Revolution, and to the later Ordinance of 1787, have understood and felt the appropriateness of today.

Clark had declared at Kaskaskia that all religions would be tolerated in America. Eight years later the Ordinance of 1787, which established the territory northwest of the Ohio River, provided that "no person demeaning himself in a peaceable and orderly manner shall ever be molested on account of his mode of worship or for religious sentiments in the said territory."

And the ordinance went on to declare that "religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged." It seems to me that 149 years later the people of the United States, in every part thereof, could reiterate and continue to strive for the principle that religion, morality, and knowledge are necessary to good government and the happiness of mankind.

Today religion is still free within our borders; it must ever remain so.

Today morality means the same thing as it meant in the days of George Rogers Clark, though we must needs apply it to many, many situations which George Rogers Clark never dreamt of. In his day among the pioneers there were jumpers of land claims and those who sought to swindle their neighbors, though they were poor in this world's goods and lived in sparsely settled communities. Today among our teeming millions there are still those who by dishonorable means seek to obtain the possessions of their unwary neighbors. Our modern civilization must constantly protect itself against moral defectives whose objectives are the same but whose methods are more subtle than their prototypes of a century and a half ago. We do not change our form of free government when we arm ourselves with new weapons against new devices of crime and cupidity.

Today, as in 1787, we have knowledge; but it is a vastly wider knowledge.

During the past week I have traveled through many States; and as I have looked out in the daylight hours upon the countryside of Tennessee and Alabama and Arkansas and Texas and Oklahoma I have tried to visualize what that countryside looked like a short century and a half ago. All of it was primeval forest or untilled prairie, inhabited by an exceedingly small population of nomadic Indian tribes, untouched by white man's civilization.

In most of this vast territory, as here in the Middle West, Nature gave her bounteous gifts to the new settlers, and for many long years these gifts were received without thought for the future. Here was an instance where the knowledge of the day was as yet insufficient to see the dangers that lay ahead.

Who, even among the second and third generation of the settlers of this virgin land, gave heed to the future results that attended the cutting of the timber which denuded the greater part of the watersheds?

Who among them gave thought to the tragic extermination of the wildlife which formed the principal article of food of the pioneers?

Who among them had ever heard the term "submarginal land" or worried about what would happen when the original soil played out or ran off to the ocean?

Who among them were concerned if the market price for livestock for the moment justified the overgrazing of pastures, or a temporary boom in the price of cotton or corn tempted them

to forget that rotation of crops was a farming maxim as far back as the days of ancient Babylon?

Who among them regarded floods as preventable?

Who among them thought of the use of coal or oil or gas or falling water as the means of turning their wheels and lighting their homes?

Who among them visualized the day when the sun would be darkened as far east as the waters of the Atlantic by great clouds of topsoil borne by the wind from what had been grassy and apparently imperishable prairies?

Because man did not have our knowledge in those older days, we have wounded Nature and Nature has taken offense. It is the task of us, the living, to restore to Nature many of the riches we have taken from her in order that she may smile once more upon those who come after us.

George Rogers Clark did battle against the tomahawk and the rifle. He saved for us the fair land that lay between the mountains and the Father of Waters. His task is not done. Though we fight with weapons unknown to him, it is still our duty to continue the saving of this fair land. May the Americans who a century and a half from now celebrate at this spot the three-hundredth anniversary of the heroism of Clark and his men think kindly of us for the part we are taking today in preserving the Nation.

LEE ROBERTS

Mr. MAY. Mr. Speaker, I ask unanimous consent to withdraw from the files eight honorable discharges filed with the bill (H. R. 10151, 71st Cong., 1st sess.) granting a pension to Mr. Lee Roberts, who wishes to use them in connection with an application for promotion as warrant officer.

The SPEAKER. Can the gentleman advise the Chair whether or not there were any adverse reports?

Mr. MAY. There were no adverse reports by the War Department.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CAN WE AFFORD EDUCATED CHILDREN?

Mr. FLETCHER. Mr. Speaker, when the wheels of industry ceased to turn, when the channels of commerce became clogged, and the doors of our banks were closed, the Federal Government was awake and alert to put power to wheels, unclog the channels, and reopen the doors.

When the schools of the children were closed and stood as monuments to the inability of the parents and communities to keep them open, the Federal Government found it necessary to spend through relief funds more than $21,000,000 in relief wages to over 100,000 teachers to keep the schools open for nearly 3,700,000 children.

SHARE PROSPERITY WITH POSTERITY

In other ways the Government found education a great means of relieving unemployment.

For emergency educational programs the Government has spent since 1933 approximately $120,000,000 for employment of unemployed persons qualified to teach, and over $125,000,000 for the repair and improvement of school buildings that had become dilapidated before and during the depression.

For new school buildings, grants through P. W. A. amounting to over $128,000,000 have been made.

The Federal Government has recognized the important place of education in the recovery. It must recognize the permanent place of education in creating prosperity. We must share our prosperity with posterity.

DEMOCRACY AND OPPORTUNITY

The essence of American democracy is to keep the doors of opportunity equally open to every child.

The opportunity to go to school, to learn, to know and understand the world he lives in, to be taught the history, traditions, purposes, and aspirations of his country, to become the master of a vocation, are the inherent rights of every American child.

It is the duty of the Nation to help create this kind of equality of opportunity.

Is there need for the Federal Government to assist States and communities to provide equality of opportunity? The answer is obvious.

CLOSED SCHOOLS A MENACE TO THE NATION

In 1935 there were over 42,000 schools without sufficient funds to operate a normal school term.

In these schools there are nearly three and a half million children and 102,000 teachers.

These schools have always been in the bread line of education and have during the last few years been faced with starvation.

At least one-eighth of the Nation's school children are facing the closed doors of opportunity.

POORLY PAID TEACHERS HANDICAP CHILDREN

When the richest nation on earth permits 7,000,000, or nearly a third, of its school children to be taught by a quarter million of teachers who receive less than $750 per year—30,000 teachers received less than $450—there is need for an awakening of civic pride in the discharge of obligations to children. Education is the debt of each generation to the next.

No nation can long survive that refuses to pay it.

CHILDREN WITHOUT SCHOOLS

With 2,740,000 persons of school age for whom there are no schools and who do not attend school at all, and another 2,745,000 who are attending school in temporary structures, there is need for national attention to the problem of building more schools and of enlarging and improving those we have.

GIVE YOUTH ITS CHANCE

The youth of America must be given a better opportunity in the future than in the past.

Too many of their schools have been poor, frail things, unable to give them the learning opportunities they need.

The youth have a right to expect that society at least afford them the opportunity to learn—to learn what they need and want, not just what is traditionally offered in many of our schools that are without funds to do more than they have.

What with the increase in crime among the young is to be done?

The appalling unrest among our young people and the increase in law violations is an indication that these young people are not trained to make the adjustments required by society.

Is there any hope of improvement if the educational system is permitted to stagnate and run behind the march of time? I think not.

Education is no doubt not the only remedy, but it is true that no other remedy can become effective without education.

WHY FEDERAL INTEREST IN EDUCATION?

The economic and social development of the United States has made Federal participation in the support of education more and more necessary.

In the early days, when our communities were largely agricultural and the wealth of the country much more evenly distributed than at present, it was natural that our public schools should be supported by local districts.

With the invention of machinery, the development of our industrial system, and the concentration of wealth in cities and certain areas of the Nation, it was inevitable that great differences in the ability of communities to support schools and in the quality of schools offered should arise.

Furthermore, the economic interdependence of communities and States and the rate at which our population has moved around has made it evident that education is much more than a matter of local concern, or even of State concern.

FEDERAL CONTRIBUTIONS TO EDUCATION

The interest of the Federal Government in education is not new.

Since 1802 it has granted lands for the support of public schools totaling more than 241,116 square miles, which is nearly six times the area of Ohio and would have made 49 States the size of Connecticut.

Since 1862 it has made grants for the support of State colleges of agriculture and mechanic arts.

In 1917 it embarked on a great program of vocational education.

These grants have not only shown the interest of the Federal Government in education; they have been the means

of stimulating and aiding the States to establish and maintain schools, colleges, and kinds of training in keeping with the needs of the people.

EDUCATION AND THE GENERAL WELFARE

It is right that the Federal Government should promote the general welfare through bearing a fair share of the cost of schools.

The very character of our democratic government demands a trained and educated citizenry.

A citizen of Ohio is none the less a citizen of the Nation. He votes not alone in his county and his State; he votes on national issues and for officers of the Federal Government.

In time of war and national peril he belongs to the Nation, mind and body; not to his family, community, or State.

His loyalties and sentiments must be not merely local but national.

EDUCATION AN ECONOMIC NECESSITY

Not alone from a political point of view must the Federal Government be interested in the education of all the children and future citizens.

It is a matter of vital economic importance that we have an educated people throughout the Nation.

The wealth of any nation must depend largely upon the character of the land and of the people.

The abundance of natural resources is a gift of God; the moral fiber, intellectual power, and the skill of the people are dependent upon the training received by each generation of children.

KNOWLEDGE PAYS DIVIDENDS

The production of wealth depends upon the knowledge, skill, and energy of the people as applied to the development and use of natural resources and the use of capital.

Knowledge and skill are the only factors in our economic life that can be increased indefinitely, and upon their increase depends, in the last analysis, all economic growth and progress.

The economic welfare of the Nation depends directly upon the productive capacity of our people and upon their qualities as consumers.

The schools give training that is absolutely necessary to the development of efficient producers and that raises the standard of living and desires of our people, thereby making them better consumers.

Schools, therefore, are the first line of our economic defense, and as such are a necessary object of support for the National Government.

EDUCATION AND THE INVESTMENT OF MONEY

It is sound economics for the Federal Government to invest part of our national income in education.

Economists are fairly well agreed that one of the fundamental causes of depression, and especially of the last one, is too great return of current income to investment and new means of production.

The new factories ruin the market for the factories already operating and many of them become bankrupt.

The debts made for new investment take from production too much for interest and fixed charges and leave too little for wages.

We become long on production and short on consumption.

Having conquered our frontiers and become a creditor of foreign nations rather than a debtor, and no longer being faced with the necessity for excess production of goods to be used for the payment of foreign debts, it becomes a sound policy to avoid overinvestment in new means of production by devoting a larger share of our current income to cultural purposes, more schools, larger opportunity for adult education, more recreational facilities, more and better public-health services.

The Federal Government is the best agency for collecting the revenue and spending it for these purposes.

EDUCATION AND UNEMPLOYMENT

One of the major problems of the Nation is to find a cure for unemployment.

The cure will probably come from many sources, but regardless of what these sources are, one thing is certain: The most practical way to provide employment for persons displaced by machines is to utilize the field of personal and public services.

That is, we need and can use more people in the fields of education, health, recreation, the fine arts, and the like.

These personal services—services that require no significant amount of mechanical power and raw material—are the only potentially unlimited field for human labor.

More and more the Federal Government must divert national resources into this field. Expenditures for education is one way to do that. More people should be employed to conduct nursery schools and kindergartens, to teach music, art, handicrafts, physical education in our elementary schools, to teach in high schools that need to be established to provide for the 6 out of every 10 rural children who do not have a high school to attend. The investment of Federal funds in education is, therefore, a sound and necessary economic policy.

EDUCATION AND EMPLOYMENT OF CHILDREN

The Federal Government must be concerned with the problem of making adequate provision for the children who are no longer needed in industry. In the pioneer days the services of children were needed in the home and on the farm. Through the work they did under the supervision of their parents they received much of the training they needed, and schools as an agency of education were not needed to the same extent they are under modern conditions. In the early days of the development of our industrial system there was a demand for the labor of children and young people. There has, however, for two reasons, gradually developed a strong sentiment against the employment of children under 18 years old.

CHILDHOOD NO TIME FOR INDUSTRIAL EMPLOYMENT

In the first place, enlightened people believe that the routine, blind-alley employment of children and young people in industry is detrimental to their mental, physical, and moral development, and that the period of childhood and youth should be spent in receiving the best training for full development into useful and happy adulthood. Early employment is believed to be a violation of the fundamental rights of children in the "pursuit of happiness."

NO NEED FOR CHILDREN IN INDUSTRY

In the second place, the increase and improvement of mechanical production has made unnecessary the employment of children and youth.

For example, from 1890 to 1925 the physical volume of industrial production in the United States increased 174.5 percent, primary horsepower increased 256.1 percent, but the number of persons employed increased only 89 percent.

As a result of these changes the number and percentage of children 10 to 15 years of age employed in gainful occupations have decreased rapidly since 1910.

From 1910 to 1920 the number decreased from 1,990,000 to 1,061,000, and by 1930 had dropped to 667,000.

In 1910, 18.2 percent of all children 10 to 15 years old were gainfully employed; in 1920, only 8.5 percent; and in 1930, only 4.7 percent. The percentage of persons 16 years old gainfully employed decreased by nearly one-third from 1920 to 1930; the percentage of persons 17 years old employed decreased nearly one-fifth. But in the age groups above 20 there was an increase in the percentage of employment.

NEED FOR MORE AND BETTER SCHOOLS

In the light of the decreased opportunities for employment of children and youth, and of the increasing undesirability of such employment, there is small wonder that school facilities have had to be rapidly expanded.

Unless we are willing to revert to primitive modes of farm living or to stop the rearing of children, or to let children grow up in a state of vandalism, we must support schools—schools that offer much more than the traditional three R's.

To say that the Federal Government has no economic responsibility for this situation is to fail to see the economic unity of the Nation and to deny the existence of our national life.

WHAT ABOUT THE FARMER'S CHILDREN?

The Federal Government has of necessity been interested in improving the economic conditions of farmers and rural people.

Aside from the mere increasing of the income of farmers, the Federal Government must become more and more interested in the opportunities offered to rural children.

It is from the farms that the increase in our future population will come, and on the farms and in the villages that large numbers of future urban dwellers are being reared.

These conditions occur because of the differences in the birth rates in rural and urban areas.

In seven large cities, the population of which consists chiefly of American stock, the birth rate is 40 percent short of the rate required to maintain a stable population; in all cities having over 100,000 population the deficiency in birth rate averages over 20 percent, and in the smaller cities the deficiency averages about 8 percent.

FARMERS PRODUCE MOST CHILDREN

On the other hand, our farmers and their wives are rearing children at the rate of 50 percent more than required to replace the farm population, and the rural nonfarm population rears children at the rate of 30 percent greater than the number required to replace themselves.

When we couple these facts with the fact that taxable wealth and income are largely concentrated in the cities and industrial areas of the Nation, and with the fact that much of our social income can be reached and distributed only by the Federal Government, it becomes readily apparent that the Federal Government cannot in fairness leave the whole cost of education to the rural communities and the farmers.

FEDERAL ASSISTANCE FOR FARMERS

There is no sound reason why the farmers of the Nation should be compelled to bear unassisted the whole cost of educating the future population of the cities and other States and of supplying free of cost the future employees of business and industry.

The equalizing power of the Federal Government must bring about a fair distribution of the wealth of the Nation to educate the children of the Nation.

COST OF RURAL MIGRATION TO CITIES

The rearing of children who migrate to cities is an expensive proposition for the rural people.

It means that they have fed, clothed, provided medical care, and sent to school about 60 percent of the young people who started to work in the industries, stores, and offices of the cities.

It has been reliably estimated that during the decade 1920–30 the contribution of rural to urban areas resulting from the migration of persons over 15 years old to cities was $35,000,000,000.

The cost of rearing and educating these migrants was about $14,000,000,000, the transfer of wealth through the inheritance and settlement of estates was about $3,000,000,000, and the payment of interest and rent from rural to urban dwellers was about $18,000,000,000.

In view of these facts it becomes the duty of the Federal Government to use its financial power to distribute funds to the States so that farmers and rural dwellers can be assisted in the education of the children who will of necessity leave the farms and villages.

MONEY IS NOT WHERE THE CHILDREN LIVE

Among the geographical areas and regions of the United States it is an observable fact that the richer the area the fewer the children in proportion to the adult population.

Thus we have in this Nation the anomalous situation of having the most of the wealth in one place and most of the children in another.

POOR COMMUNITIES HAVE MANY CHILDREN

For example, in the Nation as a whole when divided into six levels of economic ability—based on income-tax returns, radios, and domestic telephones—it is found that the excess ratio of children to women of child-bearing age running from poorest to richest is for the different levels as follows: In the poorest areas the excess number of children is 62.5 percent, in the next to the poorest areas the excess is 41.1 percent, in the third to the poorest areas the excess is 18.4 percent, in the fourth from the poorest areas the excess is 3.9 percent, in next to the richest areas the deficiency is 10.3 percent, in the richest areas the deficiency is 24.5 percent.

MANY CHILDREN—LITTLE MONEY FOR SCHOOLS

Expenditures for schools run in exactly the opposite direction—the richer the area the more for schools. Among the States the situation is the same. For example, in New York the rate of producing children is only 84 percent of the rate required to replace the population, while in North Carolina the rate is 153 percent.

Contrast this fact with the fact that in New York expenditures per pupil for schools is $137.55 as compared with only $42.85 in North Carolina. These data were for 1930. Since that time, during the period of the depression, expenditures per pupil in New York have increased while in North Carolina they have decreased nearly a third. So far as schools are concerned there is a tendency for the rich to become richer and the poor poorer.

The Federal Government should take necessary steps to change this disastrous policy by paying to the States its fair share of the cost of educating the future citizens of the Nation.

SCHOOLS AND FEDERAL TAXES

In view of the inevitable development of the system of taxation in this country, there are good reasons for demanding that the Federal Government make its contribution to the support of education.

It is unavoidable that through the development of our economic system, the increase in the corporate form of wealth, and the concentration of taxable wealth in the industrial centers, the Federal Government should more and more become the tax collecting and distributing agency.

Tax resources formerly left to the States are rapidly being assumed by the Federal Government. In fact, many tax resources are becoming more and more difficult for the State to handle, and unless they are taken over by the Federal Government differences in rates in different States tend to create unequal conditions of competition and to disturb business.

RETURN OF FEDERAL TAXES TO THE STATES

The time has come, therefore, when the States must demand a return of some of the Federal tax collections to be used for schools. Unless it is returned the revenue is forever lost for the support of education. For example, my own State of Ohio paid into the Federal Treasury in 1935 the sum of $164,079,273 and received back in various subsidies $123,112,513, of which $60,000 was for the State university and $554,039.74 for vocational education and rehabilitation.

Under the terms of a bill I am introducing Ohio will receive an allotment of $4,950,681 the first year and increasing to $14,852,043 the fifth year and thereafter. These funds will give Ohio a fair return of taxes collected and will permit necessary improvements in the school system without resorting to the increase of taxes on real estate and farms which are already overburdened, and without piling up the duplication of State and Federal taxes.

I AM OPPOSED TO ANY FEDERAL CONTROL OF EDUCATION

I wish to make a clear-cut distinction between the allocation of funds for the support of education and the control of education. The traditions and principles of American government make the control and management of our schools the exclusive function of State and local governments. It is firmly believed that democracy will thrive best if the schools are controlled by local boards of education. I am in wholehearted accord with this principle of government. The Federal Government should not control our schools. What I am advocating is that the Federal Government bear its fair share of the cost of education, that it face squarely the economics of the situation and take such action as will bring about a fair and equitable distribution of opportunity for all our people.

Never will the Federal Government control education unless the people want it to do so.

Control of education is wholly a matter for the people to determine through their representatives in Congress.

It is entirely possible and feasible to draft a law providing for Federal assistance to the States and denying all types of control to all Federal agencies and all officials.

The bill I have introduced carries such provision in the most specific terms, as note section 11.

EDUCATION MUST BE FREE FROM ALL FEDERAL CONTROL

This act introduced today shall be construed as intending to secure to the several States and Territories control of the administration of this act within their respective jurisdictions and to preserve State and local initiative in the operation of schools.

No provision of this act shall be construed to delimit the States and Territories in the appropriation of funds for the support of schools received through the benefits of this act; nor to restrict or define the kind of schools or the character of the educational programs to be supported by the respective States and Territories; nor to grant to any officer of the United States or to any of its agencies, departments, or offices any power or authority to approve or reject the educational programs in the States and Territories; nor to confer upon any officer of the United States or of any of its agencies, departments, or offices any power or authority to supervise or in any way exercise management and control of the educational programs of the States and Territories, it being the purpose of this act to leave all supervision, management, control, and choice of educational means, processes, and programs to State, Territorial, and local governments.

PRINCIPLES AND PROVISIONS OF THE BILL

The bill I have introduced is a companion bill to one introduced in the Senate by the distinguished Senator from Mississippi [Mr. HARRISON]. The provisions of these bills are identical.

The Senator and I are agreed upon the following statement of the purposes and provisions of these bills: They propose to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education. They provide an initial appropriation of $100,000,000 and an increase of $50,000,000 annually until a maximum of $300,000,000 is reached. It is thought that such gradual increase in funds will give ample time for the States to make sound plans for the expansion and improvement of their schools and will be a wiser course than the immediate appropriation of the full sum needed.

There are certain provisions in these bills to which I wish to direct attention.

First. They provide for appropriations to the States to be used by them for schools. The manner in which the funds received shall be used for the maintenance of a program of public education is left wholly to the respective State legislatures.

Second. All control, administration, and supervision of schools and educational programs is reserved strictly to the States and forbidden to all Federal officers and agencies. (See sec. 11.)

Third. The basis of apportionment of funds to the States and Territories is the number of persons 5 to 20 years old in each State and Territory.

This method of apportionment is based upon the principle that the Federal Government should provide for the support of schools in all the States somewhat in proportion to the Federal interest in the education of the entire population. Admitting that the Federal interest is, at this time, not subject to accurate measurement, it can be safely asserted that the amount provided in this bill does not exceed the Federal Government's fair share of the cost of educating the citizens of the Nation.

Mr. Speaker, the parents of this Nation have a right to expect the Federal Government to use its resources to help them create opportunity for their children. Now is the time for that expectation to be fulfilled. The further postponement of the Federal Government in meeting its obligation will mean a lost future for millions of the Nation's youth. Let the Congress heed the call of Young America. In a democracy it is either educate or perish. As citizens of the richest nation on earth we can afford to educate our children. Let us keep the door of opportunity open for the coming generation.

ADDITIONAL DISTRICT JUDGE FOR NORTHERN AND SOUTHERN DISTRICTS OF WEST VIRGINIA

Mr. RAMSAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2456) to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia, with House amendments, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WALTER, RAMSAY, and GUYER.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. When a Member asks to take up a bill by number, is it not customary that the bill be read so that the Members of the House will know what the bill is?

The SPEAKER. That is the usual practice.

Mr. RICH. It seems to me it ought to be continued.

The SPEAKER. Does the gentleman desire the title of the bill read for information?

Mr. RICH. I would like to know what the bill is. Before we grant unanimous consent we ought to know what is going on here. Nobody knows what is going on in this House.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read the title of the bill, as follows:

S. 2456. An act to provide for the appointment of an additional judge for the northern and southern districts of West Virginia.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota to address the House for 2 minutes?

There was no objection.

Mr. LUNDEEN. Mr. Speaker, much has been said about the programs and platforms of the two old parties. I would like to place in the RECORD information on the history, platforms, and programs of the Farmer-Labor Party. This will take only a small amount of space compared to material put in the RECORD about the other political parties.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks along these lines.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Minnesota if he can give any assurance that the people behind the platform he is now sponsoring are going to carry it out if they do adopt it.

Mr. FULLER. Mr. Speaker, the regular order.

The SPEAKER. The regular order is demanded.

Mr. RICH. Because, you know, the Democratic administration has not carried out the platform they adopted in 1932.

The SPEAKER. The regular order is demanded. When the regular order is demanded it is the rule of the House that a Member shall not extend his statement after the Chair announces that the regular order is demanded. In so doing the Member is out of order.

Mr. FULLER. Mr. Speaker, under the ruling of the Chair I suppose it is to be taken for granted that the remarks of the gentleman from Pennsylvania should be stricken from the RECORD. If they are not I want to object, because he was speaking out of order, speaking after the Chair had cautioned him, as is his custom all the time.

The SPEAKER. The remarks of the gentleman from Pennsylvania, or any other gentleman who interjects remarks into the RECORD after he has been called to order by the Chair upon a demand for the regular order, are not entitled to be incorporated in the RECORD.

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. The Chair never did put the request of the gentleman from Minnesota; the Chair overlooked putting that request to the House.

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the manner indicated.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

FARMER-LABOR PLATFORM, 1936

I take pleasure in presenting the 1936 platform of the Minnesota Farmer-Labor Party. The 1932 platform and the 1934 platform and analysis appear in my speech of August 17, 1935, CONGRESSIONAL RECORD, page 13516, entitled "A National Labor Party—Eventually, Why Not Now?" In the primaries of June 15, 1936, the Farmer-Labor Party nominated a complete slate of State and congressional candidates. I am placing the votes of these candidates in the appendix of this speech.

PLATFORM FOR AN ECONOMIC ORDER OF ABUNDANCE

The Farmer-Labor Association in convention in March 1936 hereby renews its pledge to use its every effort to bring about an economic system in both State and Nation that will function for the general welfare of the entire people, enabling all to be assured of the fullest opportunity to provide for their material needs during their working years and to enjoy adequate protection in sickness and old age as a right—not as charity.

The Farmer-Labor Association of Minnesota recognizes that the United States has the most wonderful resources, great factories and machinery of production and power, with millions of capable workers and farmers ready and able to produce food, clothing, and shelter in great abundance for all. At this time, when all could live in prosperity and happiness, we find that there are millions of working men and women in poverty, want, and degradation and hundreds of thousands of farmers, businessmen, and professional people who have become poverty stricken and bankrupt.

We favor reforms in taxation and finance in order that the cost of government be borne by those best able to pay. Production control and work relief can do but little in alleviating present distress and are only justified as temporary expedients to meet an emergency. The program of the present system constitutes a planned poverty; we advocate and demand a system of planned plenty. To effect a cure for economic ills, changes must be fundamental.

Natural resources and monopolized industries essential to our national life and well-being must ultimately be collectively owned and democratically controlled and operated, to the end that democracy shall prevail in our industrial as well as in our political life.

No lasting recovery from the depression and no permanent prosperity can be achieved unless the homes and property of the farmers, the wage earners, the professional people and small-business men are fully protected, and the opportunity to own homes and property is restored to the masses by production of plenty.

To achieve these ends we propose and recommend:

Amendments to United States Constitution

1. An amendment to the Constitution of the United States empowering the Congress to pass laws eliminating child labor, regulating working conditions in industry, regulating agricultural and industrial production, providing security against old age, unemployment and sickness and providing for government ownership of monopolistic industries and banking, except independent banks which stock is locally owned and who are financing independent merchants and farmers.

2. An amendment to the Constitution of the United States reducing the term of office of Federal judges from life to a term of not more than 10 years.

Legislation by Congress

I. Financial Assistance

Insuring individual ownership of farms and farm homes by refinancing the farmer at a low rate of interest (Frazier-Lemke bill).

Extending government credit to farmer, worker, and consumer cooperatives for the purchase of plants for the processing and sale of their products at a fair price based upon the cost of production.

II. Production for Use

Providing for the governmental operation of idle productive industrial units by the unemployed for the production of goods for the use of the unemployed.

III. Neutrality Policy

Insuring the neutrality of the United States in any foreign war by prohibiting the sale and delivery of goods or the making of loans to nations engaged in any foreign war.

IV. Prevent Discriminatory Rebates

Making illegal the granting of price rebates and advertising credits by manufacturers to chain stores in discrimination against independent merchants and asking for further appropriations for the investigation of these and other unfair trade practices against independent merchants.

V. Education of Youth

Providing adequate funds for a youth program designed to give our youth an opportunity for education and work. (Benson-Amlie bill.)

VI. Government to Own Munitions Plants

Providing for Government ownership and operation of plants for the manufacture of armament and munitions of war.

VII. Conscription of Wealth in War

As a further means of preventing war we demand the conscription of wealth in the event of war.

VIII. Pensions for Widows and Orphans of War Veterans

Providing pensions for the widows and orphans of war veterans.

IX. St. Lawrence Waterway

Ratifying a treaty with Canada for the building of the St. Lawrence-Great Lakes waterway.

X. Farm Market

Giving the American market to the American farmer.

XI. Adequate Housing

We favor the immediate establishment by the Federal or State Government, or both, of a housing program providing adequate and helpful housing at reasonable rents and employing building tradesmen at trade-union rates.

XII. Banking

That Congress exercise the exclusive and constitutional power to coin money and regulate the value thereof.

XIII. Social Insurance

That we fight for the passage of the Frazier-Lundeen social-security bill.

XIV. Civil Rights

The Farmer-Labor Association being strongly opposed to dictatorship, calls upon the people of the United States to fight against the activities of those who advocate the establishment of a despotic dictatorship and tyranny in the United States and it is the duty of the people to protect and fight for our Democratic form of Government and for the freedom of speech, freedom of the press, and lawful assemblage.

Legislation by State

I. Conservation

We advocate conservation of soil and forests; reforestation of depleted reserves; conservation of water supplies.

II. Banking

We advocate a reduction of the legal and contract rate of interest.

III. Agriculture

We advocate an adequate and effective license tax on oleomargarine and all butter substitutes sold and used in the State of Minnesota.

We advocate an extension of the mortgage moratorium law.

IV. Old-Age Pensions

We advocate a generous old-age-pension law.

V. Labor

We advocate an amendment of the State constitution giving the State the right to establish minimum wages in industry and maximum hours of employment.

We advocate a law providing for State-fund workmen's compensation.

We advocate substantial increased benefits under the Workmen's Compensation Act for permanent partial disability.

We pledge our support to all workers in their struggle for higher wages and better working conditions. We are against importation or use of thugs and strikebreakers in labor disputes.

VI. Education

We reaffirm our belief in equality of educational opportunity, and therefore propose the use of income taxes to decrease local school levies, payment of all special State aid in full, uniform budgetary procedure as opposed to straight-jacket expenditure-control legislation, creation of a more extensive program for youth between the ages of 16 and 21.

We oppose compulsory military training at all educational institutions supported wholly or in part by State funds.

VII. Party Designation

We recommend that all candidates for the State legislature be elected by party designation.

VIII. Taxation

We oppose the adoption of proposed constitutional amendment no. 2.

We are unalterably opposed to a general sales tax.

We advocate an improved chain-store tax for the benefit of the independent merchant and the consumer.

We advocate amending the corporate excess tax law to a flat 20-mill rate on all corporate excess.

We advocate an increase of money and credits tax to 5 mills.

We advocate an increase of the gross earnings tax on large telephone companies, farmers' cooperative lines excepted.

We advocate an increase of the railroads' gross earnings tax, of the occupation and royalty taxes on iron ore.

We advocate an increase on graduated net income taxes and on inheritance and gift taxes in the higher brackets, all of which would bring an addition of millions of dollars into the State treasury to relieve the unfair tax burden now carried by property.

IX. Cooperation

We advocate the formation of consumers' cooperatives, credit unions, cooperative banking and service organizations, including cooperative enterprises for health, housing, and rural electrification.

X. Civil Service

We advocate a civil-service law.

XI. Rural Electrification

Realizing the importance of power in modern industry and home life, we advocate the adoption of the power plan of the State planning board, providing for the creation of a State advisory power commission to make a survey of the actual and potential power capacity and need of the State; determining the cost of generation and distribution of power, setting up economic power districts into which municipally owned plants and rural electric cooperatives may form into leagues of municipalities for the generation and distribution of power and urging the removal of all legislative restrictions to the formation of such leagues of municipalities and cooperatives.

XII. Collective Bargaining

We pledge our full support to the right of labor to organize and to bargain collectively.

XIII. Unemployed

We recognize the duty of the state to the unemployed and pledge the full resources and power of the state to the end that suffering and destitution among the unemployed and needy shall be eliminated.

A PARTIAL RECORD OF THE FARMER-LABOR PARTY SINCE 1931

The Minnesota Farmer-Labor Party has never had a majority in either house of the State legislature, the closest it ever came to legislative control being in 1933, when a coalition of Farmer-Laborites and Liberals controlled the house of representatives, while the conservatives controlled the State senate. But even as a minority it has been able to force through many features of its program through sheer strength of public support.

TONNAGE TAX ON ORE

As early as 1921 the tonnage tax on iron ore was enacted, followed in 1923 by the ore-royalties tax. Both of these measures, bitterly fought by the Steel Trust, were won unquestionably through the efforts of the Nonpartisan League and the Farmer-Labor Party.

Since 1931, when a Farmer-Labor State administration came to office, the Farmer-Labor accomplishments have included:

MORTGAGE MORATORIUM

An emergency mortgage moratorium proclamation by the Governor, saving thousands of farms and homes at a critical time.

A State mortgage-moratorium law.

A State income tax, with revenue redistributed to the local school districts.

Vetoing of a sales tax by the Farmer-Labor Governor.

A chain-store tax.

AID TO SCHOOLS

A large increase of State aid to schools, and a revision of aid laws, giving the chief support to the hard-hit districts. As a result, no children have been denied education through closing of schools in Minnesota.

More equitable enforcement of tax laws, which is cleaning up a condition of mass tax dodging by wealthy groups.

Adequate relief appropriations, which have been forced through conservative legislatures, often with the need for considerable pressure.

Abolition of compulsory military training at the State university.

A homestead-exemption law, making a big reduction in the tax on the first $4,000 of value of any homestead, thus giving the greatest proportional benefit to small farms and homes.

The consolidated primary ballot, protecting the voter by giving a really secret ballot.

A compulsory old-age-pension law.

CIVIL LIBERTIES

More important than any of these legislative measures is the support which the Farmer-Labor movement has given for the civil liberties of workers and farmers and their right to organize. In the end, it is probable that more farms have been saved through the efforts of such an organization as the Farmers' Holiday Association than were saved by the mortgage-moratorium law, and it is significant that the holiday is strongest in Minnesota, the Farmer-Labor State. Its national president, John H. Bosch, is a farm leader of Minnesota. The activity of rank and file Farmer-Laborites throughout the State has built the group in large part.

ASSISTANCE TO ORGANIZED LABOR

Labor associations, largely for relief, and W. P. A. workers in the State, particularly in the rural counties, have played an important role in protecting decent standards of life, and here again the influence of the Farmer-Labor movement has given backing and strength. Labor unions have shown an increase in membership and activity, some of which comes from the protection which unions have against hostile governmental activity from being affiliated with the Farmer-Labor Association. Although there have been some bitterly fought strikes in Minnesota in the last 4 years, in some of which the militia were mobilized, there has not been a worker shot by the militia in Minnesota, and the militia has been called to protect the workers, not to break strikes.

This support for the independent organizational activities of the farmers and workers has shown benefits in income and security which it might take a long time to win by the roundabout procedures of social legislation, and it is an indirect accomplishment of the Farmer-Labor movement.

FARMER-LABOR REPRESENTATION IN CONGRESS

In Congress the Farmer-Labor Party has been represented by three United States Senators, Henrik Shipstead, Magnus Johnson, and Elmer A. Benson; and nine Representatives, Paul John Kvale, O. J. Kvale, William L. Carss, Ernest Lundeen, Knud Wefald, R. T. Buckler, Henry Arens, Magnus Johnson, and F. H. Shoemaker.

The Farmer-Labor delegation has played a leading part in the fight for progressive legislation in Congress. We have fought for the Frazier-Lemke farm refinancing bill, genuine, adequate social security, the veterans' adjusted service certificates bill, and other farm, labor, and veteran legislation. It was on the Lundeen motion that the Patman bonus bill passed the House in 1934, paving the way for final victory in 1936. The Frazier-Lundeen social-security bill is gathering more strength. It is recognized by thousands of farm and labor organizations as the only genuine, adequate social-security measure before Congress today. (See hearings on H. R. 2827, House Labor Committee, 1935, and hearings on S. 3475, Senate Committee on Education and Labor, 1936.)

ORIGIN OF THE FARMER-LABOR PARTY

The five Farmer-Labor Members of House and Senate today, and our able Farmer-Labor State administration owe their success to the pioneers that went before, to organized labor and organized farmers who built the movement many years ago. I am sure that Members of Congress and citizens generally are interested in knowing something of the origin of the Farmer-Labor Party.

BIRTH OF FARMER-LABOR PARTY NOVEMBER 1918

The first time the name Farmer-Labor appeared on the ballot in this country was in November 1918. There was no Farmer-Labor name on the ballot in the Minnesota primary election. Therefore, according to the law, it was necessary to secure the names of 2,000 voters on a petition for each of the Farmer-Labor candidates. Petitioners had to be favorable to placing Farmer-Labor candidates on the ballots, but they could not have voted in the June primary.

The difficulty was that most of those who were for the Farmer-Labor Party had voted for the Nonpartisan League candidates in the Republican primary. It took about 2 weeks to secure 2,000 names for each candidate. On October 5, 1918, the Minnesota Leader announced that three Farmer-

Labor candidates had filed for the November election. Over 2,500 names had been obtained on their petitions.

Because of the influenza epidemic the Farmer-Labor candidate for Governor, Dave Evans, was unable to campaign during the last month before election. However, the vote for the Farmer-Labor candidates was astounding. Throughout the campaign they were subject to mob insults. Meetings were broken up, cars were smashed, tires ruined, roads barricaded. Spoiled vegetables, eggs, and rocks were thrown at speakers. When the ballots were counted there was great surprise at the large vote polled by the first Farmer-Labor candidates.

Farmer-Labor candidate for Governor, Dave Evans, received 111,966 votes against 166,611 for J. A. A. Burnquist, conservative war Governor and incumbent (Republican). The Democrat, Fred E. Wheaton, was third, with 76,838 votes. Fred E. Tillquist polled 104,283 as the Farmer-Labor candidate for railroad and warehouse commissioner against 165,852 for the Republican and 68,991 for the Democrat. Tom Davis received 99,933 as Farmer-Labor candidate for attorney general against 180,877 for the Republican and 56,029 for the Democrat.

The Farmer-Labor Party was born in the travail of war. There were rumblings of a new party in Minnesota all during the war. Profiteering, patrioteering, wartime hysteria, and persecution aroused the fighting spirit of farmers and workers alike. Persecution of the common people brings forth leaders of the common people. This has always been so.

Outrages against the rights of free speech, free press, petition and assemblage kindled a fire of rebellion. Continuous persecution fanned the flame. The rebellion was one of ballots. In a peaceful and orderly manner farmers and working people determined to make their voices heard.

The election of 1918 was the culmination of many months' planning. Other methods of gaining control of the State government had been tried.

NONPARTISAN LEAGUE ENTERS MINNESOTA POLITICS—1918

It was in the spring of 1918 that the Nonpartisan League in Minnesota decided to enter the political arena.

On February 16, 1918, the first issue of the Minnesota Leader, official organ of the National Nonpartisan League in Minnesota, was published at 353 Jackson Street, St. Paul, with Oliver Morris as editor. Members of the league became paid-in-advance subscribers to all Nonpartisan League publications.

In the first issue it was announced that precinct caucuses would be held on February 22, 1918, at 2 p. m., to elect delegates to conventions of legislative districts. From legislative district conventions, delegates would be sent to congressional district conventions, and then to State conventions, as had been done in North Dakota. There was no attempt to form a new party at that time; the idea was to capture the machinery of the old parties by means of the primary. For the week ending February 9, 1918, 35 Nonpartisan League rallies were scheduled in Minnesota. About 35,000 in all attended these various caucuses of the league in the year 1918.

After these caucuses had been held, a State meeting was finally called for March 19, 1918, at St. Paul. Delegates from 48 counties attended. The platform adopted called for State-owned packing plants, elevators, and flour mills; State rural credits; a tonnage tax on ores; and State-owned pulp mills, based on the Nonpartisan League experience in North Dakota.

At this State convention, declarations were made against American industrial autocracy. The State administration in Minnesota—under Gov. J. A. A. Burnquist—was condemned for lawlessness. It was said that Minnesota was the only State that permitted and encouraged mob violence against organized farmers.

MINNESOTA OPPOSED TO WAR

Patrioteers and profiteers were for America's entry into the World War, but the masses of the people were not. Minnesota's Representatives in Congress were not for the war. Congressmen Charles R. Davis (Third District), Carl Van Dyke (Fourth District), Ernest Lundeen (Fifth District), and Harold Knutson (Sixth District) voted against it.

All were reelected except Ernest Lundeen, who represented the conservative Fifth District, the very center of war persecution and patrioteering.

It was at this convention in St. Paul, on March 19, 1918, that the Nonpartisan League's first slate of State candidates in Minnesota was endorsed:

For Governor: Charles A. Lindbergh, of Little Falls (Republican).

Lieutenant Governor: R. E. Crane, of Grand Meadow (Republican).

Attorney general: Victor Power (Republican).

State auditor: S. O. Tjosvold (Republican).

Secretary of state: Henry Holmes (Republican).

Treasurer: Thomas Meighen (Democrat).

Railroad and warehouse commissioner: F. E. Tillquist (Republican).

CHARLES A. LINDBERGH

Charles A. Lindbergh, father of the famed aviator and scientist, Col. Charles A. Lindbergh, was the most distinguished Congressman Minnesota ever had. He had served five consecutive terms in Congress as a Progressive Republican. In my speech of June 24, 1935 (p. 10015 of the CONGRESSIONAL RECORD), may be found more information concerning the record of Congressman Lindbergh.

Lindbergh was born in Stockholm, Sweden, January 20, 1859. His father brought him to Minnesota when he was a year old. He graduated from the law department of the University of Michigan. He was prosecuting attorney of Morrison County from 1891 to 1893 and practiced law in Little Falls, Minn., the county seat. He served five consecutive terms in Congress, 1907 to 1917. In 1916 he was an unsuccessful candidate for Senator. He was the Nonpartisan League candidate for Governor on the Republican ticket in the primary of 1918. He was an unsuccessful candidate for Congress from the Sixth District in 1920. He lost his race for the United States Senate in the special election of 1923. He was candidate for Governor on the Farmer-Labor ticket in 1924, but died before the primary.

The candidate for Lieutenant Governor, R. E. Crane, of Grand Meadow, was a farmer, a member of the legislature from Mower County. He was endorsed in his own county for the State senate but was drafted by the convention for Lieutenant Governor.

The attorney general candidate, Victor Power, was a lawyer who had fought the Steel Trust. He was mayor of Hibbing at the time.

The State auditor candidate, S. O. Tjosvold was a farmer active in organizing cooperative societies. He organized a telephone and power cooperative called Stony Run Power & Light Co.

The secretary of state candidate, Henry Holmes, was a farmer of Big Lake and a member of the Minnesota House of Representatives.

The treasurer candidate, Thomas Meighen, was a progressive Democrat, a small-town independent banker from Preston, who gave unselfishly of his time and his ability to aid the Farmer-Labor movement in Minnesota.

The railroad and warehouse commissioner, Fred E. Tillquist, of St. Paul, was active in the railroad brotherhood organizations.

RAILROAD BROTHERHOODS URGE LABOR FILE OWN CANDIDATES

The railroad brotherhoods' State legislative board, of which Tillquist was secretary and treasurer, had included in their 1917 report a statement urging labor to organize and put its own political candidates in the field. This statement cited the astonishing victories of the Nonpartisan League in North Dakota in the very first political campaign and added:

In a State like Minnesota, where labor is a more important factor, there is no reason whatever why it should not do in its own legislative districts what the organized farmers do in theirs, and as a result the workers of the soil and the workers in the industries will be in a position to have what legislation they desire, as there is no conflict of interest between these two. The average farmer is a

worker tied to the job, whilst the man in the industries is forced from time to time to seek one, but both alike are victims of exploitation.

When it comes to the election of a State ticket, representatives from organized farmers could meet with representatives from organized labor, and together they could agree upon nominating and electing such candidates as would carry out their will.

In Minnesota we have a nonpartisan law, but organized labor has never taken advantage of this. It has permitted other interests to put their candidates in the field and has simply divided its forces in voting for this one and that one who claimed to be friends of labor. The only real friend that labor can count on is itself. In times of strike, of industrial disputes of any kind, labor has to fight its own battles. It's so-called friends are not then forthcoming. How much better it would be if labor, realizing this, agreed upon some definite program enumerating specific legislation which it desired enacted, and then united upon those candidates pledged to carry out its wishes.

* * * It behooves us, therefore, in the State of Minnesota as organized workers to give consideration to this matter and, before another election takes place, to counsel together and line up with the workers of the soil, so that together we may be in a position to eliminate the middlemen, who are now parasites upon all classes of workers.

* * * Not by petitioning so-called friends to give them what they want, but through concerted action on their part to do for themselves that which they desire. Capitalists know no party. They get what they want from Republicans and Democrats alike. They finance both political parties, and as a result dictate the nominations. Those elected are of very necessity obliged to carry out the will of the powers that elected them. * * * It is to be hoped that we will in the future use the means afforded by the nonpartisan law in this State in such a manner as will truly reflect our interests in the executive, legislative, and judicial functions of the State.

NONPARTISAN LEAGUE AND RAILROAD BROTHERHOODS COOPERATE

The Nonpartisan League convention in St. Paul on March 19, 1918, did exactly what the railroad brotherhoods' State legislative board advocated in its 1917 report. It endorsed a slate of candidates for nomination in the primary election. At that same time it adopted a platform calling for State-owned packing plants, elevators, flour mills, rural credits, pulp mills, and a tonnage tax on ores.

GOVERNOR BURNQUIST AND WAR HYSTERIA

Gov. J. A. A. Burnquist was given an invitation to speak to the Nonpartisan League convention of March 19, 1918, but the war-mad Governor refused the invitation in a scathing letter, in which he referred to the "unpatriotic utterances of Senator La Follette at your last convention." Burnquist said that the last convention had put a stamp of disloyalty on the Nonpartisan League that could never be erased. He further stated:

> Your present publicity agent lost the position he had at the time because he supported La Follette's unpatriotic ideas, and after his discharge by his employer he was employed by your Nonpartisan League.

And so Burnquist branded himself as a narrow and intolerant and cruel Governor, ruled by John F. McGee, chairman and czar of the public safety commission.

This statement well illustrates the air of persecution prevailing in Minnesota during the war. Patriotic American citizens—leaders of farm and city workers—were discharged from their jobs for opposing America's entry into the World War. Today these so-called great and wise American "patrioteers" dare not stand before an audience and defend their support of that colossal blunder.

Burnquist, in his letter refusing the Nonpartisan League's invitation to speak, said further:

> Another of your leaders, Joseph Gilbert, called a director and manager, I believe, has been convicted by a jury because of his disloyal utterances. He, together with Mr. Manahan, an attorney of your organization, unpatriotically used a strike situation here to advance the political interests of the league. You (Arthur Le Sueur, to whom the letter was addressed), who appear to be the executive secretary, were an attorney who defended the murderers in the I. W. W. trouble on the range 2 years ago. (Minnesota Leader, Mar. 23, 1918.)

Governor Burnquist neglected to mention that the so-called I. W. W. murderers were acquitted from the drummed-up charge of which they were not guilty. (H. E. Gaston.)

ERA OF PERSECUTION

The last convention of the Nonpartisan League, to which Burnquist referred, was the producers' and consumers' conference held at St. Paul Auditorium in September 1917, addressed by fighting Senator Bob La Follette, Sr., whose statue now stands in the hall of fame of the United States Capitol.

From the first the Nonpartisan League had been called socialistic. It had met concentrated opposition both in North Dakota and in Minnesota, because of its militant fight against exploitation of farmers. The extreme persecution of Nonpartisan leaders in Minnesota began with the producers' and consumers' conference in St. Paul in September 1917.

This was a mass meeting to arouse sentiment in favor of protecting consumers from wartime exploitation. Government regulation and limitation of profits were asked.

PRODUCERS AND CONSUMERS CONFERENCE, 1917

Meetings were called for Tuesday, Wednesday, and Thursday, September 18, 19, and 20, 1917, at St. Paul, Minn. The crop situation and the financial condition of the farmers were discussed. Speakers included President Ladd, of the North Dakota Agricultural College; President Waters, of Kansas; Congressman Baer, of North Dakota; Congressman George M. Young; Robert Bridges, chairman of the Seattle Port Commission; former Senator John L. McLaurin, of South Carolina; Carl Thompson, of the Public Ownership League; and a speaker from the Department of Agriculture.

SENATOR LA FOLLETTE'S SPEECH

Late in the evening of the last day Senator Bob La Follette drew a crow of more than 10,000 persons. La Follette talked about the Nonpartisan League and the failure of the old political parties. He defended his vote against America's entry into the World War.

NEWSPAPERS MISQUOTE SPEECH

Senator La Follette made the statement:

> We had grievances. Germany had interfered with the rights of our citizens to sail the high seas—on ships loaded with ammunition for Great Britain.

Newspapers widely quoted this statement, adding a "no" before grievances, so that La Follette was quoted as saying, "We had no grievances."

This misquoted statement from Senator La Follette's speech was given Nation-wide attention. One newspaper referred to the Nonpartisan League conference as a "war dance of disloyalty." Charges were made against La Follette in the Senate. Senator Frank B. Kellogg, of Minnesota, introduced a resolution to expel La Follette from the Senate. Finally the stenographic report of La Follette's speech was carefully read and it was discovered that an error had been made by including the word "no" before the word "grievances." The utterly foolish and vicious Kellogg resolution was voted down, Senator Kellogg voting against his own resolution. Senator La Follette was reimbursed in the amount of $5,000 for expenses incurred, and so the resolution and charges collapsed.

PATRIOTEERING

From that time on Nonpartisan League meetings were broken up, leaders were roughly handled, tarred, and feathered.

DEMANDS OF PRODUCERS' AND CONSUMERS' CONFERENCE

Resolutions of the Producers' and Consumers' Conference were (p. 215, The Nonpartisan League, by H. E. Gaston):

Cheerfully acquiescing in the fixing of the price of wheat, the farmers ask that prices on other necessities be regulated to eliminate exorbitant profits.

That the reduction in the price of wheat be passed along to the consumer in cheaper flour and bread, failing which the Government should seize mills and bakeries and turn out flour and bread at cost.

That the Government make low-interest loans to farmers whose crops failed.

That the Food Administration cease paying commission to grain buyers and instead buy direct.

That a zone system of wheat buying be adopted to correct inequalities and injustices due to freight differentials.

That milling value of grain be made the basis of grade and price.

That income and excess-profits taxes be increased.

That a Federal tax be levied upon unused land.

That in case of failure of the plan to tax away excess profits in war industries through lack of cooperation, the Government commandeer all such industries necessary to the conduct of the war.

That the Government operate the copper mines during the war, as requested by Butte miners' organizations.
That cooperative buying be encouraged.
That in all cases during the war in which strikes in war industries are not speedily adjusted the Government take over the industries.
That soldiers' pay be fixed at $50 a month.
That the Government furnish cheap insurance to soldiers.

DECLARATION THAT SENT NONPARTISAN LEAGUE LEADERS TO JAIL

The Producers and Consumers Conference also adopted a preamble to the resolutions containing language which caused two Nonpartisan League leaders, A. C. Townley and Joseph Gilbert, mentioned by Burnquist, to be sent to jail after trial in Minnesota courts. Following is the so-called seditious language upon which these men were indicted:

The moving cause of this world war was and is political autocracy used to perpetuate and extend industrial autocracy. It is the struggle of political overlords to extend and perpetuate their power to rob and exploit their fellow men. Autocratic rulers who have robbed and exploited the fathers and mothers, now slaughter the children for the single purpose of further entrenching themselves in their infamous position, and securing and legalizing their possession of the fruits of others' toil and thrusting the world under the yoke of political autocracy, which is ever the shield and mask of industrial autocracy.

Our war is to extend the political democracy which we in the United States enjoy, in order that political democracy may be safe in our own land and that it may be used to accomplish its historic purpose—industrial democracy. (H. E. Gaston, The Nonpartisan League.)

NONPARTISAN LEAGUE CONVENTION MARCH 19, 1918

This was the background of the Nonpartisan League Convention of March 19, 1918.

James Clancy, president of the St. Paul Trades and Labor Assembly, who was the Nonpartisan League endorsed and successful candidate for St. Paul councilman, called the convention to order on March 19. Speakers were Oscar E. Keller, a city councilman; Magnus Johnson, of Litchfield; Jules J. Anderson, of the Duluth Trades and Labor Assembly; and Mrs. Hulda Harold Bain, of California. Mayor V. R. Irvin refused the Nonpartisan League delegates the customary courtesy of welcoming them to St. Paul.

PRIMARY CANDIDATES ENDORSED

Some of the candidates endorsed at the March 19 convention withdrew for one reason or another; changes were made. The final slate as it appeared in June 1918 was:

Governor: Charles A. Lindbergh.
Lieutenant Governor: R. E. Crane.
Attorney general: Thomas V. Sullivan.
State auditor: S. O. Tjosvold.
State treasurer: Albert H. Fasel.
Clerk of supreme court: Herman Mueller.
Railroad and warehouse commissioner: F. E. Tillquist.

Frank M. Barton was endorsed for Congress in the Ninth Congressional District. Henrik Shipstead was endorsed for Congress in the Seventh Congressional District.

Labor organizations and the Municipal Nonpartisan League of Minneapolis had endorsed Ernest Lundeen for reelection to Congress from the Fifth Congressional District. The administration of Mayor Van Lear was also endorsed by labor and the Minneapolis Municipal Nonpartisan League.

CHARLES A. LINDBERG'S SPLENDID RUN

In the 1918 Republican primaries, Charles A. Lindbergh received 150,626 votes to Governor Burnquist's 199,325. All Nonpartisan League candidates made a good showing, including those endorsed for Congress from various districts.

BITTER 1918 PRIMARY CONTEST

There was a bitter contest in the primary. Nonpartisan League speakers were rotten-egged, stoned, and mobbed. There were tarring and feathering parties. Lindbergh was led to jail and almost lynched. According to one authority—H. E. Gaston—there were 250 League meetings scheduled in Minnesota in the winter and early spring of 1918, and of these 40 had to be abandoned. A farmer near Hinckley, Minn., was making a speech at Turpville schoolhouse near Hinckley when an armed mob took him prisoner, carried him several miles, stripped and beat him, and covered him with tar and feathers. The men wore black masks. Two days later this same farmer spoke to a crowd of 750 farmers and told of the death threat his assailants had made against "the first league organizer or speaker who comes back into the county."

THE COURTS AND THE WORLD WAR

Many protracted lawsuits were fought over the loss of civil rights and personal injury and insult. However, justice in the courts of Minnesota was a very variable quantity in the days of the World War.

In New Richland, Minn., a "war board" refused to permit the farmers to assemble for a meeting. A Civil War veteran, E. E. Verplank, who was 84 years old, invited the audience to move to his farm. They were pursued by the sheriff and the meeting was broken up under orders from the Governor's office. Officers of the law under Burnquist became lawless hoodlums.

Ortonville and Ernest Lundeen furnish an interesting chapter, a perfect illustration of lawless officers of the law, for those who may care to read.

PUBLIC SAFETY COMMISSION

Incidents of this kind were common occurrences during the hysterical primary campaign of 1918. Judge John F. McGee, who headed the Minnesota public safety committee, was intolerant, narrow, dictatorial. He was merciless in the extreme. His control over the weak Burnquist was absolute.

In the 1918 primaries a large number of Nonpartisan League candidates for the State legislature won. The July 6, 1918, issue of the Minnesota Leader states that the Nonpartisan League had gained control of the Minnesota Legislature. The large vote polled by Nonpartisan League candidates in the primary encouraged league leaders to continue their activities.

PLANS FOR 1918 FALL ELECTION

After the primary election of 1918 the question arose as to what should be done in the fall. Some were of the opinion that best results would be reached by making endorsements of candidates already nominated in the existing parties. That would have led to the endorsement of a number of Democrats. The difficulty with that procedure was that many voters who were ready to leave the Republican Party did not approve of the Democratic candidates. Some of the Nonpartisan League leaders who had come to Minnesota from North Dakota were ready to fold up their tents and go back home. However, there were labor leaders who were determined to keep up the fight. Labor had not yet taken a leading hand in the movement. A. C. Townley, William Lemke, and John T. Thompson, Nonpartisan League leaders of North Dakota, were willing that further attempts be made to secure the cooperation of organized labor and put forth united effort in the fall election.

LABOR POLITICAL CONVENTION CALLED

In July 1918 the State Federation of Labor held its convention in Virginia, Minn. It was a very highly war-fevered convention. William Mahoney offered a resolution calling for a labor political convention. Many of the delegates were afraid to sign Mahoney's resolution for fear they would be labeled pro-German. However, the resolution was passed, and a call for a State labor political convention was issued for August 25. The call went to all unions in the State, urging them to send delegates to the convention, with a view to discussing a State election and the possibility of putting up a ticket.

In the meantime the State committee of the Nonpartisan League had met and decided to appoint a committee of seven to get together with organized labor during the labor political convention. The Nonpartisan League committee included A. C. Welch, of Glencoe; Magnus Johnson, of Kimball; Arny Grundysen, of Fisher; R. E. Crane, of Grand Meadow; D. N. Williams, of Courtland; O. O. Teuve, of Wrenshall; and K. Knutson, of Cottonwood.

During the session of the Nonpartisan League State committee a delegation of independent Republicans and Democrats had asked permission to address the meeting. They suggested that the league support a third new candidate for

Governor. This committee of independent Republicans and Democrats included Dr. William E. Leonard, of Minneapolis; Attorney Ray C. Smelker, of St. Paul; Carl H. Lewis, of Minneapolis; Mayor J. J. Reiter, of Rochester; and Attorney F. A. Pike, who has been special assistant United States attorney.

LABOR POLITICAL CONVENTION, ST. PAUL, AUGUST 24–25, 1918

There were 125 delegates from labor unions all over the State at the August 24–25 labor political convention. The convention passed a resolution to appoint a conference committee to confer with representatives of the Nonpartisan League, with a view to putting up a State ticket in the fall. William Mahoney was made chairman of the conference committee. The committee went into conference with five representatives of the Nonpartisan League.

Names were suggested as possible candidates for governor. Magnus Johnson, Tom Davis, and Dave Evans were among those suggested.

DAVE EVANS FOR GOVERNOR

Dave Evans, of Tracy, seemed to be the favorite candidate. F. A. Pike, Democrat, and attorney for the Nonpartisan League, favored Evans, and had telegraphed him to come to St. Paul for an interview. Evans was a hardware merchant of Tracy, Lyon County, Minn., a fine, splendid gentleman. He was a Liberal Democrat. He had been a coworker of Ignatius Donnelly in the Populist Party. He had been a Democratic candidate for Congress in 1904. He had defended the Nonpartisan League during the attacks made upon it in 1917 and 1918, and his house had been painted yellow. He had not opposed the war; in fact, it was said that he owned about $15,000 worth of Liberty bonds at the time he was chosen to run for governor in the fall of 1918. He purchased more Liberty bonds than anyone else in Lyon County. Congressman John Baer, of North Dakota, was at one time barred out of Tracy by patrioteers. Evans invited Baer to his home where the meeting was held.

Evans was called before the committee for questioning; he was offered the candidacy for Governor, and accepted.

For attorney general the committee picked Tom Davis, an able, well-known, Minneapolis lawyer, who was especially popular among labor union groups.

For railroad and warehouse commissioner, F. E. Tillquist was chosen. Tillquist was a locomotive engineer for the Omaha Railroad. He was born on a farm in Chisago County, Minn. He was an outstanding, active member of the railroad brotherhoods' organization.

The recommendation of the committee to endorse these candidates was accepted by the labor political convention and a campaign committee was appointed. The president of the campaign committee was E. G. Hall, who was president of the State Federation of Labor. The secretary was George W. Lawson, who was secretary of the State Federation of Labor. Some of the other members were Ed. Corcoran, William Mahoney, and William Watkins. The necessary 2,000 names were secured on petitions for the Farmer-Labor candidates, and the response of the voters to the name Farmer-Labor was most surprising.

FLOYD B. OLSON FIRST FARMER-LABOR GOVERNOR

Each general election after 1918 there were Farmer-Labor candidates on the ballot. In 1930 the Farmer-Labor Party, electing its first Governor, Floyd B. Olson, became the first party of the State, and has remained so to this day. Floyd B. Olson has the unique distinction of being America's first Farmer-Labor Governor.

WORLD WAR ESPIONAGE ACT MODELED AFTER SEDITION ACT OF 1798

In the formation of the Farmer-Labor Party of 1918 history repeated itself. The Farmer-Labor Party was a protest against war persecution, ruthless enforcement of espionage laws, violation of constitutional rights of free speech and press, free assemblage, and petition. The Espionage Act of World War days was modeled after the infamous Sedition Act that Thomas Jefferson fought and repealed. Damages were paid to American citizens who suffered injustices under the Sedition Act of Jefferson's day.

The Farmer-Labor Party of Minnesota has its roots in the American Revolution. America was born in a protest against exploitation. With new political parties this Nation had its birth. The Declaration of Independence is more than a protest against the tyranny of an eighteenth century British King. It is the living spirit of Americanism today. It is the lasting inspiration of a great American ideal—a free and equal people. The Declaration of Independence rings out in the words of Jefferson, Jackson and Lincoln. Through the decades it has carried forward a patriotic protest against all kinds of exploitation. It repudiates legislation repressing the liberties of the people. It repulses usurpation of the people's power by the aristocracy of wealth. The only liberty it curbs is the liberty of man to exploit man, for "all men are created equal."

FARMER-LABOR PARTY FOUNDED ON AMERICAN IDEALS

The Farmer-Labor Party of Minnesota was founded in the traditional American spirit. It is inspired by the Declaration of Independence. It carries forward in Minnesota the struggle of Jefferson, Jackson, and Lincoln for the liberty and happiness of those who toil. Without some consideration of these earlier struggles no real understanding of the Farmer-Labor Party is complete.

The Farmer-Labor Party is native American. It grew up with the Northwest. It has its roots in the soil of the Northwest. It came into being as the inevitable result of struggles that went before. It is the direct offspring of the Nonpartisan League. Its ancestors were the Progressives of 1912, Bryan Democracy of 1896, the People's Party of the nineties, the Greenback and Granger movements soon after the close of the Civil War, the new Republican Party of Abraham Lincoln, the early trade-union political parties long before the Civil War. The Farmer-Labor Party traces its ancestors to Thomas Jefferson and the American Revolution.

DECLARATION OF INDEPENDENCE, 1776

We hold these truths to be self-evident: That all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness. That to secure these rights governments are instituted among men, deriving their just powers from the consent of the governed; that whenever any form of government becomes destructive to these ends, it is the right of the people to alter or to abolish it.

JEFFERSON DEFENDS PEOPLE'S LIBERTY

Twenty-two years after the Declaration of Independence was adopted Thomas Jefferson, its author, was persecuted for defending it. War hysteria produced repressive legislation. It violated the people's liberties. America at the close of the eighteenth century was on the verge of being dragged into the quarrels of Europe. Many Federalists were British sympathizers.

ALIEN AND SEDITION ACTS, 1798

President Adams' administration put through the notorious Alien and Sedition Acts of 1798. The Alien Act gave the President the power to order all aliens he thought dangerous to the peace and safety of the United States, or who he had reasonable ground to believe were concerned in treasonable or secret activities against the Government, to leave the country within any date he might set. If the alien refused to leave, the President had the right to imprison him. Apparently all persons whom this law would affect left the country voluntarily, and no one was imprisoned or deported under the act.

The Sedition Act, Jefferson declared, was "an experiment on the American mind to see how far it will bear an avowed violation of the Constitution" (S. E. Foreman, Our Republic, p. 179). A hundred and twenty years later this same act was drawn upon in framing the espionage laws during the World War. In both cases new political parties arose to protest the violation of constitutional guaranties. Those who opposed the Sedition Act of 1798 flocked to the new Jeffersonian Republican Party. The victims of the espionage law and Minnesota's reign of terror during the World War lifted the standards of the Farmer-Labor Party.

SEDITION ACT OF 1798

The Sedition Act of 1798 imposed a heavy fine upon any person conspiring to oppose any measure of government and upon any person publishing any false or scandalous or malicious writings against the National Government, Congress, or the President, and the measure was used to crush political opponents of the Adams administration. Jefferson took up the fight against this violation of the people's rights. The Constitution forbids Congress to pass laws interfering with freedom of speech or personal liberty. The Legislature of Kentucky passed the famous Kentucky resolutions, drawn up by Jefferson, declaring that the alien and sedition laws were contrary to the Constitution. The same kind of resolutions were passed by the Legislature of Virginia. Seven other States objected to the Alien and Sedition Acts.

These alien and sedition laws were passed under the pretext of curbing the activities of French sympathizers in the war between France and England. Actually, they were used to crush American enemies of the Federalist Party. The alien law was apparently aimed more at liberty-loving Irish immigrants than at the French. Irish immigrants flocked in large numbers to Jefferson's party. If Federalist President Adams considered them dangerous, he could deport them.

The sedition bill was used to crush the opposition press and silence criticism of the Federalists in power. Hamilton thought the law went too far. During the Presidential campaign of 1800 vicious attacks were made on Jefferson by the Federalist administration and the Federalist press. Finally property confiscated under these un-American acts was restored and damages paid.

JEFFERSONIAN DEMOCRACY VICTORIOUS

When the votes were counted it was victory for democracy and the Declaration of Independence. The electoral vote at first was 73 for Jefferson, 73 for Aaron Burr, 65 for John Adams, 64 for C. C. Pinckney, and 1 for John Jay. According to the Constitution it was then necessary for the House of Representatives to ballot on the two highest candidates.

On the thirty-sixth ballot, taken February 17, 1801, 10 States voted for Jefferson and 4 for Burr. Delaware and South Carolina did not vote.

JEFFERSON FOR FREEDOM OF SPEECH

Thomas Jefferson, in his inaugural address, said:

If there be any among us who would wish to dissolve this Union, or to change its republican form, let them stand undisturbed as monuments of the safety with which error of opinion may be tolerated where reason is left free to combat it. (Claude G. Bowers, Jefferson and Hamilton, p. 509.)

BACKGROUND OF FARMER-LABOR PARTY

These early struggles of Jefferson and his followers form a part of the background of the Farmer-Labor Party. Jefferson's Republican Party was a new workers' and farmers' party. Jefferson was more than a liberal or a progressive. He was a radical. Later labor and farmer leaders follow the leadership of Jefferson. Into the Declaration of Independence Thomas Jefferson wrote immortal, fundamental principles, an everlasting inspiration for new and radical parties emerging from necessity as we march up the hills of time.

FIRST AMERICAN LABOR PARTY, 1828

There were labor parties in this country long before Minnesota was an organized Territory.

In 1828 the trades-unions of Philadelphia launched the first Labor Party in the United States. That was the year Andrew Jackson was elected President. When the Erie Canal opened in 1825 organizations in the United States were formed. Philadelphia and New York unionists in 1827 were struggling for the 10-hour day. They won. Once organized, they continued their activities. The 10-hour day was their immediate goal, but their platform included more than that.

LABOR AND OUR PUBLIC SCHOOLS

They fought for free public education and other social and economic reforms. They demanded that labor receive the fruits of its toil. The Philadelphia Labor Party of 1828 included in its platform this statement:

As freemen and Republicans, we feel it a duty incumbent on us to make known our sentiments fearlessly and faithfully on any subject connected with the general welfare; and we are prepared to maintain that all who toil have a natural and unalienable right to reap the fruits of their own industry; and that they who by labor (the only source) are the authors of every comfort, convenience, and luxury are in justice entitled to an equal participation not only in the meanest and the coarsest but likewise the richest and choicest of them all. (Labor and Farmer Parties in the United States, 1828 to 1928, Nathan Fine.)

The Declaration of Independence echoes in that statement.

LABOR FIGHTS FOR FREE PUBLIC SCHOOLS

Organized labor has always fought for free public education. From the early days of American history the establishment of free public schools has been an integral part of labor's program. This is natural, since labor constitutes the great mass of American people who receive the benefits of free public education. Thomas Jefferson's early struggle for a public-school system was carried on for the benefit of labor. The minority not identified with labor could afford private schools and tutors. Public schools did not interest them. But Jefferson knew that the education of those who labor is the foundation of lasting democracy. Labor unions have from the first recognized this truth.

The Mechanics' Union of Trade Associations, which arose out of the Philadelphia carpenters' strike for a 10-hour day, sent out a circular to candidates for office in Andrew Jackson's time, asking whether the candidate believed—

That an open school and competent teachers for every child from the lowest branch of an infant school to the lecture rooms of practical science should be established, and those who superintend them to be chosen by the people. (Readings in the History of Education, no. 315, New York Free Enquirer, Oct. 7, 1829, quoted in Columbia University Teachers College Contributions to Education, no. 201, p. 10.)

A New York labor paper, the Workingman's Advocate, in 1829 included in its prospectus the statement:

All children are entitled to equal education; all adults to equal property; all mankind to equal privileges. (Readings, p. 16.)

Further information on labor's fight for adequate free public education may be found in my speech of August 7, 1935, Retrenchment, Retrogression, and Ruin, the Three R's of Economized Education, CONGRESSIONAL RECORD, page 12694.

The declaration "All men are created equal" reappears in different words in every major struggle of labor and farmers for the fruits of their toil.

LABOR AND FARMERS UNITE, 1833

Labor and farmers united early in the nineteenth century. In 1833 and 1834 the Association of Farmers, Mechanics, and other Workingmen, in Massachusetts, was active in politics. Farmers and workers united on several demands, including free tax-supported schools. The farmer-labor program also included ending imprisonment for debt and abolition of private monopolies.

LABOR ADVOCATED WORKERS' EDUCATION A HUNDRED YEARS AGO

In 1834 a national trades union, representing the territory from Boston to Cincinnati, included in its constitution provisions advocating the education of union members, the formation of committees to agitate for education, and an attempt to democratize public-school systems.

From then on, organized labor has advocated a broad, general public-education system; its efforts have by no means been confined to vocational education. During the first half of the nineteenth century, labor organizations played a leading part in the campaign for free public schools. It is a fact which cannot be denied that where illiteracy prevails among workers in some sections of America broad militant labor organization does not exist. The workers in these sections have not been able to form economic organizations. They have not been able to make a strong demand for public education. Labor's hope for better opportunities in the future lies in the education of all the people. From the date of its first convention in 1881 the American Federation of Labor has declared for legislation in the interest of improving and expanding free public education.

AMERICAN FEDERATION OF LABOR DEMANDS FREE TEXTBOOKS, 1911

As early as 1911 the American Federation of Labor recommended that socially archaic textbooks be replaced with books which teach the dignity of manual labor and—

That will not teach the harmful doctrine that the wage workers should be content with their lot, because of the opportunity that may be afforded a few of their number rising out of their class, instead of teaching that the wage earners should base their hopes upon the elevation of the conditions of the working people.

THE BIRTH OF MINNESOTA

Labor organizations helped to keep the spirit of the Declaration of Independence before the American people at all times. In periods of persecution and distress, labor and farm leaders led a united protest of city and country workers.

When Minnesota became a State, the first President we helped to elect was that great champion of labor, Abraham Lincoln, in whose words the Declaration of Independence lived once more. Minnesota voted for Abraham Lincoln by a vote of 22,069, against 11,920 for Stephen A. Douglas, Democrat.

LINCOLN'S OWN WORDS ON LABOR

With reference to the rights and the dignity of labor Abraham Lincoln said:

It is assumed that labor is available only in connection with capital; that nobody labors unless somebody else, owning capital, somehow by the use of it induces him to labor. * * *

Labor is prior to, and independent of, capital. Capital is only the fruit of labor, and could never have existed if labor had not first existed. Labor is the superior of capital, and deserves much the higher consideration. * * *

Let them beware of surrendering a political power which they already possess, and which, if surrendered, will surely be used to close the door of advancement against such as they, and to fix new disabilities and burdens upon them, till all of liberty shall be lost (Dec. 3, 1861, Annual Message, quoted in Nicolay & Hay, Complete Works of Abraham Lincoln, vol. VII, pp. 57, 59).

THE FRUITS OF LABOR

Abraham Lincoln said:

In the early days of our race the Almighty said to the first of our race, "In the sweat of thy face shalt thou eat bread"; and since then, if we except the light and the air of Heaven, no good thing has been or can be enjoyed by us without having first cost labor. And inasmuch as most good things are produced by labor, it follows that all such things of right belong to those whose labor has produced them. But it has so happened, in all ages of the world, that some have labored, and others have without labor enjoyed a large portion of the fruits. This is wrong, and should not continue. To secure to each laborer the whole product of his labor, or as nearly as possible, is a worthy object of any good government (Complete Works of Abraham Lincoln, Nicolay & Hay, vol. I. pp. 306–307, Abraham Lincoln, Dec. 1, 1847, Tariff Discussion).

Later Lincoln said:

It may seem strange that any man should dare to ask a just God's assistance in wringing their bread from the sweat of other men's faces; * * * (Complete Works of Abraham Lincoln, Nicolay & Hay, vol. XI, pp. 45–46, Abraham Lincoln, Mar. 4, 1865, Second Inaugural Address).

MINNESOTA TERRITORY

Minnesota was organized as a Territory on June 1, 1849. A Governor, secretary, marshal, and attorney were appointed by the President. A chief justice and two associate justices were assigned to judicial districts of the Territory by the Governor. Following were the first officers of Minnesota Territory:

Alexander Ramsey, of Pennsylvania, Governor.
C. K. Smith, of Ohio, secretary.
Aaron Goodrich, of Tennessee, chief justice.
David Cooper, of Maryland, associate justice.
Bradley B. Meeker, of Kentucky, associate justice.
Col. A. M. Mitchell, of Ohio, marshal.
Henry L. Moss, attorney.

On August 1, 1849, the qualified voters elected Henry H. Sibley as the first Delegate to the House of Representatives. Nine councilmen and eighteen representatives were elected to the legislative assembly of the Territory.

TERRITORIAL GOVERNORS

The first Territorial Governor, Alexander Ramsey, was born near Harrisburg, Pa., September 8, 1815, and died in St. Paul April 22, 1903. He was a Representative in Congress from Pennsylvania from 1842 to 1847, a United States Senator from 1863 to 1875, and Secretary of War in President Hayes' Cabinet. He served as Territorial Governor from June 1, 1849, to May 15, 1853.

The second Territorial Governor, Willis Arnold Gorman, served from May 15, 1853, to April 23, 1857. He was born near Flemingsburg, Ky., January 12, 1816, and died in St. Paul May 20, 1876. He was a lawyer, served in the Mexican War and the Civil War, and was made brigadier general.

The third Territorial Governor, Samuel Medary, served from April 23, 1857, to May 24, 1858. He was born in Montgomery County, Pa., February 25, 1801, and died in Columbus, Ohio, November 7, 1864. He was the last Governor of Minnesota Territory, holding that position until Minnesota was admitted to statehood.

MINNESOTA MADE A STATE MAY 11, 1858

Minnesota was admitted to the Union on May 11, 1858. State officers were sworn in May 24, 1858. Henry H. Sibley, the first Governor, was a Democrat. He received 17,790 votes against 17,550 for Alexander Ramsey, Republican. In the 1859 election Alexander Ramsey, Republican, won over George L. Becker, Democrat, and Republican Governors continued to be elected to office in Minnesota until Democrats and Populists together elected John Lind, Democratic-People's candidate, in 1898 by a vote of 131,980 to 111,796 for the Republican, William H. Eustis.

TERRITORIAL DELEGATES TO CONGRESS

Minnesota's Territorial Delegates to Congress were Henry H. Sibley from January 15, 1849, to March 4, 1853; Henry M. Rice from December 5, 1853, to March 4, 1857; and W. W. Kingsbury from December 7, 1857, to May 11, 1858.

SHIELDS AND RICE IN HALL OF FAME

Minnesota's first Senator was James Shields, Democrat, who served from May 12, 1858, to March 4, 1859. James Shields and Henry M. Rice represent Minnesota in Statuary Hall in the United States Capitol. Major General Shields served as United Senator from Illinois, Minnesota, and Missouri. He is the only United States Senator I know of who served three States in that high office.

AFTER LINCOLN, THE NATIONAL LABOR UNION, 1866

In 1866 a convention of the National Labor Union met in Baltimore to form a National Labor Party. The object of this convention was to secure enactment of laws guaranteeing the 8-hour day.

The National Labor Union again had a convention in 1867, and in 1868 leaders of the union met and decided the organization was too weak to put up a national ticket that year. Always there are those who want to wait—wait till next time. At its fifth convention in Cincinnati in 1870 a motion was adopted to organize a Labor Party and put up national candidates. When the nominating convention met in February 1872, three names were under consideration for President—Judge Davis; Governor John W. Geary, of Pennsylvania; and Wendell Phillips. Phillips was more definitely identified with the labor movement, but Davis was nominated. Later the liberal faction of the Republican Party and the Democratic Party nominated Horace Greeley for President; Davis withdrew with a statement that he would support Greeley. The Labor Party was left without a candidate. (Information from Labor and Farmer Parties in the United States by Nathan Fine.)

Horace Greeley died November 29, 1872, and the Liberal-Republican and Democrat electors were compelled to vote for other persons in the electoral college.

GRANGERS WAR AGAINST MONOPOLIES

The Grange movement was the farmers' war against monopolies. Illinois was the center of the uprising. Farmers were outraged by railroad abuses. They, and the Government, had given huge grants of public lands to railroads, and now these lands were being held for speculative purposes. Farmers felt that railroads ought to be run at least partially for the farmers' benefit. They demanded Government regulation of rates and correction of abuses. California, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, Oregon, and Wisconsin were active in the Grange

movement. Affiliated political parties went under different names in different States. There were Anti-Monopoly, Reform, Independent, and Independent Reform Parties. Many representatives and senators were elected to State legislatures. In Minnesota the Anti-Monopoly Party elected a State treasurer, Edwin W. Dyke, in 1873. Minnesota's Anti-Monopoly Party opposed monopoly of wood and coal and demanded limitation of hours in shops and factories.

GREENBACKERS AND GRANGERS UNITE

In 1874 Greenbackers, Anti-Monopolists, Grangers, and other opposition elements met and formed a national independent "Greenback" Party. James Buchanan presided. A nominating convention was held in 1876 with delegates from 18 States. Ignatius Donnelly, of Minnesota, was temporary chairman; Thomas J. Durant, permanent chairman. Peter Cooper, New York philanthropist was nominated for President and Newton Booth, of California, for Vice President. Samuel F. Cary was substituted for Booth when Booth declined.

Cooper, after being nominated made the public statement that the needed relief may yet be had from the Republican or Democratic Party. He did not campaign aggressively. The platform demanded that United States notes be issued by the Government, bearing a low rate of interest. The platform was largely concerned with financial questions; it declared that the economic depression was due to mismanagement of national finances. (Nathan Fine.)

Cooper polled 81,737 votes. His support came from the Middle West. Minnesota gave him 2,389 votes; Illinois, 17,233.

The Greenback Party continued to grow after Granger activities declined. Greenbackers demanded Government issuance of paper money. In 1878, an off-year congressional election, Greenback-Labor elements combined in the National Party, and in local and State elections received over a million votes. Minnesota gave the national congressional candidates 22,600 votes in 1878. Thirty-six States contributed to the million votes received ranging from 590 in Florida to 123,517 in Iowa. Minnesota had a Greenback candidate for Governor, William Meigher, in 1877. He received 2,396 votes.

GREENBACK PARTY PLATFORM

In 1880 and 1884 the Greenback Party platform included reduction of hours, Government bureaus of labor, no contract prison labor, suppression of Chinese immigration. It included six monetary proposals:

First. It is the exclusive function of the General Government to coin and create money and regulate its value. All bank issues designed to circulate as money should be suppressed. The circulating medium, whether of metal or paper, shall be issued by the Government and made a full legal tender for all debts and taxes in the United States at its stamped value.

Second. There shall be no privileged class of credits. Official salaries, pensions, bonds, and all other debts and obligations, public and private, shall be discharged in the legal-tender money of the United States, strictly according to the stipulations of the laws under which they were contracted.

Third. The coinage of silver shall be placed on the same footing as that of gold.

Fourth. Congress shall provide said money adequate to the full employment of labor, the equitable distribution of its products, and the requirements of business, fixing a minimum amount per capita of the population as near as may be, and otherwise regulate its value by wise and equitable provisions of law, so that the rate of interest will secure to labor its just reward.

Fifth. It is inconsistent with the genius of popular government that any species of private property should be exempt from bearing its just share of the public burdens. Government bonds and money should be taxed precisely as other property, and a graduated income tax should be levied for the support of the Government and the payment of its debts.

Sixth. The public lands should be reserved for actual settlers only and granted in limited quantities. (P. 68, Labor and Farmer Parties, Nathan Fine.)

GREENBACK VOTES, 1880 AND 1884

The Greenback Party continued to run Presidential candidates in 1880 and 1884. In 1880, James B. Weaver, the Presidential candidate, polled 308,578 votes. Minnesota gave him 3,267. In 1884 Benjamin F. Butler, the Presidential candidate, polled 175,370 votes nationally and 3,583 in Minnesota. That was the last year a Greenback candidate appeared on the Presidential ticket.

HENRY GEORGE

In 1886 the Central Labor Union, Knights of Labor, Socialist Labor Party, Greenbackers, Anti-Monopolists, and Single Taxers put up a united front for Henry George for mayor of New York City on the United Labor Party ticket. Samuel Gompers campaigned for the new party in New York. George lost the campaign, receiving 67,930 against the 90,456 votes of the Tammany candidate, ex-Congressman Abram S. Hewitt, and 60,474 for the Republican candidate, Theodore Roosevelt. After this campaign the United Labor Party divided into factions. Socialists felt that the party was a "Henry George" party and did not belong to labor. George finally withdrew from the United Labor Party, and the single-tax delegation followed him.

LABOR PARTIES IN 1888

By 1888 other labor parties had been formed. There was a United Labor Party formed in Cincinnati in 1888 by a group of farmers and laborers. Free trade and single tax on land values were their demands. Robert H. Cowdrey, of Illinois, was named for President, and W. H. T. Wakefield, of Kansas, for Vice President. Cowdrey received 1,721 votes in New York and Brooklyn—Information from Nathan Fine, Labor and Farmer Parties in the United States.

Alson J. Streeter, Union Labor candidate for President, received 146,935 votes in 1888. Samuel Evans was his running mate. In 1890 Minnesota gave 58,513 votes to Sidney M. Owen, "Alliance" candidate for Governor, and Kittel Halvorson was elected Congressman on the Alliance ticket from the Fifth District. He served one term.

PEOPLE'S PARTY

The first national convention of the People's Party was held at Omaha on July 2, 1892. H. L. Loucks, of South Dakota, was permanent chairman. The platform adopted by the People's Party in 1892 and other platforms of interest are printed in the CONGRESSIONAL RECORD for August 17, 1935, included in my speech on "A National Labor Party—Eventually, Why Not Now?"

PLATFORMS AND PROGRAMS IN AUGUST 17, 1935, CONGRESSIONAL RECORD

The People's Party sprang from the needs of southern and western farmers. High rates of interest, crop failures, low prices for farm products, and high prices of farm necessities contributed to the economic troubles of farmers. There was no income tax in those days. Railroads and corporations escaped their tax burden. The farmers bore much more than their share in taxes on land. The Knights of Labor, first organized in 1869, joined with farmer and labor organizations to form the People's Party.

James Weaver, of the Knights of Labor, was the Presidential nominee of the People's Party. The platform and resolutions called for more effective laws against contract labor, restriction of undesirable immigration, shorter hours, abolition of "the army of mercenaries, known as the Pinkerton system."

Weaver carried Colorado, Idaho, and Kansas, where the Democratic Party did not have a Presidential ticket. He also carried Nevada. He failed to win Nebraska by less than a hundred votes.

In Minnesota in 1892 Weaver received a fusion vote of 107,077, compared with Benjamin H. Harrison's vote of 122,823 and 100,920 for Grover Cleveland.

Weaver's total vote was 1,040,886, compared with 5,556,543 for the Democratic candidate, Grover Cleveland, and 5,175,582 for the Republican candidate, Benjamin Harrison. At a time when the population was half of what it is today, and no women were voting, the People's Party received over a million votes. That is equivalent to 5,000,000 today.

The same year Ignatius Donnelly ran on the People's Party ticket for Governor of Minnesota and polled 39,862 votes, against 109,220 for Knute Nelson, Republican, 94,600 for Daniel W. Lawler, Democrat, and 12,239 for William J. Dean, Prohibition Party. Haldar E. Boen was elected to Congress on the People's Party ticket. He represented the Seventh District for one term.

PEOPLE'S PARTY INFLUENCE ON DEMOCRATS

The Populist Party had an effect upon the tactics of the Democratic Party in 1896. In 1894 the Populists had again shown great strength in the congressional elections. They almost wiped out the Democrats in the West and Northwest, and once more that is the Farmer-Labor-Democrat situation in Minnesota today. In 1894 Sidney M. Owen, Populist candidate for Governor of Minnesota received 87,890 votes, compared with 53,584 for the Democratic candidate, George L. Becker, and 147,943 for the Republican candidate, Knute Nelson.

BRYAN DEMOCRACY

The Democratic platform of 1896, therefore, was formulated to appeal to the Populists. The income-tax law had been declared unconstitutional. The Democratic platform of 1896 proposed that Congress obtain a reversal of that decision. It protested the use of injunctions. The money planks included the famous declaration for free and unlimited coinage of silver and gold at the legal ratio of 16 to 1. The platform stated that Congress alone has the power to coin and issue money. It was opposed to the issuing of interest-bearing bonds in time of peace.

There were two factions at the People's Party convention of 1896—those opposed to fusion and those favoring. S. F. Norton was the outstanding Populist candidate for President at that convention. However, by a majority of 1,042 to 321, Bryan was endorsed over Norton. (Nathan Fine.) The People's Party in 1896 gave up its identity to support Bryan. The magnificent results of the campaign of 1892 were lost to America by fusion with the Democratic Party. Fusion means death. Let the Farmer-Labor Party of Minnesota and America heed this warning.

INDEPENDENT POPULISTS

In 1900 the antifusion faction of the Populist Party ran Wharton Barker, of Pennsylvania, for President, and Ignatius Donnelly, of Minnesota, for Vice President. These candidates received 50,599 votes. Two-fifths of the vote came from Texas.

The fusion faction again nominated Bryan; this time by acclamation.

A Presidential candidate, Thomas Watson, of Georgia, was filed on the People's Party—antifusion—ticket as late as 1908. In 1904 Watson received 114,546 votes nationally and 2,103 from Minnesota. In 1908 he received 29,146 votes nationally. William Jennings Bryan again ran for President that year on the Democratic ticket, and apparently Minnesota's Populists voted for Bryan.

IGNATIUS DONNELLY

No history of the Farmer-Labor Party is complete without mention of Ignatius Donnelly. To this scholar and statesman many Nonpartisan League and Farmer-Labor Party founders owed their inspiration.

Ignatius Donnelly was born in Philadelphia on November 3, 1831; was admitted to the bar in 1852 and practiced law in Philadelphia. In 1857 he moved to Minnesota, the year before Minnesota was admitted to the Union. He was a pioneer, settling in Nininger, Dakota County. He was the second Lieutenant Governor of Minnesota, serving two terms. From 1863 to 1869 he served three consecutive terms in Congress. He ran for Congress again in 1868 and 1870 but was defeated. He served in the State senate from 1874 to 1878. In 1876 he was temporary chairman of the convention of Greenbackers and Grangers, when Peter Cooper was nominated for President. In 1892 he ran for Governor of Minnesota as the People's Party candidate, and in 1900 he was Independent Populist candidate for Vice President. His home, on the banks of Minnesota at Nininger, about 1 mile from Hastings, was the mecca for progressive and liberal pilgrims from afar. The residence still stands, containing probably the most scholarly individual library in Minnesota. Attempts have been made to preserve the library by legislative action. This should be done. He died in Minneapolis on January 1, 1901 (Biographical Directory of Congress and Minnesota Legislative Manual, 1935).

The writings of Ignatius Donnelly in newspapers, magazines, and books educated and inspired the men and women who later built the Farmer-Labor Party.

JOHN LIND

Another outstanding Populist leader in Minnesota was John Lind, Member of Congress and Governor. The People's Party had polled a large vote in 1894. In 1896 John Lind ran as the Democratic-People's candidate for Governor of Minnesota, receiving 162,254 votes against 165,806 for David M. Clough, Republican, who was elected.

In 1898 John Lind again ran as Democratic-People's candidate, and won by a vote of 131,980 against 111,796 for William H. Eustis, Republican. The party continued to file Governor candidates through 1902.

John Lind was born in Kanna, Sweden, on March 25, 1854. He emigrated to the United States in 1867 with his parents. He was a teacher and a lawyer. He was at one time president of the University of Minnesota Board of Regents.

Lind was elected to Congress as a Republican representing the Second District from 1887 to 1893. He declined to be a candidate for renomination in 1892. He ran for Governor in 1896 as the Democratic-People's candidate but was defeated. He was elected as Democratic-People's candidate for Governor in 1898 and served from 1898 to 1900. In 1900 he was defeated by the Republican candidate, S. R. Van Sant, prominent member of the G. A. R.

In the Spanish-American War, Lind was first lieutenant and quartermaster in the Twelfth Minnesota Volunteer Infantry. In the same regiment Ernest Lundeen served as a private in Company B. Lind was again elected to Congress as a Democrat, serving from 1903 to 1905, representing the Fifth District. He declined to be a candidate for renomination in 1904. He continued the practice of law in Minneapolis, Minn., and died in that city on September 18, 1930.

SOCIALIST PARTY

The People's Party gave way to the Socialists. Socialists had combined with Greenbackers and with Henry George followers. Many of them supported the Populist Party. There have been Socialist or Socialist-Labor candidates, or both, in every Presidential election beginning with 1892. The outstanding leader of the Socialist Party was Eugene V. Debs, candidate for President in 1900, 1904, 1908, 1912, and 1920.

For Governor of Minnesota the Socialists put up W. B. Hammond in 1896. He received 1,125 votes. Hammond again ran in 1898, receiving 1,685 votes. In 1900 there was a Socialist-Democrat candidate for Governor, Thomas H. Lucas, who received 3,546 votes, and Edward Kris, Socialist-Labor candidate, received 886 votes. Jay E. Nash appeared as the Socialist candidate for Governor in 1902, polling 2,521 votes. Thomas Van Lear ran as Socialist-Labor candidate for Governor in 1902 and received 2,570 votes. In 1904 Nash ran as public-ownership candidate for Governor and received 5,810 votes; while A. W. M. Anderson ran as Socialist-Labor candidate and received 2,293 votes. Socialist, Socialist-Labor, Socialist-Democrat, Independent-Socialist, or Public Ownership candidates continued to file for Governor every year up to and including 1924, with the exception of 1922, when Magnus Johnson ran for Governor on the Farmer-Labor ticket. Since 1924 we have had no candidates for Governor on the Socialist ticket.

Socialist political activity was continuous from before 1850 until the World War, when there was a split in the ranks on the war question. The famous war declarations of the Socialist Party at St. Louis in April 1917 are printed in my speech of August 17, 1935, on page 13519 of the CONGRESSIONAL RECORD. The Socialist Party platform of 1932 is also included in my speech of August 17.

EUGENE V. DEBS

Eugene V. Debs was a lecturer, writer, and labor organizer. In 1893 Debs organized in Chicago the American Railway Union. In 1894 the great Pullman strike was fought. Federal troops were used to crush the strike. Strikers were persecuted and charges of crime brought against them. Debs served 6 months in Woodstock jail for contempt of court.

At the same time he was being taken to Chicago each day under guard to be tried for other charges.

Debs was also a leader in the Great Northern strike of the American Railway Union. After his experiences as a leader in railroad-labor strikes Debs turned to politics to seek victory in his struggle for labor's rights. He was Socialist candidate for President in 1900, 1904, 1908, 1912, and 1920. Eugene V. Debs is regarded as the most outstanding Socialist leader America has produced. Norman Thomas is the Socialist Party leader at present. He ran for President in 1928 and 1932.

COMMUNIST PARTY

The Communist Party did not offer candidates for Governor of Minnesota until 1928, when J. O. Bentall ran, receiving 5,760 votes. In 1930 Karl Reeve, Communist, ran for Governor and received 5,594 votes. In 1932 William Schneiderman received 4,807 votes on the Communist ticket for Governor, and in 1934 S. K. Davis polled 4,334 as the Communist Party's choice for Governor.

Communist (Workers') Party candidates for President began to appear in 1924 with William Z. Foster. Foster was again the party candidate in 1928 and 1932. Earl Browder is the 1936 Communist candidate for President.

William Z. Foster was born in Taunton, Mass., February 25, 1881. He went to work at the age of 10, after attending school for 3 years. He worked at a great variety of trades. He joined the Socialist Party in 1900 and was expelled in 1909 and joined the International Workers of the World. He was a member of the Brotherhood of Railway Carmen.

Foster spent 13 months studying the European labor movement. In 1921 he went to Russia. He joined the Communist Party in the United States and became candidate for President in the first Communist election campaign in 1924. He was again candidate for President in 1928 and 1932. He has written many books.

Other Communist leaders are Earl Browder, secretary of the Communist Party, and Clarence Hathaway, editor of the Daily Worker.

PROGRESSIVE PARTY—BULL MOOSERS OF 1912

When Theodore Roosevelt left the Republican Party and ran for President as a Progressive in 1912 he carried Minnesota by 20,000 votes.

DECLARATION OF PRINCIPLES OF THE PROGRESSIVE PARTY

The conscience of the people, in a time of grave national problems, has called into being a new party, born of the Nation's awakened sense of justice. We of the Progressive Party here dedicate ourselves to the fulfillment of the duty laid upon us by our fathers to maintain that government of the people, by the people, and for the people, whose foundations they laid.

We hold with Thomas Jefferson and Abraham Lincoln that the people are the masters of their Constitution, to fulfill its purposes and to safeguard it from those who, by perversion of its intent, would convert it into an instrument of injustice. In accordance with the needs of each generation the people must use their sovereign powers to establish and maintain equal opportunity and industrial justice, to secure which this Government was founded and without which no republic can endure.

This country belongs to the people who inhabit it. Its resources, its business, its institutions, and its laws should be utilized, maintained, or altered in whatever manner will best promote the general interest.

It is time to set the public welfare in the first place.

The old parties

Political parties exist to secure responsible government and to execute the will of the people.

From these great tasks both of the old parties have turned aside. Instead of instruments to promote the general welfare, they have become the tools of corrupt interests which use them impartially to serve their selfish purposes. Behind the ostensible government sits enthroned an invisible government, owing no allegiance and acknowledging no responsibility to the people.

To destroy this invisible government, to dissolve the unholy alliance between corrupt business and corrupt politics is the first task of the statesmanship of the day.

The deliberate betrayal of its trust by the Republican Party, and the fatal incapacity of the Democratic Party to deal with the new issues of the new time, have compelled the people to forge a new instrument of government through which to give effect to their will in laws and institutions.

Unhampered by tradition, uncorrupted by power, undismayed by the magnitude of the task, the new party offers itself as the instrument of the people to sweep away old abuses, to build a new and nobler commonwealth.

A covenant with the people

This declaration is our covenant with the people, and we hereby bind the party and its candidates in State and Nation to the pledges made herein.

The rule of the people

The Progressive Party, committed to the principle of government by a self-controlled democracy expressing its will through representatives of the people, pledges itself to secure such alterations in the fundamental law of the several States and of the United States as shall insure the representative character of the Government.

In particular, the party declares for direct primaries for the nomination of State and National officers, for Nation-wide preferential primaries for candidates for the Presidency, for the direct election of United States Senators by the people; and we urge on the States the policy of the short ballot, with responsibility to the people secured by the initiative, referendum, and recall.

Amendment of Constitution

The Progressive Party, believing that a free people should have the power from time to time to amend their fundamental law so as to adapt it progressively to the changing needs of the people, pledges itself to provide a more easy and expeditious method of amending the Federal Constitution.

Nation and State

Up to the limit of the Constitution, and later by amendment of the Constitution, if found necessary, we advocate bringing under effective national jurisdiction those problems which have expanded beyond reach of the individual States.

It is as grotesque as it is intolerable that the several States should by unequal laws in matter of common concern become competing commercial agencies, barter the lives of their children, the health of their women, and the safety and well-being of their working people for the profit of their financial interests.

The extreme insistence on States' rights by the Democratic Party in the Baltimore platform demonstrates anew its inability to understand the world into which it has survived or to administer the affairs of a Union of States which have in all essential respects become one people.

Social and industrial justice

The supreme duty of the Nation is the conservation of human resources through an enlightened measure of social and industrial justice. We pledge ourselves to work unceasingly in State and Nation for:

Effective legislation looking to the prevention of industrial accidents, occupational diseases, overwork, involuntary unemployment, and other injurious effects incident to modern industry;

The fixing of minimum safety and health standards for the various occupations, and the exercise of the public authority of State and Nation, including the Federal control over interstate commerce and the taxing power, to maintain such standards;

The prohibition of child labor;

Minimum wage standards for working women, to provide a living scale in all industrial occupations;

The prohibition of night work for women and the establishment of an 8-hour day for women and young persons;

One day's rest in seven for all wage workers;

The 8-hour day in continuous 24-hour industries;

The abolition of the convict contract labor system; substituting a system of prison production for governmental consumption only; and the application of prisoners' earnings to the support of their dependent families;

Publicity as to wages, hours, and conditions of labor; full reports upon industrial accidents and diseases; and the opening to public inspection of all tallies, weights, measures, and check systems on labor products;

Standards of compensation for death by industrial accident and injury and trade diseases which will transfer the burden of lost earnings from the families of working people to the industry, and thus to the community;

The protection of home life against the hazards of sickness, irregular employment, and old age, through the adoption of a system of social insurance adapted to American use;

The development of the creative labor power of America by lifting the last load of illiteracy from American youth and establishing continuation schools for industrial education under public control and encouraging agricultural education and demonstration in rural schools;

The establishment of industrial research laboratories to put the methods and discoveries of science at the service of American producers.

We favor the organization of the workers, men and women, as a means of protecting their interests and of promoting their progress.

Business

We believe that true popular government, justice, and prosperity go hand in hand, and, so believing, it is our purpose to secure that large measure of general prosperity which is the fruit of legitimate and honest business, fostered by equal justice and by sound progressive laws.

We demand that the test of true prosperity shall be the benefits conferred thereby on all the citizens not confined to individuals or classes and that the test of corporate efficiency shall be the ability better to serve the public; that those who profit by control of business affairs shall justify that profit and that control by sharing with the public the fruits thereof.

We therefore demand a strong national regulation of interstate corporations. The corporation is an essential part of modern business. The concentration of modern business, in some degree, is both inevitable and necessary for national and international business efficiency. But the existing concentration of vast wealth under a corporate system, unguarded and uncontrolled by the Nation, has placed in the hands of a few men enormous, secret, irresponsible power over the daily life of the citizen—a power insufferable in a free government and certain of abuse.

This power has been abused, in monopoly of national resources, in stock watering, in unfair competition and unfair privileges, and finally in sinister influences on the public agencies of State and Nation. We do not fear commercial power, but we insist that it shall be exercised openly, under publicity, supervision, and regulation of the most efficient sort, which will preserve its good while eradicating and preventing its evils.

To that end we urge the establishment of a strong Federal administrative commission of high standing, which shall maintain permanent active supervision over industrial corporations engaged in interstate commerce, or such of them as are of public importance, doing for them what the Government now does for the national banks, and what is now done for the railroads by the Interstate Commerce Commission.

Such a commission must enforce the complete publicity of those corporation transactions which are of public interest; must attack unfair competition, false capitalization, and special privilege, and by continuous trained watchfulness guard and keep open equally to all the highways of American commerce.

Thus the businessman will have certain knowledge of the law and will be able to conduct his business easily in conformity therewith; the investor will find security for his capital; dividends will be rendered more certain, and the savings of the people will be drawn naturally and safely into the channels of trade.

Under such a system of constructive regulation, legitimate business, freed from confusion, uncertainty, and fruitless litigation, will develop normally in response to the energy and enterprise of the American businessman.

Commercial development

The time has come when the Federal Government should cooperate with manufacturers and producers in extending our foreign commerce. To this end we demand adequate appropriations by Congress, and the appointment of diplomatic and consular officers solely with a view to their special fitness and worth, and not in consideration of political expediency.

It is imperative to the welfare of our people that we enlarge and extend our foreign commerce. We are preeminently fitted to do this because as a people we have developed high skill in the art of manufacturing; our businessmen are strong executives, strong organizers. In every way possible our Federal Government should cooperate in this important matter. Anyone who has had opportunity to study and observe first-hand Germany's course in this respect must realize that their policy of cooperation between Government and business has in comparatively few years made them a leading competitor for the commerce of the world. It should be remembered that they are doing this on a national scale and with large units of business, while the Democrats would have us believe that we should do it with small units of business, which would be controlled not by the National Government but by 49 conflicting sovereignties. Such a policy is utterly out of keeping with the progress of the times and gives our great commercial rivals in Europe—hungry for international markets—golden opportunities of which they are rapidly taking advantage.

Tariff

We believe in a protective tariff which shall equalize conditions of competition between the United States and foreign countries, both for the farmer and the manufacturer and which shall maintain for labor an adequate standard of living.

Primarily the benefit of any tariff should be disclosed in the pay envelope of the laborer. We declare that no industry deserves protection which is unfair to labor or which is operating in violation of Federal law. We believe that the presumption is always in favor of the consuming public.

We demand tariff revision because the present tariff is unjust to the people of the United States. Fair dealing toward the people requires an immediate downward revision of those schedules wherein duties are shown to be unjust or excessive.

We pledge ourselves to the establishment of a nonpartisan scientific tariff commission, reporting both to the President and to either branch of Congress, which shall report, first, as to the costs of production, efficiency of labor, capitalization, industrial organization, and efficiency and the general competitive position in this country and abroad of industries seeking protection from Congress; second, as to the revenue-producing power of the tariff and its relation to the resources of government; and, third, as to the effect of the tariff on prices, operations of middlemen, and on the purchasing power of the consumer.

We believe that this commission should have plenary power to elicit information, and for this purpose to prescribe a uniform system of accounting for the great protected industries. The work of the commission should not prevent the immediate adoption of acts, reducing those schedules generally recognized as excessive.

We condemn the Payne-Aldrich bill as unjust to the people. The Republican organization is in the hands of those who have broken, and cannot again be trusted to keep, the promise of necessary downward revision. The Democratic Party is committed to the destruction of the protective system through a tariff for revenue only—a policy which would inevitably produce widespread industrial and commercial disaster.

We demand the immediate repeal of the Canadian Reciprocity Act.

High cost of living

The high cost of living is due partly to world-wide and partly to local causes; partly to natural and partly to artificial causes. The measures proposed in this platform on various subjects such as the tariff, the trusts, and conservation will of themselves tend to remove the artificial causes.

There will remain other elements, such as the tendency to leave the country for the city, waste, extravagance, bad system of taxation, poor methods of raising crops, and bad business methods in marketing crops.

To remedy these conditions requires the fullest information and based on this information, effective Government supervision and control to remove all the artificial causes. We pledge ourselves to such full and immediate inquiry and to immediate action to deal with every need such inquiry discloses.

Currency

We believe there exists imperative need for prompt legislation for the improvement of our national currency system. We believe the present method of issuing notes through private agencies is harmful and unscientific.

The issue of currency is fundamentally a Government function and the system should have as basic principles soundness and elasticity. The control should be lodged with the Government and should be protected from domination or manipulation by Wall Street or any special interests.

We are opposed to the so-called Aldrich currency bill, because its provisions would place our currency and credit system in private hands, not subject to effective public control.

Conservation

The natural resources of the Nation must be promptly developed and generously used to supply the people's needs, but we cannot safely allow them to be wasted, exploited, monopolized, or controlled against the general good. We heartily favor the policy of conservation, and we pledge our party to protect the national forests without hindering their legitimate use for the benefit of all the people.

Agricultural lands in the national forests are, and should remain, open to the genuine settler. Conservation will not retard legitimate development. The honest settler must receive his patent promptly, without needless restrictions or delays.

We believe that the remaining forests, coal and oil lands, water powers, and other natural resources still in State or national control (except agricultural lands) are more likely to be wisely conserved and utilized for the general welfare if held in the public hands.

In order that consumers and producers, managers and workmen, now and hereafter, need not pay toll to private monopolies of power and raw material, we demand that such resources shall be retained by the State or Nation, and opened to immediate use under laws which will encourage development and make to the people a moderate return for benefits conferred.

In particular we pledge our party to require reasonable compensation to the public for water-power rights hereafter granted by the public.

We pledge legislation to lease the public grazing lands under equitable provisions now pending which will increase the production of food for the people and thoroughly safeguard the rights of the actual homemaker. Natural resources, whose conservation is necessary for the national welfare, should be owned or controlled by the Nation.

Waterways

The rivers of the United States are the natural arteries of this continent. We demand that they shall be opened to traffic as indispensable parts of a great Nation-wide system of transportation in which the Panama Canal will be the central link, thus enabling the whole interior of the United States to share with the Atlantic and Pacific seaboards in the benefit derived from the canal.

It is a national obligation to develop our rivers, and especially the Mississippi and its tributaries, without delay, under a comprehensive general plan covering each river system from its source to its mouth, designed to secure its highest usefulness for navigation, irrigation, domestic supply, water power, and the prevention of floods.

We pledge our party to the immediate preparation of such a plan, which should be made and carried out in close and friendly cooperation between the Nation, the States, and the cities affected.

Under such a plan, the destructive floods of the Mississippi and other streams, which represent a vast and needless loss to the Nation, would be controlled by forest conservation and water storage at the headwaters, and by levees below; land sufficient to support millions of people would be reclaimed from the deserts and the swamps, water power enough to transform the industrial standing of whole States would be developed, adequate water terminals would be provided, transportation by river would revive, and the railroads would be compelled to cooperate as freely with the boat lines as with each other.

The equipment, organization, and experience acquired in constructing the Panama Canal soon will be available for the Lakes-to-the-Gulf deep waterway and other portions of this great work.

and should be utilized by the Nation in cooperation with the various States, at the lowest net cost to the people.

Panama Canal

The Panama Canal, built and paid for by the American people, must be used primarily for their benefit.

We demand that the Canal shall be so operated as to break the transportation monopoly now held and misused by the transcontinental railroads by maintaining sea competition with them; that ships directly or indirectly owned or controlled by American railroad corporations shall not be permitted to use the Canal, and that American ships engaged in coastwise trade shall pay no tolls.

The Progressive Party will favor legislation having for its aim the development of friendship and commerce between the United States and Latin-American Nations.

Alaska

The coal and other natural resources of Alaska should be opened to development at once. They are owned by the people of the United States, and are safe from monopoly, waste, or destruction only while so owned.

We demand that they shall neither be sold nor given away, except under the homestead law, but while held in Government ownership shall be opened to use promptly upon liberal terms requiring immediate development.

Thus the benefit of cheap fuel will accrue to the Government of the United States and to the people of Alaska and the Pacific coast; the settlement of extensive agricultural lands will be hastened; the extermination of the salmon will be prevented, and the just and wise development of Alaskan resources will take the place of private extortion or monopoly.

We demand also that extortion or monopoly in transportation shall be prevented by the prompt acquisition, construction, or improvement by the Government of such railroads, harbor, and other facilities for transportation as the welfare of the people may demand.

We promise the people of the Territory of Alaska the same measure of local self-government that was given to other American Territories, and that Federal officials appointed there shall be qualified by previous bona-fide residence in the Territory.

Equal suffrage

The Progressive Party, believing that no people can justly claim to be a true democracy which denies political rights on account of sex, pledges itself to the task of securing equal suffrage to men and women alike.

Corrupt practices

We pledge our party to legislation that will compel strict limitation on all campaign contributions and expenditures, and detailed publicity of both before as well as after primaries and elections.

Publicity and public service

We pledge our party to legislation compelling the registration of lobbyists, publicity of committee hearings except on foreign affairs, and recording of all votes in committee; and forbidding Federal appointees from holding office in State or national political organizations, or taking part as officers or delegates in political conventions for the nomination of elective State or National officials.

The courts

The Progressive Party demands such restriction of the power of the courts as shall leave to the people the ultimate authority to determine fundamental questions of social welfare and public policy. To secure this end, it pledges itself to provide:

1. That when an act, passed under the police power of the State, is held unconstitutional under the State constitution, by the courts, the people, after an ample interval for deliberation, shall have an opportunity to vote on the question whether they desire the act to become a law, notwithstanding such decision.

2. That every decision of the highest appellate court of a State declaring an act of the legislature unconstitutional on the ground of its violation of the Federal Constitution shall be subject to the same review by the Supreme Court of the United States as is now accorded to decisions sustaining such legislation.

Administration of justice

The Progressive Party, in order to secure to the people a better administration of justice and by that means to bring about a more general respect for the law and the courts, pledges itself to work unceasingly for the reform of legal procedure and judicial methods.

We believe that the issuance of injunctions in cases arising out of labor disputes should be prohibited when such injunctions would not apply when no labor disputes existed.

We also believe that a person cited for contempt in labor disputes, except when such contempt was committed in the actual presence of the court or so near thereto as to interfere with the proper administration of justice, should have a right to trial by jury.

Department of Labor

We pledge our party to establish a Department of Labor with a seat in the Cabinet, and with wide jurisdiction over matters affecting the conditions of labor and living.

Country life

The development and prosperity of country life are as important to the people who live in the cities as they are to the farmers. Increase of prosperity on the farm will favorably affect the cost of living and promote the interests of all who dwell in the country, and all who depend upon its products for clothing, shelter, and food.

We pledge our party to foster the development of agricultural credit and cooperation, the teaching of agriculture in schools, agricultural college extension, the use of mechanical power on the farm, and to reestablish the Country Life Commission, thus directly promoting the welfare of the farmers, and bringing the benefits of better farming, better business, and better living within their reach.

Health

We favor the union of all the existing agencies of the Federal Government dealing with the public health into a single national health service without discrimination against or for any one set of therapeutic methods, school of medicine, or school of healing with such additional powers as may be necessary to enable it to perform efficiently such duties in the protection of the public from preventable diseases as may be properly undertaken by the Federal authorities; including the executing of existing laws regarding pure food; quarantine and cognate subjects; the promotion of appropriate action for the improvement of vital statistics and the extension of the registration area of such statistics, and cooperation with the health activities of the various States and cities of the Nation.

Patents

We pledge ourselves to the enactment of a patent law which will make it impossible for patents to be suppressed or used against the public welfare in the interests of injurious monopolies.

Interstate Commerce Commission

We pledge our party to secure to the Interstate Commerce Commission the power to value the physical property of railroads. In order that the power of the Commission to protect the people may not be impaired or destroyed, we demand the abolition of the Commerce Court.

Good roads

We recognize the vital importance of good roads and we pledge our party to foster their extension in every proper way, and we favor the early construction of national highways. We also favor the extension of the rural free delivery service.

Inheritance and income tax

We believe in a graduated inheritance tax as a national means of equalizing the obligations of holders of property to government, and we hereby pledge our party to enact such a Federal law as will tax large inheritances, returning to the States an equitable percentage of all amounts collected.

We favor the ratification of the pending amendment to the Constitution giving the Government power to levy an income tax.

Peace and national defense

The Progressive Party deplores the survival in our civilization of the barbaric system of warfare among nations with its enormous waste of resources even in time of peace, and the consequent impoverishment of the life of the toiling masses. We pledge the party to use its best endeavors to substitute judicial and other peaceful means of settling international differences.

We favor an international agreement for the limitation of naval forces. Pending such an agreement, and as the best means of preserving peace, we pledge ourselves to maintain for the present the policy of building two battleships a year.

Treaty rights

We pledge our party to protect the rights of American citizenship at home and abroad. No treaty should receive the sanction of our Government which discriminates between American citizens because of birthplace, race, or religion, or that does not recognize the absolute right of expatriation.

The immigrant

Through the establishment of industrial standards we propose to secure to the able-bodied immigrant and to his native fellow workers a larger share of American opportunity.

We denounce the fatal policy of indifference and neglect which has left our enormous immigrant population to become the prey of chance and cupidity.

We favor governmental action to encourage the distribution of immigrants away from the congested cities, to rigidly supervise all private agencies dealing with them and to promote their assimilation, education, and advancement.

Pensions

We pledge ourselves to a wise and just policy of pensioning American soldiers and sailors and their widows and children by the Federal Government. And we approve the policy of the Southern States in granting pensions to the ex-Confederate soldiers and sailors and their widows and children.

Parcels post

We pledge our party to the immediate creation of a parcels post, with rates proportionate to distance and service.

Civil service

We condemn the violations of the civil service law under the present administration, including the coercion and assessment of subordinate employees and the President's refusal to punish such violation after a finding of guilty by his own commission; his distribution of patronage among subservient Congressmen, while withholding it from those who refuse support of administration measures; his withdrawal of nominations from the Senate until

political support for himself was secured, and his open use of the offices to reward those who voted for his renomination.

To eradicate these abuses, we demand not only the enforcement of the Civil Service Act in letter and spirit, but also legislation which will bring under the competitive system postmasters, collectors, marshals, and all other nonpolitical officers, as well as the enactment of an equitable retirement law, and we also insist upon continuous service during good behavior and efficiency.

Government business organization

We pledge our party to readjustment of the business methods of the National Government and a proper coordination of the Federal bureaus, which will increase the economy and efficiency of the Government service, prevent duplications, and secure better results to the taxpayers for every dollar expended.

Government supervision over investments

The people of the United States are swindled out of many millions of dollars every year, through worthless investments. The plain people, the wage earner, and the men and women with small savings, have no way of knowing the merit of concerns sending out highly colored prospectuses offering stock for sale, prospectuses that make big returns seem certain and fortunes easily within grasp.

We hold it to be the duty of the Government to protect its people from this kind of piracy. We, therefore, demand wise, carefully thought-out legislation that will give us such governmental supervision over this matter as will furnish to the people of the United States this much-needed protection, and we pledge ourselves thereto.

Conclusion

On these principles and on the recognized desirability of uniting the progressive forces of the Nation into an organization which shall unequivocally represent the progressive spirit and policy we appeal for the support of all American citizens, without regard to previous political affiliations.

The Progressives rallied their strength around one man. When he left the Progressive Party and returned to the Republican fold the Bull Moose movement faded.

In 1912 P. V. Collins, Progressive candidate for Governor of Minnesota, polled 33,455 votes.

NONPARTISAN LEAGUE PLATFORM

Before the war had disrupted the Socialist Party the Nonpartisan League had been launched in North Dakota. The purpose of the Nonpartisan League was to fight against the evils of a situation where "the farmer raised a bushel and got paid for a peck; the consumer received a peck and paid for a bushel." It was a farmers' organization.

The program of the Nonpartisan League included the following demands (p. 60, H. E. Gaston, on The Nonpartisan League):

State ownership of terminal elevators, flour mills, packing houses, and cold-storage plants.

State inspection of grain and grain dockage.

Exemption of farm improvements from taxation.

State hail insurance on the acreage tax basis.

Rural credit banks operated at cost.

These planks had for years been the accepted program of farm cooperative leaders.

An economic crisis faced the farmers of North Dakota. Financial manipulations had been carried on by bankers, speculators, and farm-machinery manufacturers. An unfair system of grading grain cheated the farmers out of prices due them for their products.

COOPERATION AMONG FARMERS

North Dakota was fertile soil for the Nonpartisan League. No layers of social strata had been laid down. It was the home of traditional Americanism, with its respect for courage, honesty, and ability, and its disregard for claims of wealth or achievement of past generations. Cooperation was a common practice; North Dakota was a State of neighborliness, though the neighbors sometimes lived 25 to 50 miles apart. There were cooperative country elevators and country stores. The farmer through these learned the economic value of cooperation. When moneyed interests controlling railroads, grain elevators, and banks bore down upon North Dakota farmers, they used teamwork. They organized.

The Nonpartisan League was formed in February 1915 by A. C. Townley in conference with Howard Wood at Wood's home in Bismarck, N. Dak. Immediately Wood and Townley started recruiting members. At first dues were $2.50 a year, then $6, then $9, and finally $16 every 2 years and $100 for life memberships. Offices were opened at Minot, N. Dak. The League swept North Dakota like a prairie fire. By fall there were 26,000 members. It achieved remarkable political success in the very first election and passed a number of progressive laws. The official paper, the Nonpartisan Leader, was established in St. Paul in 1915.

NONPARTISAN LEADER

The Nonpartisan Leader made its appearance on September 23, 1915. It included cartoons by John Baer, North Dakota artist and later Congressman. The paper was edited by Charles Edward Russell. The first issue stated very clearly the purpose of the Nonpartisan League:

This journal belongs to the farmers of the Northwest. It is founded by them to voice their protest against unjust and unrighteous conditions—to voice that protest and make it count.

The farming class does the hardest work and gets proportionately the smallest return.

This is the result of conditions that will never be changed or bettered until farmers, organized for their own protection, will make their power and numbers felt at the polls and in government.

NONPARTISAN LEAGUE OPPOSED TO A NEW PARTY

That is why the Farmers' Nonpartisan Organization League came into being. It has no idea of starting a new party; it seeks only to secure union and organized effort that the farmers may secure their just share of representation in the affairs of government.

SUCCESS IN FIRST NORTH DAKOTA ELECTION

In the first election after formation of the Nonpartisan League the Nonpartisan candidate for Governor, LYNN J. FRAZIER won by a vote exceeding the total for all three of his opponents. The Nonpartisan League elected 81 out of 113 members of the State house of representatives and 18 of the 25 State senators. League candidates for the Supreme Court were elected by pluralities ranging from 10,000 to 40,000. All State officers were elected. The Nonpartisan League was endorsed and assisted by the North Dakota State Federation of Labor (p. 44, Biennial Report Railway Brotherhoods' State Legislative Board, Minn., 1917).

A year later John M. Baer, cartoonist for the Nonpartisan Leader, was sent to Congress to fill out the unexpired term of Henry T. Helgesen. In 1918 the primaries were captured again and a majority of the members of the State legislature were elected and three Congressmen, John Baer, James H. Sinclair, and George Young, were sent to Washington by the Nonpartisan League of North Dakota.

NONPARTISAN LEAGUE ENTERS MINNESOTA

After the first remarkable success in North Dakota Nonpartisan League leaders crossed the border determined to set up a similar organization in Minnesota. In July 1916 the Nonpartisan League sent organizers into Minnesota, South Dakota, and Montana. By January 1917 national headquarters had been opened in St. Paul.

By the summer of 1917 the Nonpartisan League was powerful enough in Minnesota to draw the vicious attacks of powerful financial interests.

Prominent financial and commercial interests in Minneapolis formed secret organizations to fight the Nonpartisan League. Two magazines were published, On the Square and the Pan-American Anti-Socialist. Individuals back of these anti-Nonpartisan League campaigns seldom made their identity known. The pro-German cry waxed strong, and anti-Nonpartisan League propaganda grew more bitter as the primary elections of 1918 approached.

A large paper-bound book was published by prominent citizens of Minnesota enumerating various leaders and casting bitter aspersions against them. That book was distributed by the hundreds of thousands over the State of Minnesota at an enormous expenditure of funds. Another book was published by Nonpartisan League supporters listing atrocities of persecution committed by the opposition.

I have already mentioned the great vote received by Nonpartisan League candidates on the Republican ticket in the spring of 1918 and on the Farmer-Labor ticket in the fall.

WORKING PEOPLE'S NONPARTISAN LEAGUE FORMED

After the 1918 fall election the question presented itself: Shall the Farmer-Labor Party continue? There was some dispute on that point. One faction of the campaign committee favored reporting to the State Federation of Labor

and then disbanding. The next convention of the State Federation of Labor was at New Ulm, Minn., in 1919, and the suggestion that the Farmer-Labor campaign committee disband was defeated. Instead the convention voted to set up a nonpartisan league for labor in the cities similar to the Farmers' Nonpartisan League. The result was the formation of the Working People's Nonpartisan Political League, formed in 1919, as a complementary force to the farmers' organization.

1920 FARMER-LABOR CANDIDATES STILL FLIRT WITH OLD PARTIES

In 1920 there was a dual convention in St. Paul. The Farmers' Nonpartisan League met in one room and the Working People's Nonpartisan League met in another room. They agreed upon a slate of candidates, but the majority again seemed to favor breaking in on the Republican primaries instead of putting up a Farmer-Labor ticket. Henrik Shipstead was endorsed for Governor after a discussion during which James Manahan was also considered. Shipstead was friendly to the League. He had been in charge of the public-safety committee in his county. His house was said to have been painted yellow during the war.

FARMER-LABOR PARTY KEPT ALIVE

The election of 1918 gave the Farmer-Labor Party official standing and in order to keep that standing it was necessary to file candidates for the next election.

One faction felt very strongly that it was important to have candidates on the Farmer-Labor ticket in order to keep the party alive. Fred A. Pike, William Lemke, and William Mahoney were of that opinion. They decided to file Cyrus King for Governor and Lily Anderson for secretary of state on the Farmer-Labor ticket. Shipstead filed as a Republican and King as Farmer-Labor in the primary of 1920.

KEEPING THE FARMER-LABOR NAME ALIVE

Neither Farmer-Labor candidate had any opposition in the primary, and therefore both were slated to appear on the Farmer-Labor ticket in the fall. However, those who urged King to file in the primary had no intention of opposing Shipstead but only wanted to keep the Farmer-Labor name alive. Therefore, King withdrew after the primary, and Shipstead, after being defeated in the Republican primaries, filed as an Independent in the fall. It was again necessary to secure signatures of 2,000 voters on a petition before Shipstead could file.

The same procedure was followed for other State and congressional offices. In the Fifth District, however, Lynn Thompson, who filed on the Farmer-Labor ticket for Congress in the same manner as Cyrus King filed for Governor, refused to withdraw, although the Independent candidate, Ernest Lundeen, had polled the largest vote of any labor-endorsed candidate in the Fifth District primary. This divided the Fifth District labor vote in the fall.

The vote for Governor in the Republican primary gave Shipstead 125,861, against 133,832 for J. A. O. Preus.

The vote for Shipstead in the fall election, as an Independent, was 281,402, against 415,802 for J. A. O. Preus, Republican, and 81,293 for L. C. Hodgson, Democrat.

The Farmer-Labor candidates for secretary of state, Lily Anderson; for treasurer, John P. Wagner, and for railroad and warehouse commissioner, Emil C. MacKenzie were kept on the ticket to keep the Farmer-Labor name alive.

Lily Anderson, Farmer-Labor candidate for secretary of state, received 193,658 votes against Mike Holm's 434,130. Her name was placed on the ticket merely to keep the Farmer-Labor name alive. No campaign was conducted for her.

There were also congressional candidates backed by the Nonpartisan League in the 1920 Republican primaries and as Independents in the fall elections. Julius J. Reiter in the First, Ernest Lundeen in the Fifth District, Charles A. Lindbergh in the Sixth, O. J. Kvale in the Seventh, and William L. Carss in the Eighth ran Farmer-Labor endorsed as Independents in the fall of 1920. William L. Carss, locomotive engineer of the Eighth Congressional District, was almost elected, having a vote in the fall of 32,395 against his opponent, Oscar J. Larson, who polled 33,428.

WORKING PEOPLE'S NONPARTISAN LEAGUE CONVENTION

The second annual convention of the Working People's Nonpartisan Political League of Minnesota was held at the armory, Rochester, Minn., Sunday afternoon and evening, July 18, 1920. The headquarters of the league were at rooms 301–303, Daily Star Building, 427 Sixth Avenue South, Minneapolis. Officers were William Mahoney, president; Thomas Van Lear, secretary-treasurer. The executive board was composed of William Mahoney, J. A. Watkins, E. G. Whitney, C. Z. Nelson, Louis Frank, and A. E. Smith.

In the 12 months previous to the second convention 300 unions in Minnesota became affiliated with the Working People's Nonpartisan Political League. This represented a membership of over 45,000 union people. This organization had made its strength felt in the streetcar strike of 1919. The league threw its strength against the street-railway company, with the result that the company was defeated in Minneapolis. Although the Nonpartisan League candidates on the State ticket were not victorious in the spring of 1920, there had been victories in many legislative districts. In fact, when the fall election was over the Minnesota Leader claimed Nonpartisan League victories in 46 legislative districts.

The program of the Working People's Nonpartisan League, a forerunner of the Farmer-Labor Party of Minnesota, is set forth in the league's constitution, bylaws, rules, and political and legislative program, contained in the proceedings of its second annual convention:

WORKING PEOPLE'S NONPARTISAN POLITICAL LEAGUE PROGRAM

Constitution, bylaws, and rules

Section 1

Rule 1. The name shall be the Working People's Nonpartisan Political League of Minnesota. No member of the governing committees of the league shall be affiliated with any political party.

Rule 2. The purpose of this organization shall be to unite members of organized and unorganized labor into a political league, together with those in sympathy with the interests of the common people, in order that representatives may be elected to public office who will enact, interpret, and enforce laws that will serve the general welfare in accordance with the platform adopted by this body.

Rule 3. The membership of this league shall be made up as follows: All local unions and brotherhood organizations in the State of Minnesota who agree to affiliate and pay in advance an affiliation fee equal to 25 cents per member per year; all trades and labor assemblies and union central bodies, including city and county central committees, of the Working People's Nonpartisan Political League, who pay an affiliation fee of $3 per year, and all city, ward, or district locals whose membership pay an individual membership fee of $3 each into the State treasury of the league.

Section 2. Conventions

Rule 1. The regular convention of this organization shall be held biennially to indorse or select candidates for political office and arrange for campaigns.

Rule 2. Special meetings may be called by the president or a majority of the State executive board to be held at the time and place of meeting of the State federation of labor to adopt rules and laws and a constitution, elect officers, and such other business as may legally come before the convention.

Section 3. Representation at conventions

Rule 1. Each local union affiliated shall be entitled to 1 delegate for the union and 1 additional delegate for each 100 additional members, but no union shall have more than 3 delegates.

Rule 2. Each ward or district local of the league with not less than 10 members shall be allowed 1 delegate and 1 additional delegate for each additional 100 members, but no local shall have more than 3 delegates.

Rule 3. All central bodies composed of delegates from local bodies and affiliated with this league shall be entitled to one delegate.

Section 4. Government

Rule 1. This league shall select at each convention a general committee composed of one member from each city represented in the convention and selected by the delegates of said city at the convention to advise and assist the State executive committee.

Rule 2. There shall be elected at the annual special convention of this league a State chairman, a vice chairman, a State secretary-treasurer, and five other members, who shall compose the State executive board. The members of this board shall hold office between annual conferences. This board shall have charge of the educational and organization work and shall have care of the finances. (If possible, the members of this board should be residents of the Twin Cities for reason of convenience and economy.)

Rule 3. The executive board may appoint a county organizer for any county, who shall have supervision over the political work in

said county and shall cooperate with the members of the general committee in cities and towns in the county.

Rule 4. Each county, city, or town shall have charge of its local campaign, subject only to the advice of the State executive board and the rules laid down by the convention.

Rule 5. Candidates desiring to secure the endorsement of the league or any of its affiliated bodies must first sign, in presence of witnesses, and agree to support publicly the legislative program of the league as adopted by the convention, copies of which will be furnished by the State secretary to local bodies and committees of same to present to candidates.

Rule 6. Any matter appealed from the executive board shall be submitted to a referendum of the general membership of the unions upon the request of 10 unions of three or more different cities.

Rule 7. The funds of the league shall be derived from an enrollment fee of 25 cents per capita tax per year from each local union, an enrollment fee of $3 per year from each central body or league local, and an individual membership fee of $3 per member per year for each individual league member of a league local.

Rule 8. Any political league local organized with 10 or more members may secure half of the individual membership fee by applying for same to the State secretary-treasurer, provided they stand all the organizing expenses of their local.

Rule 9. There may be organized, under the authority and jurisdiction of this league, local organizations in each town, each city, or each ward, made up of both union and nonunion men and women. When there is more than one ward local in a city or more than one union in a city, each union and each ward league local may elect delegates (not more than three from each organization) and form a city central political committee, same to have charge of all local political campaigns, subject to the State executive board.

Rule 10. These rules may be amended at any annual convention of the organization called for that purpose, or by a referendum vote when demanded by 10 locals in three or more different towns.

Political and legislative program

1. The unqualified right of workers to organize and to deal collectively with employers through such representatives of their unions as they choose, to be recognized and enforced by appropriate legislative enactments.

2. A maximum 8-hour day, of 44 hours a week, with 1 full day's rest in 7, in all branches of industry, with minimum rates of pay which, without the labor of mothers and children, will maintain the worker and his family in health and comfort and provide a competence for old age, with ample provision for recreation and good citizenship.

3. A workman's compensation plan, administered by the State, that will bring to injured workmen, their families and dependents, sure, certain, and full relief, regardless of question or fault, and to the exclusion of every other remedy, without recourse to the courts.

4. Abolition of unemployment by the creation of opportunity for steady work at standard wages by the stabilization of industry through the establishment and operation, during periods of depression, of Government work on housing, road building, reforestation, reclamation of cut-over and swamp lands, and development of water-power plants.

5. Public ownership and operation of railways, steamships, banking business, stockyards, packing plants, grain elevators, terminal markets, telegraphs, telephones, and all other public utilities; and the nationalization and development of basic natural resources, water power, and unused land, with the repatriation of large holdings, to the end that soldiers and sailors and dislocated workers may find an opportunity for an independent livelihood.

6. Reduction of the cost of living to a just level immediately by Government restriction and supervision and as a permanent policy by fostering the development of cooperation, which will eliminate wasteful methods, parasitical middlemen, and all profiteering in the creation and distribution of the products of industry and agriculture, in order that the actual producers may enjoy the fruits of their toil.

7. Revenue for the payment of public debts and for the expenses of Government shall be obtained mainly from taxes on incomes and inheritances and from a system of land-value taxation which will stimulate rather than retard production.

8. Continuation of soldiers' and sailors' insurance; extension of such life insurance by the Government without profit to all men and women; and the establishment of governmental insurance against industrial and other accidents, illness, unemployment, and old age, and upon all insurable forms of property; establishment of a definite fund to provide adequate pensions for indigent mothers.

9. Complete equality of men and women in Government and in industry, with the fullest enfranchisement of women, and equal pay for men and women doing similar work.

10. That the autocratic domination of the sources of wealth, production, and distribution by selfish private interests which has proved to be the prolific sources of class antagonisms and the prime cause of industrial paralysis and consequent idleness and poverty among the masses shall be gradually superseded by a process of governmental supervision, which shall ultimately put those who work by hand and brain in control of industry and commerce for the benefit of all the people.

11. Cooperation with the National Government in the establishment of a department of education coordinate with other branches of the Federal Government, in order that a uniform and effective educational system may be developed in which every child will be guaranteed a thorough cultural and industrial education and the academic freedom and economic independence of the teachers will be secured.

12. As the freedom of speech, of the press, and of assemblage are the surest safeguards against tyranny, revolution, and reaction, and a guarantee of the orderly development of industry and the peaceful progress of society, we demand the immediate and complete restoration of these fundamental political rights, with adequate security against their abridgment or infringement by any person or persons whatsoever.

1922 FARMER-LABOR PARTY BURNS ITS BRIDGES

In 1922 the Working People's Nonpartisan League met in one hall and the Farmers Nonpartisan League met in another hall at the Star Building, Minneapolis. The Working People's group seemed to favor sticking with the Farmer-Labor Party, while the farmers, lead by Townley, thought it best to file again on the Republican ticket in the primary. For 2 days the two factions were deadlocked.

FIRST REAL FARMER-LABOR BATTLE IN MINNESOTA

Finally a committee of the two conventions agreed to put up a Farmer-Labor slate in the primary, and the following candidates were placed on the ticket. This was the first time that the city and country Nonpartisan League groups had struck out boldly for a new party of their own in the primary. There was even a primary contest in one congressional district. Knud Wefald defeated James S. Barnett by a vote of 4,532 to 4,144 in the Ninth Congressional District.

SHIPSTEAD ELECTED FARMER-LABOR UNITED STATES SENATOR

The year 1922 was a turning point in Farmer-Labor history. Henrik Shipstead was elected Senator on the Farmer-Labor ticket by a vote of 325,372 against Frank B. Kellogg's 241,833. Senator Bob La Follette, Sr., and the railroad brotherhoods came to Minnesota fighting for SHIPSTEAD and the Farmer-Labor Party.

Magnus Johnson came within 15,000 votes of being the first Farmer-Labor Governor. Other State candidates made a fine showing.

Farmer-Labor candidates, or candidates endorsed by the Farmer-Labor Party supporters, were filed in almost every district. In the seventh district O. J. Kvale, Independent, defeated Volstead, Republican incumbent, by a vote of 42,832 to 28,918. In the Ninth District Knud Wefald, Farmer-Labor, defeated Halvor Steenerson by a vote of 35,551 to 27,590.

1923 SPECIAL ELECTION

In 1923, Knute Nelson, Republican Senator from Minnesota, died in office and a special senatorial election was held. In the special election there were three Farmer-Labor candidates. Magnus Johnson won with 57,570 votes. The final senatorial election in the fall of 1923 was another victory for the Farmer-Labor Party. Magnus Johnson won with 290,165 votes against 195,319 for the Republican candidate, Gov. J. A. O. Preus.

FARMER-LABOR FEDERATION FORMED

Between the time of the special senatorial primary and the final senatorial election in the fall a State-wide conference was called of the Working People's Nonpartisan Political League and the Farmers' National Nonpartisan League. The conference was held in Minneapolis, September 7 and 8, 1923, and I had the pleasure of attending and addressing the conference in favor of a permanent National and State Farmer-Labor Party. It had for a long time been felt that the two organizations should merge. The result of the State-wide conference in 1923 was the formation of the Farmer-Labor Federation of Minnesota.

The chairman of the State executive committee of the Farmer-Labor Party, Mr. A. C. Welch, of Glencoe, Minn., acted as chairman for the conference. Ralph Harmon was secretary of the State executive committee. The call for the conference had been sent out by Henry G. Teigen, secretary of the Farmers' National Nonpartisan League, and William Mahoney, president of the Working People's Nonpartisan League.

The solid farm and labor foundation of the Farmer-Labor Federation was clearly shown by the list of delegates who attended. Each one represented a labor or farm organiza-

tion. They were not there as individuals but as representatives of labor unions, farm cooperatives, or affiliated organizations.

LIST OF DELEGATES, 1923 FARMER-LABOR CONFERENCE

Duluth

Carpenters No. 1284—Charles Olson.
B. of L. E. No. 395—C. F. Lang.
B. of L. F. and E. No. 519—P. F. DeMore.
Duluth Central Political Committee—J. W. Jollymore.
National Federation of P. O. Clerks No. 142—Henry Morin.
B. of R. T. No. 569—G. O. Lockhart.
Farmer-Labor Party of Hibbing—Oscar Widstrand.
Farmer-Labor Party of Dakota County—R. L. Harmon.
Farmer-Labor Party of McLoud County—Joseph L. Baldus.
B. of L. F. and E. No. 539—J. J. Koshunski.
B. R. T. No. 529—H. W. Dart, J. L. Peterson.
Benton County Farmer-Labor Party—J. Ross.
Farmer-Labor Party, Third Congressional District—J. B. Lokkesmoe.
Ladies' Auxiliary of B. R. T., Two Harbors, No. 530—Ellen Halden.
Farmer-Labor Party of Virginia, Minn.—F. Pettinelli.
I. A. M., Winona, No. 133—Louis Luetje.
Carpenters No. 2325, Willmar—Anton Peterson.
Firemen and Oilers No. 29—S. M. Harrington, Duluth.
Federated Trades Assembly—Elling Munkeby, Duluth.
Duluth Central Political Committee—A. A. Ziegler, J. W. Jollymore.
Machinist Lodge No. 274—Walter C. Emerson.
Cabinet Makers No. 1284—Charles Olson.
Painters No. 106—Joel Lichten.

Austin

Central Labor Union—J. F. Placek.
Farmer-Labor Party, Mower County—J. F. Kennedy.
Carpenters' Union No. 1486—J. E. Lugg.
B. of R. T., Cedar River Lodge No. 283—H. S. Voorhees.

Glenwood

B. of L. Engineers' Legislative Board—W. W. Royster.

Rochester

Trades and Labor Assembly—Fred R. Wetzke.
Carpenters No. 980—E. A. Callahan.
Building Laborers No. 405—John S. Reed.
Bricklayers of Rochester No. 8—W. H. Newcome.
Teamsters No. 195—A. G. Van Gensert.

Crookston

B. of L. F. and E. No. 483—Geo. A. Voytilla.
B. of F. & L. E. No. 842—Hans C. Nelson.
Farmer-Labor Party of Polk County—Jules J. Anderson.
Farmer-Labor Party, Meeker County—Gust C. Carlson, H. S. Johnson.
Ladies' Auxiliary of the B. of R. T. No. 592—Jessie Matson.
Carpenters' Union No. 1486—J. E. Lugg.
Maintenance and Way No. 364—M. N. Grondahl.
Cigar Makers No. 331—J. C. Pratt.
(N. P. L.): R. T. Buckler.

Spooner

Farmer-Labor Party—Gustave Erickson, Arthur Tannem.

Two Harbors

B. of R. T. No. 339.

Thief River Falls

Firemen and Enginemen No. 103—Arthur M. Johnson.

St. James

Farmer-Labor Party—O. E. McCue.

Wheaton

Traverse County Nonpartisan League—J. A. Norsen, T. Heggen, Ernest G. Gross, Joe Deal, M. A. Hanson.

Winona

Machinist Lodge No. 133—Louis Luetje.
Steam Engineers No. 669—A. J. McCraidy.

Willmar

Kandiyohi County Nonpartisan League—V. E. Lawson, J. W. Jonk, W. J. DeVries, W. S. Hallberg, R. C. Sletten.
Kandiyohi Farmer-Labor Party—H. S. Nelson, C. O. Bergquist.
Carpenters No 2325—Anton Peterson.

Chisholm

Farmer-Labor Party—Joseph Grame, Joseph Vodovnik.

New York Mills

People's Voice Publishing Co. Co-operative Association—Yalmer Karvonen, E. Heikkinen.

Glencoe

Glencoe Farmer-Labor Party—Henry Luehrs, Glencoe.
(N. P. L.):
Mrs. Ben Harpel—Glencoe.
W. P. Meyer—Glencoe.

Proctor

B. of R. T. No. 529—H. W. Hart, J. L. Peterson.
B. of L. F. & E. No. 539—J. J. Koshinski.

St. Paul

Cement Finishers No. 560.
F. L. Peretz Branch No. 573—Morris Lotzer.
B. of R. T. No. 122—J. Kennedy.
Workmen's Circle, Branch No. 266—Max Flashman.
Furriers No. 52—Chas. Mulkenbur.
Second Ward Local—John Devine.
House Wives Union No. 1—C. S. Brons.
Coopers No. 1—J. C. Prochaska.
B. of L. F. and E. Legislative Board—F. E. Tillquist.
Men Teachers' Federation—P. A. McMillan.
R. R. Clerks No. 593—A. R. Lewis, L. R. Danials, P. T. Karschina.
Bakers No. 21—J. E. Dusterhoft.
R. R. Clerks No. 1504—Geo. McMann.
Bricklayers' Union No. 1—Henry Kelting.
Milk Wagon Drivers No. 54—Frank T. Starkey, Job Allen, Frank Rose.
B. of R. T. No. 122, St. Paul—J. Kennedy.
Bohemian Marxian Federation—John Lenicek.
Typographical Union No. 30—L. T. Arlund, J. E. Corcoran, John Klaus.
Carpenters No. 87—Gus Almquist, C. R. Carlgren, Otto J. Waller.
Machinist Lodge No. 112—Fred Mortenson, A. E. Smith, Anton Brost.
Steam Fitters No. 455—J. L. Cowden, E. D. McKinnon, J. J. Poley.
Building Laborers No. 132—H. E. Bolty, Robert Rykman, J. C. Johnson.
R. R. Carmen No. 764—J. P. Rains.
Switchmen No. 206—W. H. Watkins; alternate, Wm. Deming.
Blacksmiths No. 43—F. H. Weibel, Frank Kratochovil.
Machinist District Lodge No. 77—O. R. Votaw.
Sixth Ward Local—Chas. Isaacson.
Hat and Cap Makers No. 10—I. Feingold, Louis Levi.
Molders No. 232—John Murray.
Firemen and Oilers No. 48—Hans Svendsen.
Machinist Lodge No. 459—C. A. Hathaway, J. F. Emme.
Pressmen No. 29—Wm. Mahoney, Frank Pampusch.
Fifth Ward Local—Chas. Hauseler.
Painters No. 61—M. R. Smith, A. B. Krenkel, Gilbert Clark.
Twin City Carpenters' District Council—L. A. Roseland.
Boilermakers No. 3—Edward Walch, W. A. Parranto.
Electrical Workers' District Council—C. J. McGlogan.
R. R. Electrical Workers No. 902—R. H. Woods, Frank Getz.
R. R. Carmen District Council—S. L. Gipple.
Iron Workers No. 94—T. M. Torgerson, Wm. O'Connell.
Electrical Workers No. 110—Tom Jackson, O. L. Johnson, H. P. Adams.
Twelfth Ward Local—L. B. Krengel.
German-American Progressive Club—Arthur Schaub.
Cigar Makers No. 98—Geo. Noltz.
Workmen's Sick and Death Benefit Association—Frank Nodes.
Workmen's Circle No. 573—Morris Lotzer.
Workmen's Circle Branch No. 266—Max Flushman.
Twin City Joint Board of Amalgamated Clothing Workers—Sander D. Genis.
Amalgamated Clothing Workers No. 155—Emily Pabst, Christiana Closter, Mary Baucher.
Amalgamated Clothing Workers, No. 160—Sam Rubenstein, Albert Brening.
B. of R. T. Women's Auxiliary No. 32—Mrs. Prudence Murray.
Amalgamated Clothing Workers No. 166—Chas. C. Kramer, S. Elieson.
Railroad Shop Craft Legislative Committee—O. H. Wangerin.
Amalgamated Clothing Workers No. 179—Jacob Herson, J. Ramsey.
Garment Workers No. 171—Miss Alice Quayle, Miss F. Frubette.
Czechoslovak Workingmen's Gymnastic Association—Joe Kocour.

Minneapolis

Carpenters No. 7—J. O. Johnson, T. Kellstad, E. J. Leidstrom.
Building Laborers No. 111—Attie Sjostrom, Chas. Carlson, Alfred Gordon.
Meden Women's Auxiliary, Workman's Circle—Mrs. D. Shier.
Jewish National Workers' Alliance, Brener Branch No. 75—Harry Arial.
Third Ward Local, W. P. N. P. P. L.—Fred A. Harding.
Eleventh Ward W. P. P. League—P. M. White.
Fifth Ward Unity Campaign Committee—Carl O. Parsons.
I. L. Peretz Branch, Workman's Circle—Wm. Bishoff.
Third Ward Farmer-Labor Club—George H. Mallon.
Fourth Ward Farmer-Labor Club—Pat Tierney.
Tenth Ward Farmer-Labor Club—Harry Allen.
City Central Committee, W. P. N. P. P. L.—Thos. Van Lear.
Fifth Ward Farmer-Labor Club—Henry Wuerzinger, G. E. Jenke.
U. A. R. E. of N. A. No. 63—C. R. Hedlund, Wm. G. Heise.
R. R. Clerks No. 1310—J. R. Carrier, Howard De Leyer, Harry Engelstad.
Beer Bottlers No. 205—A. McDonald.
Machinist Lodge No. 91—Wm. Mauseth.
Pressmen No. 20—J. H. Fullerton.
Painters No. 186—W. F. Bennett, Carl Erickson, Dan W. Stevens.
Business and Professional Men's Association—Wm. A. Schaper.
Twin City Telegraphers' Club—Joseph A. Poirier.
Seventh Ward Local—Eugene Hanscom.
B. of R. T. No. 525—S. C. Lush, G. H. Baland, N. O. Woods.
Firemen and Enginemen No. 82—A. Karlsson, C. E. Miller, F. D. Revord.
Machinist Lodge No. 827—Chas. Rittenger, Marshall Lindberg, T. J. Beaudoin.
Tenth Ward Farmer-Labor Club—R. Miller, Mrs. A. Dunn.
Eleventh Ward Farmer-Labor Club—W. J. McGaughren.

Bricklayers No. 2—Louis Lauritzen.
Columbia Heights Local—Mrs. Viva S. Barrons.
Steamfitters No. 539—C. L. Egan, Wm. Maley.
Tailors No. 89—O. T. Anderson.
Electrical Workers No. 292—G. W. Alexander, H. C. McBride, H. H. Broach.
Machinists No. 299—V. Anderson, Al Johnson, O. V. Johnson.
Ladies' Auxiliary, Workman's Circle—Bertha Lurchinsky.
Twelfth Ward W. P. P. L.—Mrs. M. Boyles.
Brenner Branch No. 75—Harry Arial.
Twelfth Ward F. L. Club—C. A. Hahlby.
Eleventh Ward Unity Campaign Com.—A. O. Juvold.
Thirteenth Ward Unity Campaign Com.—L. Friedman.
Hennepin County Unity Campaign Com.—Otto Nellermoe.
Firemen & Oilers No. 29—S. M. Harrington.
City and County Employees No. 16514—R. S. Wiggin, F. W. Yarwood, Myrtle Cain.
Firemen and Oilers No. 654—Albert Brown.
Upholsterers No. 23—L. Vandenberg.
Tenth Ward—Mrs. Spearing.
Plumbers No. 15—E. J. Kelly, D. A. Fallon.
B. of R. T. Legislative Board—G. T. Lindsten.
B. of R. Conductors' Legislative Board—A. J. Neal.
Machinist Lodge No. 477—R. A. Henning, Wm. Wenger.
Plasterers No. 65—Gus Bung, I. G. Scott.
Ninth Ward—Mrs. E. G. Whitney.
Twelfth Ward—S. A. Stockwell.
B. of R. T. No. 102—J. O. Gould, F. E. Silliman, L. W. White.
Workmen's Circle No. 167—Morris Fishman.
Steam Engineers No. 34—P. L. Farrell.
B. of L. E., Division 357—Wm. A. Chisholm.
Milk Drivers' Local No. 471—Ole Ogg, Ray Sawyer, Arne Flikeid.
Trades and Labor Assembly—R. D. Cramer.
General Clerks No. 125—Geo. N. Meyers.
Hennepin County Unity Campaign—Otto Nellermoe.
Eleventh Ward—O. A. Devold.
Twelfth Ward—A. L. Oberg.
Sixth Ward—Albert Bastis.
Fifth Ward Farmer-Labor Club—Dr. Henry Wuerzinger, Gustav E. Drake.
Minnesota Federation of Typographical Unions—G. T. Winberg, G. W. Devion.
Twin City Telegraphers' Club—Joseph A. Poirier.
Jewish Local Socialist Party—M. Mandel.
South Minneapolis Local of the Socialist Party—Lynn Thompson.
Third Ward Branch of Farmer-Labor Party—Carl R. Erickson.
Ukrainian Self Educational J. Franko Society of Minneapolis—Wm. Darchuk, Minneapolis.
Poale Zion Organization—Max Linder, M. Nemirow.
(N. P. L. Delegates):
B. A. Binger, C. N. Sundby—Renville.
Andrew Bang—Madison.
Edd P. Smogard—Madison No. 1.
A. H. Hendrickson—Sauk Centre.
Henry Harty—Mahnomen.
G. A. Solberg—Essig.
Joseph J. Sperl—Searles.
Charles L. DeReu—Marshall.
K. Knudson—Cottonwood.
M. Lau—Farmington.
Otto Friton—Sleepy Eye.
Mrs. W. S. Fay—Trosky.
C. F. Norwood—Balaton.
M. A. Ulvedhal—Big Falls.
S. O. Bartness—Elbow Lake.
Wm. Mildenstein—Brownsdale.
Frank O. Heulin—Heulin.
O. J. Goetsch—Brownsdale.
Emil Hallgren—Hallock.
Wm. L. Hintz—Alden No. 1.
J. P. Rogers—Montrose.
Mrs. Minnie Cederholm—Granby No. 1.
Herman Dammann—Plato.
C. M. Gislason—Ivanhoe.
P. A. Peterson—Emmons.
C. A. Wennerberg—Kerkhoven.
Pat J. Gleason—Olivia.
A. Van Buren—Raymond.
Albert Kvanbeck—Minneota.
Nels A. Pederson—Milan.
Chas. J. Salmonson—Clinton.
Ben W. Anderson—Becker County.
Paul I. D. Ostby—Twin Lakes.
A. F. Bright—Zumbro Falls.
Herman Tushaus—Kellogg.
Mrs. H. K. Helgeson—Minneota.
Thomas Vollom—Erksine.
Mrs. Susie Stageberg—Red Wing.
Louis Enstrom—Malung.
Lily J. Anderson—Franklin.

Montevideo

Mrs. C. W. Olson, A. E. Swenson.
Magnus Johnson—Montevideo No. 3.

Benson

Gust Langved, A. T. Flaten, J. O. Knutson.

CONSTITUTION OF FARMER-LABOR FEDERATION

The following constitution was adopted:

Constitution Farmer-Labor Federation of Minnesota

Article I. Name and purpose

SECTION 1. The name of this organization shall be the Farmer-Labor Federation. Its purpose shall be to unite the members of the farmers' organizations and labor organizations into a political federation, together with those organized or unorganized elements who support independent political action by the workers and farmers, and to carry on an intensive program of education and organization, incidental to participation in the political campaigns of the Farmer-Labor movement.

Article II. Membership

The membership of this organization may comprise:

SECTION 1. The Nonpartisan League; the Working People's Nonpartisan Political League; farmers' economic organizations and cooperative societies; trade unions; railroad brotherhood organizations; and associations of men and women, professional or otherwise, accepting the program and principles of the Farmer-Labor Federation.

SEC. 2. Ward and township clubs, composed of individual members who sign application cards accepting the program and principles of, and pay dues into, the Farmer-Labor Federation.

SEC. 3. Membership at large: In localities where no local club exists, individual persons may become members by signing an application card accepting the program and principles of the Farmer-Labor Federation and paying to the State committee of the federation the sum of $1 per year.

SEC. 4. Nothing in this constitution shall be construed as abridging the autonomy of affiliated organizations, except that they have pledged their cooperation in political campaigns and have agreed to aid in the conduct of said campaigns as directed by the State committee.

Article III. Conventions

SECTION 1. The regular convention of this organization shall be held annually for the purpose of conducting the business of the organization, perfecting plans for campaigns, and indorsing candidates for nomination in conformity with the principles of the Farmer-Labor Federation.

SEC. 2. Special conventions shall be called by the chairman on demand of not less than two-thirds of the State committee.

Article IV. Representation at conventions

SECTION 1. County conventions of the federation for the purpose of selecting delegates to the State convention shall be called at least 2 weeks prior to the State convention, comprising each farmers' organization, local union, brotherhood lodge, cooperative or association of men and women, professional or otherwise, affiliated, with not less than 10 members, which shall be entitled to one delegate for the organization and one delegate for each hundred members, no organization to have more than three delegates.

SEC. 2. Delegates to the State convention shall be based upon the vote cast for governor on the Farmer-Labor Party ticket at the preceding State election. Each county shall be entitled to such delegates as may be apportioned to the county, as based on the county's vote for governor, the ratio to be determined by the State committee, provided, however, the maximum number of delegates to the State convention shall not exceed 400.

SEC. 3. Each ward or township club of the federation with not less than 10 members shall be entitled to one delegate and one additional delegate for each 100 members, but no club shall have more than three delegates to the county convention.

SEC. 4. All central bodies composed of delegates from local organizations and affiliated with this federation shall be entitled to one delegate to the county convention.

Article V. Administration

SECTION 1. The convention shall be the supreme authority of this organization.

SEC. 2. There shall be elected at each annual convention of the federation, a State chairman, a secretary-treasurer, and two committeemen from each congressional district, who shall comprise the State committee. Committeemen shall be selected by the delegates from such districts, subject to approval of the convention.

SEC. 3. The secretary-treasurer shall give bonds in such amount as specified by the State committee, and shall prepare and publish quarterly in the official organ of the federation a financial statement showing full receipts and disbursements. The secretary-treasurer's books shall be audited annually by a certified public accountant.

SEC. 4. Between conventions, the State committee, to be elected at the convention, shall be the supreme governing body, and shall carry out the mandates of the convention.

SEC. 5. The State committee shall elect an executive committee of three members from its own members to handle any routine matters that may develop between meetings of the State committee. The State chairman and secretary-treasurer shall be ex-officio members of the executive committee.

SEC. 6. The members of the State committee from each congressional district shall be held responsible for the supervision of the affairs of the organization within their respective districts and for the organization of county, ward, and township branches within their districts.

Congressional districts may be divided to suit the convenience of the committeemen.

SEC. 7. The State committee of the federation shall meet quarterly in a place to be designated by the State chairman, to conduct such business as may properly come before it.

SEC. 8. Candidates for political office desiring to secure the endorsement of the federation or any of its affiliated bodies, must sign in the presence of witnesses, a pledge to publicly support the program and principles of the federation, copies of which must be sent to the State secretary of the federation.

SEC. 9. Each county, city, or town shall have charge of its local campaign, subject to the constitution of the Farmer-Labor Federation and conducted in conformity therewith.

No local club shall endorse a candidate for public office, whose respective district is greater than that of the endorsing club, without the approval of the next higher federation unit.

Article VI. Finances

SECTION 1. Each labor or farmer organization, as provided in Section 1 or article II, shall pay a monthly per-capita tax of 2 cents per member, except that cooperative, city central body, and ladies' auxiliary organizations shall pay a monthly per-capita tax of 1 cent.

SEC. 2. Individual members of ward and township clubs shall pay a membership fee of $1 per year.

SEC. 3. The yearly dues shall be apportioned as follows:

(a) To local club	$0.50
(b) To county central committee	.25
(c) To State committee of the federation	.25

SEC. 4. Local clubs shall remit for each member 50 cents to the State committee, and the State committee shall remit monthly the total amount due to each county maintaining an active county organization.

SEC. 5. No person shall be permitted to solicit funds for State purposes at any meeting or at any place unless he bears and exhibits credentials from the State executive committee, nor for county purposes without credentials from the county central committee, nor for township, ward, or local purposes without credentials from the township, ward, or local.

Article VII. Branches

SECTION 1. Whenever there are more than 10 members in any ward or township, they shall constitute themselves a local club of the federation. When there is more than one ward or township club or more than one affiliated organization in any city or county, these units shall elect delegates (not more than three from each organization) and form a city or county central committee, same to have charge of participation of the membership in political campaigns.

SEC. 2. The State executive committee shall have power to issue or refuse charters to any organization upon the recommendation of county or central committees.

SEC. 3. Ward and township clubs of the federation must supply their secretaries with proper books and bylaws, to be approved by the State committee, to keep the accounts of the club, and they shall be kept in such a way as to show all receipts and disbursements. Said books shall be audited by a committee of three members of the local club every 3 months, or any other shorter interval the club may desire, and shall be at all times open to the inspection of the State committee, the State secretary of the federation, or their duly authorized representative.

Article VIII. Newspaper

SECTION 1. There may be established by the State committee of this federation a weekly paper for the purpose of education and reform; the dissemination of true conceptions of good government and the politic-economic needs of the people; and teaching the principles of liberty, justice, and equality as enunciated in the Constitution of the United States of America and State Constitution of Minnesota.

SEC. 2. The State committee of the federation may incorporate a "Farmer-Labor educational association" for the purpose of publishing this paper and such other educational literature as it may from time to time determine, in conformity with section 1 of this article, and suitably safeguarded with proper bylaws for its management.

Article IX. Amendments

SECTION 1. This constitution may be amended at any regular convention of the federation by a majority vote of the delegates present.

A State executive committee and congressional district committeemen were set up in each district, as follows:

States executive committee: Wm. Mahoney, chairman; Ralph L. Harmon, secretary; Fred E. Osborn, R. D. Cramer, Walter J. Kennedy.

Congressional district committeemen:

First District: John F. Placek, Austin; Walter J. Kennedy, Simpson.

Second District: John F. Johnson, Hanska; W. C. Sprague, Madelia.

Third District: Fred E. Osborn, South St. Paul; A. C. Welch, Glencoe.

Fourth District: Frank Fisher, St. Paul; Frank Starkey, St. Paul.

Fifth District: J. O. Johnson, Minneapolis; R. D. Cramer, Minneapolis.

Sixth District: B. W. Anderson, Becker; A. H. Hendrickson, Sauk Center.

Seventh District: Hemming Nelson, Atwater; Judge Baker (resigned), Renville.

Eighth District: H. W. Dart, Proctor; Geo. E. Webster, Hibbing.

Ninth District: J. C. Pratt, Crookston; Louis Enstrom, Hibbing.

Tenth District: G. H. Lundberg, Montrose; C. R. Hedlund, Minneapolis.

1924 FARMER-LABOR PARTY HAS OPEN PRIMARIES

In 1924 the Farmer-Labor Federation held a convention, and went into the open primaries with several candidates for Governor, Senator, Congress, and State offices.

1924 FARMER-LABOR PRIMARY VOTES

There were three Farmer-Labor candidates for Senator and seven for Governor in the 1924 primaries. Magnus Johnson won the Senate nomination with 174,343 votes. Floyd B. Olson won the nomination for Governor with 55,825 votes.

1924 FINAL ELECTIONS

In the final election of 1924, Magnus Johnson was defeated for the Senate by less than 8,000 votes. Floyd B. Olson lost to Theodore Christianson by a vote of 366,029 to 406,692.

LA FOLLETTE FOR PRESIDENT 1924

In 1924 came the Presidential election. Minnesota Farmer-Labor people gave a vote of 339,192 to Senator Robert M. La Follette for President and Burton K. Wheeler for Vice President on an Independent ticket.

In the Presidential campaign of 1924 I spent 4 months on the stump in 10 States campaigning for the "Old Lion", "Fighting Bob" La Follette—it was his last fight.

The Independents of 1924, like the Progressives of 1912, were dependent upon one great leader. Many Progressives of 1912 followed Teddy Roosevelt back into the Republican Party. The Independent Party of 1924, headed by a most able and distinguished leader, did not have its roots firmly entrenched in organized labor and farm cooperatives and their affiliated organizations.

FARMER-LABOR PARTY ROOTED IN FARM AND LABOR ORGANIZATIONS

In Minnesota the Farmer-Labor Party has always been a party of farm and labor organizations, not dependent upon individual leaders. Leaders have come and gone. We have had fair-weather friends and we have had pioneers tried and true. To the pioneer leaders we owe much, but to the rank and file of organized labor and organized farmers we owe more. They are the firm foundation upon which our party rests.

LA FOLLETTE PLATFORM

The La Follette Independent-Progressive platform was as follows:

A covenant with the people

Awakened by the dangers which menace their freedom and prosperity the American people still retain the right and courage to exercise their sovereign control over their Government. In order to destroy the economic and political power of monopoly, which has come between the people and their Government, we pledge ourselves to the following principles and policies:

The House Cleaning

1. We pledge a complete house cleaning in the Department of Justice, the Department of the Interior, and the other executive departments. We demand that the power of the Federal Government be used to crush private monopoly, not to foster it.

Natural Resources

2. We pledge recovery of the Navy's oil reserves and all other parts of the public domain which have been fraudulently or illegally leased, or otherwise wrongfully transferred, to the control of private interests; vigorous prosecution of all public officials, private citizens and corporations that participated in these transactions; complete revision of the water-power act, the general leasing act, and all other legislation relating to the public domain. We favor public ownership of the Nation's water power and the creation and development of a national super-water-power system, including Muscle Shoals, to supply at actual cost light and power for the people and nitrate for the farmers, and strict public

control and permanent conservation of all the Nation's resources, including coal, iron and other ores, oil, and timber lands, in the interests of the people.

Railroads

3. We favor repeal of the Esch-Cummins railroad law and the fixing of railroad rates upon the basis of actual, prudent investment and cost of service. We pledge speedy enactment of the Howell-Barkley bill for the adjustment of controversies between railroads and their employees, which was held up in the last Congress by joint action of reactionary leaders of the Democratic and Republican parties. We declare for public ownership of railroads with definite safeguards against bureaucratic control, as the only final solution of the transportation problem.

Tax Reduction

4. We favor reduction of Federal taxes upon individual incomes and legitimate business, limiting tax exactions strictly to the requirements of the Government administered with rigid economy, particularly by curtailment of the eight hundred million dollars now annually expended for the Army and Navy in preparation for future wars; by the recovery of the hundreds of millions of dollars stolen from the Treasury through fraudulent war contracts and the corrupt leasing of the public resources; and by diligent action to collect the accumulated interest upon the 11 billion dollars owing us by foreign governments.

We denounce the Mellon tax plan as a device to relieve multimillionaires at the expense of other taxpayers, and favor a taxation policy providing for immediate reductions upon moderate incomes, large increases in the inheritance tax rates upon large estates to prevent the indefinite accumulation by inheritance of great fortunes in a few hands; taxes upon excess profits to penalize profiteering, and complete publicity, under proper safeguards, of all Federal tax returns.

The Courts

5. We favor submitting to the people, for their considerate judgment, a constitutional amendment providing that Congress may by enacting a statute make it effective over a judicial veto.

We favor such amendment to the Constitution as may be necessary to provide for the election of all Federal judges, without party designation, for fixed terms not exceeding 10 years, by direct vote of the people.

The Farmers

6. We favor drastic reduction of the exorbitant duties on manufactures provided in the Fordney-McCumber tariff legislation, the prohibiting of gambling by speculators and profiteers in agricultural products; the reconstruction of the Federal Reserve and Federal Farm Loan Systems, so as to eliminate control by usurers, speculators, and international financiers, and to make the credit of the Nation available upon fair terms to all and without discrimination to businessmen, farmers, and home builders. We advocate the calling of a special session of Congress to pass legislation for the relief of American agriculture. We favor such further legislation as may be needful or helpful in promoting and protecting cooperative enterprises. We demand that the Interstate Commerce Commission proceed forthwith to reduce by an approximation to pre-war levels the present freight rates on agricultural products, including livestock, and upon the materials required upon American farms for agricultural purposes.

Labor

7. We favor abolition of the use of injunctions in labor disputes and declare for complete protection of the right of farmers and industrial workers to organize, bargain collectively through representatives of their own choosing, and conduct without hindrance cooperative enterprises.

We favor prompt ratification of the child-labor amendment and subsequent enactment of a Federal law to protect children in industry.

Postal Service

8. We believe that a prompt and dependable postal service is essential to the social and economic welfare of the Nation; and that as one of the most important steps toward establishing and maintaining such a service it is necessary to fix wage standards that will secure and retain employees of character, energy, and ability.

We favor the enactment of the postal salary adjustment measure (S. 1898) for the employees of the Postal Service, passed by the first session of the Sixty-eighth Congress, vetoed by the President, and now awaiting further consideration by the next session of Congress.

We endorse liberalizing the civil-service retirement law along the lines of S. 3011, now pending in Congress.

War Veterans

9. We favor adjusted compensation for the veterans of the late war, not as charity but as a matter of right, and we demand that the money necessary to meet this obligation of the Government be raised by taxes laid upon wealth in proportion to the ability to pay, and declare our opposition to the sales tax or any other device to shift the obligation onto the backs of the poor in higher prices and increased cost of living. We do not regard the payment at the end of a long period of a small insurance as provided by the law recently passed as in any just sense a discharge of the Nation's obligations to the veterans of the late war.

Great Lakes to Sea

10. We favor a deep waterway from the Great Lakes to the sea. The Government should, in conjunction with Canada, take immediate action to give the Northwestern States an outlet to the ocean for cargoes without change in bulk, thus making the primary markets on the Great Lakes equal to those of New York.

Popular Sovereignty

11. Over and above constitutions and statutes and greater than all is the supreme sovereignty of the people, and with them should rest the final decision of all great questions of national policy. We favor such amendments to the Federal Constitution as may be necessary to provide for the direct nomination and election of the President, to extend the initiative and referendum to the Federal Government, and to insure a popular referendum for or against war except in cases of actual invasion.

Peace on Earth

12. We denounce the mercenary system of foreign policy under recent administrations in the interests of financial imperialists, oil monopolists, and international bankers, which has at times degraded our State Department from its high service as a strong and kindly intermediary of defenseless governments to a trading outpost for those interests and concession seekers engaged in the exploitations of weaker nations, as contrary to the will of the American people, destructive of domestic development, and provocative of war. We favor an active foreign policy to bring about a revision of the Versailles Treaty in accordance with the terms of the armistice and to promote firm treaty agreements with all nations to outlaw wars, abolish conscription, drastically reduce land, air, and naval armaments, and guarantee public referendums on peace and war.

FARMER-LABOR ASSOCIATION FORMED

After the election of 1924 the Farmer-Labor Federation was much accused of too radical leanings. A special convention was called in March 1925 by William Mahoney, president, who was not a candidate for reelection. About 200 delegates attended. Magnus Johnson was elected president, and the name was changed from Farmer-Labor Federation to Farmer-Labor Association. There was no actual change in the organization. A new constitution was adopted which has remained practically the same until the present time.

After the election of 1924 the Farmer-Labor Party had several "lean" years. Artificial prosperity was beginning to lead up to the crash of 1929. The need of labor for political action by its own representatives was not as urgent as in periods of economic distress and political persecution such as we had during and following the war. However, the Farmer-Labor Party had its candidates in the field again in 1926 and 1928.

1926 FARMER-LABOR PRIMARY

In 1926 Magnus Johnson was candidate for Governor and lost to Theodore Christianson, Republican, by a vote of 266,845 to 395,779.

ERNEST LUNDEEN, FARMER-LABOR NOMINEE FOR GOVERNOR

In 1928 ERNEST LUNDEEN, Farmer-Labor nominee for Governor, lost to the Republican incumbent, Christianson; in a three-way battle—Farmer-Labor, Republican, Democrat—HENRIK SHIPSTEAD, Farmer-Labor Senator, was reelected by a vote of 665,169 to Arthur E. Nelson's 342,992. Here the Democratic candidate withdrew.

FIRST FARMER-LABOR GOVERNOR, FLOYD B. OLSON

To Floyd B. Olson goes the distinction of being elected the first Farmer-Labor Governor in America. In 1930 the Farmer-Labor Party took a step forward and has been the leading party in the State ever since.

ERNEST LUNDEEN won the nomination for Senator and Floyd B. Olson the nomination for Governor. Olson was victorious over Ray P. Chase, Republican, in the fall. ERNEST LUNDEEN lost to Thomas D. Schall, Republican, incumbent. Here again was staged a bitter three-way battle—Farmer-Labor, Republican, and Democrat.

1932 PRIMARY

In 1932 Governor Olson and some other Farmer-Labor candidates had no opposition in the primary election. Also nominated without opposition were John T. Lyons, secretary of state; A. H. Kleffman, State treasurer; Harry H. Peterson, attorney general; K. K. Solberg won the nomination for Lieutenant Governor over Benjamin F. Opsahl. Knud Wefald was nominated railroad and warehouse commissioner over Elmer Gottfried Johnson.

1932 PRIMARY-AT-LARGE REPRESENTATIVES IN CONGRESS

In 1932 Minnesota Representatives in Congress were elected at large. The State was being redistricted. The

Governor and the State legislature were unable to agree, resulting in a veto by the Governor of the act. The case was taken to the State supreme court and the United States Supreme Court, finally resulting in a victory for the Farmer-Labor Governor, throwing the election of Congress into the State at large. Thirty-five candidates filed for Congress at large on the Farmer-Labor ticket. Magnus Johnson, Ernest Lundeen, Paul John Kvale, and Henry Arens led the field in the order named.

The total Farmer-Labor congressional vote in the 1932 primary was 1,121,506, compared with 1,764,012 for the Republicans and 663,960 for the Democrats. Each voter cast his ballot for nine candidates, the total number of Congressmen allowed Minnesota. The Farmer-Labor Party elected five Members of Congress and gained control of the Minnesota delegation in Congress. I nominated PAUL JOHN KVALE for Speaker of the House, the first Farmer-Labor candidate for Speaker.

FINAL CONGRESSIONAL ELECTION, 1932

In the final election there were 32 candidates for Representatives in Congress at large; 9 Farmer-Labor, 9 Republican, 9 Democrat, 3 Communist, and 2 "sticker" candidates.

The four Congressmen who received the highest number of votes in the final election were all Farmer-Labor—Magnus Johnson, Paul John Kvale, Henry Arens, and Ernest Lundeen. The eighth highest, Francis H. Shoemaker, was also Farmer-Labor. Three Republicans and one Democrat were elected.

GOVERNOR OLSON REELECTED 1932

Four Farmer-Labor candidates on the State ticket were victorious in 1932—Gov. Floyd B. Olson, Lt. Gov. K. K. Solberg, Attorney General Harry H. Peterson, and Railroad and Warehouse Commissioner Knud Wefald.

1934 ELECTION

In 1934 the Farmer-Labor Party struck out boldly with a virile and forward-looking program. The 1934 platform of the Farmer-Labor Party appears in the CONGRESSIONAL RECORD for August 17, 1935, page 13525, together with an analysis and explanation of various planks in the program.

In 1934 our Farmer-Labor Governor, Floyd B. Olson, was reelected for his third term. We also elected our Lieutenant Governor, Hjalmar Petersen; our attorney general, Harry H. Peterson; our railroad and warehouse commissioner, Charles Munn; our clerk of supreme court, Russell O. Gunderson. We reelected our Farmer-Labor United States Senator HENRIK SHIPSTEAD and sent three Farmer-Labor Congressmen to the House of Representatives—R. T. BUCKLER from the Ninth District, PAUL J. KVALE from the Seventh District, and ERNEST LUNDEEN from the Third District.

We had some contests in the Farmer-Labor primary of 1934, as the election returns which I am placing in the RECORD at the close of my remarks will indicate.

SENATOR ELMER BENSON APPOINTED

Last winter Minnesota was shocked by the sudden death of Minnesota's senior Republican Senator, Thomas D. Schall, who was killed in an automobile accident. Senator Schall was to be up for reelection this year. According to the law, the Governor of the State was bound to appoint a successor to fill out Senator Schall's unexpired term. Governor Olson appointed Elmer A. Benson, State banking commissioner, and former State securities commissioner, to the vacancy, to serve until a successor is elected.

1936 PRIMARY

This year the Farmer-Labor Party again had primary contests. Governor Olson is nominated Farmer-Labor candidate for the United States Senate; Senator Elmer Benson is nominated candidate for Governor; Gottfried Lindsten is the candidate for Lieutenant Governor; Harry H. Peterson is up for reelection to the office of attorney general; Dr. Paul C. Hartig was nominated for secretary of state; C. A. Halverson was nominated for State treasurer; Hjalmar Petersen was nominated for railroad and warehouse commissioner.

The Farmer-Labor voters have nominated nine congressional candidates, one from each district: For the First District, Chester Watson; for the Second District, Henry Arens; for the Third District, Ernest Lundeen; for the Fourth District, Howard Y. Williams; for the Fifth District, Dewey W. Johnson; for the Sixth District, C. A. Ryan; for the Seventh District, Paul J. Kvale; for the Eighth District, John T. Bernard; for the Ninth District, R. T. Buckler.

NATIONAL FARMER-LABOR PARTY

This year the Farmer-Labor Association in State convention voted to appoint a committee to explore the possibilities of a national Farmer-Labor Party. A conference was held in Chicago on May 30 and 31, 1936, at which it was decided to work for Farmer-Labor congressional candidates in as many States as possible and to build a national Farmer-Labor Party through local and State elections. A continuing committee was named to act with the Minnesota Farmer-Labor Association.

A national Farmer-Labor Party is inevitable. Farmer-Labor Parties have been formed or are being formed in Alabama, Arkansas, California, Colorado, Connecticut, Florida, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, and Wisconsin.

The landslide of 1932 was not just a Democratic victory. It was a protest vote and a Republican defeat. The programs of both Republican and Democratic Parties have proved inadequate. Labor and farm and veterans' organizations must put their own party in power. The exploiters of labor and farmers will not finance a party which they cannot control. With the control of funds rests the control of power. Labor must place its own party in the field, support it, and control it.

It is my firm belief that a new labor party will successfully rise in this country, based on strong labor-union organizations, farm cooperatives, and their affiliated organizations. Such a party will spring up from the grass roots. There is a demand for such a party from the rank and file of the American people. The building of a national Farmer-Labor Party will be but the repetition of history.

AMERICAN TRADITION—THE PEOPLE RULE

Each time the oppressor's hand has struck at American liberties a challenge has arisen from the depths of traditional American democracy. Washington, Jefferson, Jackson, Lincoln struck down the hand of oppression at the command of the common people. Leaders are most important, but secondary to the deep-rooted conviction of our people that America is a land where the common man is king. Hundreds of unselfish, intelligent leaders today toil in mines and factories, on railroads and farms, producing the Nation's wealth. Let the liberties of the common people be threatened, and these leaders of the people will spring into prominence.

Fearlessly they repeat the Declaration of Independence, that governments are instituted to protect the right of the people to life, liberty, and the pursuit of happiness, and that when any government becomes subversive to these ends, it is the right of the people to alter or to abolish it. Fearlessly they defend constitutional guarantees of free speech, free press, the right of petition and assemblage. They defend the Constitution, the entire constitution, including the provision for constitutional amendment.

NATIONAL FARMER-LABOR PARTY INEVITABLE

Foundations are being laid. The morning glow of a labor party is on the horizon. In two-thirds of the States organizations are under way. There is no need of waiting longer. Leaders may be timid, but the onward march of labor cannot be stopped. A national Farmer-Labor Party is inevitable.

APPENDIX

For other information on the Farmer-Labor Party, Peoples' Party, Socialist, and other labor parties see speech of ERNEST LUNDEEN, August 17, 1935, A National Labor Party, page 13516,

CONGRESSIONAL RECORD, Seventy-fourth Congress; also Farmer-Labor Governor in Action, page 4564, May 29, 1933; Farmer-Labor Party in 1933, page 4398, May 26, 1933; and Charles A. Lindbergh, page 10015.

The information given here on the history, programs, and platforms of the Farmer-Labor Party is incomplete. While we have tried to be as accurate as possible in compiling the data and statistical information, errors may have crept in. Criticisms and suggestions for making this Farmer-Labor history more complete and more accurate will be welcomed from all sources.

In compiling the information given here we have been assisted by the knowledge of many pioneers in the Farmer-Labor Party and the research work of other persons, including the following:

The Congressional Library; the Farmer-Labor Educational Bureau; the Minnesota Historical Society, where issues of the National Nonpartisan Leader and the old Minnesota Leader are on file; H. E. Gaston; Nathan Fine; Charles A. Lindbergh, Sr.; David H. Evans; Thomas J. Meighen; Fred A. Tillquist; William Mahoney; Tom Davis; Henry Teigen; Joseph Gilbert; Fred A. Pike; Howard Wood; A. C. Townley; William A. Anderson; George H. Griffith; William Lemke; Thomas V. Sullivan; James Manahan; Arthur Le Sueur; Julius J. Reiter; Dr. L. A. Fritsche; Lily J. Anderson; Victor E. Lawson; A. Karlsson; and Lillian Gilliland.

VOTE STATISTICS

(Where source of information not otherwise specified, authority for statistics given here is Minnesota Legislative Manuals)

PRESIDENTIAL VOTES

1800 (electoral vote)

Thomas Jefferson	73
Aaron Burr	73
John Adams	65
C. C. Pinckney	64
John Jay	1

Thomas Jefferson elected by House of Representatives, carrying 10 States against 4 for Burr, 2 not voting. (History of the Presidency, Edward Stanwood, pp. 63, 72.)

1804 (electoral vote)

Thomas Jefferson	162
C. C. Pinckney	14

1828

Andrew Jackson (Democrat, Republican)	647,276
John Quincy Adams (National Republican)	508,064

1832

Andrew Jackson (Democrat)	687,502
Henry Clay (National Republican)	530,189

(American Parties and Politics, Harold R. Bruce, p. 97, 1804, 1828, and 1832 elections.)

MINNESOTA TERRITORIAL GOVERNORS

1. Alexander Ramsey: June 1, 1849, to May 15, 1853.
2. Willis A. Gorman: May 15, 1853, to April 23, 1857.
3. Samuel Medary: April 23, 1857, to May 24, 1858.

MINNESOTA: FIRST STATE ELECTION

Governor, 1857

Henry H. Sibley (Democrat)	17,790
Alexander Ramsey (Republican)	17,550
Total	35,340

MINNESOTA: SECOND STATE ELECTION

Governor, 1859

Alexander Ramsey (Republican)	21,335
George L. Becker (Democrat)	17,582
Total	38,917

ABRAHAM LINCOLN'S VOTE (NATIONAL)

Presidential election, 1860

Abraham Lincoln (Republican)	1,866,452
Stephen A. Douglas (Democrat)	1,376,957
John C. Breckinridge (Democrat)	849,781
John Bell (Constitutional Union)	588,879

1864

Abraham Lincoln (Republican)	2,330,552
George B. McClellan (Democrat)	1,835,985

(American Parties and Politics, Harold R Bruce, p. 118.)

ABRAHAM LINCOLN'S VOTE (MINNESOTA)

Presidential election, 1860

Abraham Lincoln (Republican)	22,069
S. A. Douglas (Democrat)	11,920
J. C. Breckinridge (Democrat)	748

1864

Abraham Lincoln (Republican)	25,055
George B. McClellan (Democrat)	17,367

GREENBACK PARTY VOTES

Presidential election, 1876

Peter Cooper (Greenback)	81,737
Rutherford B. Hayes (Republican)	4,036,298
Samuel J. Tilden (Democrat)	4,300,590
Green C. Smith (Prohibition)	9,522

1880

James B. Weaver (Greenback)	308,578
James A. Garfield (Republican)	4,454,416
Winfield S. Hancock (Democrat)	4,444,952
Neal Dow (Prohibition)	10,305

1884

Benjamin F. Butler (Greenback)	175,370
Grover Cleveland (Democrat)	4,874,986
James G. Blaine (Republican)	4,851,981
John P. St. John (Prohibition)	150,369

GREENBACK PARTY

Presidential votes—Minnesota, 1876

Peter Cooper (Greenback)	2,389
R. B. Hayes (Republican)	72,955
S. J. Tilden (Democrat)	48,587
Green C. Smith (Prohibition)	144

1880

James B. Weaver (Greenback)	3,267
James A. Garfield (Republican)	93,902
Winfield S. Hancock (Democrat)	53,315
Neal Dow (Prohibition)	286

1884

Benjamin F. Butler (Greenback)	3,583
James G. Blaine (Republican)	111,685
Grover Cleveland (Democrat)	70,065
John P. St. John (Prohibition)	4,684

(American Parties and Politics, Harold R. Bruce, pp. 118, 137.)

Greenback Governor vote, Minnesota, 1877

Wm. Meigher (Greenback)	2,396
J. S. Pillsbury (Republican)	57,071
W. L. Banning (Democrat)	39,147

UNION LABOR PARTY

Presidential election, 1888

Alson J. Streeter (Union Labor)	146,935
Benjamin Harrison (Republican)	5,439,853
Grover Cleveland (Democrat)	5,540,329
Clinton B. Fisk (Prohibition)	249,506

(American Parties and Politics, Harold R. Bruce, p. 137.)

ALLIANCE VOTE

Governor, Minnesota, 1890

Sidney M. Owen (Alliance)	58,513
W. R. Merriam (Republican)	88,111
Thomas Wilson (Democrat)	85,844
James P. Pinkham (Prohibition)	8,424

PEOPLE'S PARTY VOTES

Presidential election, 1892

James B. Weaver (Populist)	1,040,886
Grover Cleveland (Democrat)	5,556,543
Benjamin Harrison (Republican)	5,175,582
John Bedwell (Prohibition)	255,841
Simon Wing (Socialist-Labor)	21,532

1896

William Jennings Bryan (Democrat-Populist)	6,509,052
William McKinley (Republican)	7,111,607
John M. Palmer (National Democrat)	134,645
Joshua Levering (Prohibition)	131,312
Charles Matchett (Socialist-Labor)	36,373
Charles E. Bentley (National Prohibition)	13,968

1900

Wharton Barker (Independent Populist)	50,599
William McKinley (Republican)	7,219,525
William Jennings Bryan (Democrat)	6,358,737
John G. Woolley (Prohibition)	209,157
Eugene V. Debs (Socialist)	94,864
Joseph Malloney (Socialist-Labor)	33,432

1904

Thomas E. Watson (Populist)	114,546
Theodore Roosevelt (Republican)	7,628,785
Alton B. Parker (Democrat)	5,084,442
Eugene V. Debs (Socialist)	402,895
Silas C. Swallow (Prohibition)	258,950
Charles H. Corregan (Socialist-Labor)	33,490

1908

Thomas E. Watson (Populist)	29,146
William H. Taft (Republican)	7,677,788
William Jennings Bryan (Democrat)	6,407,982
Eugene V. Debs (Socialist)	420,890
Eugene W. Chafin (Prohibition)	252,511
Thomas L. Hisgen (Independence)	83,651
August Gilhaus (Socialist-Labor)	14,021

(American Parties and Politics, Harold R. Bruce, pp. 137, 178)

PEOPLE'S PARTY VOTES

President (Minnesota)

1892

James B. Weaver (People's)	29,313
James B. Weaver (Fusion vote)	107,077
Benjamin H. Harrison (Republican)	122,823
Grover Cleveland (Democrat)	100,920
John Bidwell (Prohibition)	14,182

1896

Wm. J. Bryan (Democrat-People's)	130,735
Wm. McKinley (Republican)	193,503
Joshua Levering (Prohibition)	4,339
John M. Palmer (National Democrat)	3,222
Charles Machett (Socialist)	954

1900

Wm. J. Bryan (Democrat-People's)	112,901
Wm. McKinley (Republican)	190,461
John G. Wooley (Prohibition)	8,555
Eugene V. Debs (Socialist-Democrat)	3,065
Charles W. Brandberg (Socialist-Labor)	1,329

1904

Thomas Watson (People's)	2,103
Theodore Roosevelt (Republican)	216,651
Alton B. Parker (Democrat)	55,187
Eugene V. Debs (Public Ownership)	11,692
Silas C. Swallow (Prohibition)	6,253
Charles H. Carregan (Socialist-Labor)	974

Governor, Minnesota

1892

Ignatius Donnelly (People's)	39,862
Knute Nelson (Republican)	109,220
Daniel W. Lawler (Democrat)	94,600
William J. Dean (Prohibition)	12,239
Total	255,921

1894

Sidney M. Owen (People's)	87,890
Knute Nelson (Republican)	147,943
George L. Becker (Democrat)	53,584
Hans S. Hilleboe (Prohibition)	6,832
Total	296,249

1896

John Lind (Democrat-People's)	162,254
David M. Clough (Republican)	165,806
Wm. J. Dean (Prohibition)	5,154
A. A. Ames (Independent)	2,890
W. B. Hammond (Socialist)	1,125
Total	337,229

1898

John Lind (Democrat-People's)	131,980
L. C. Long (Midroad Populist)	1,802
William H. Eustis (Republican)	111,796
Geo. W. Higgins (Prohibition)	5,299
W. B. Hammond (Socialist)	1,685
Total	252,562

1900

John Lind (Democrat-People's)	150,651
Samuel R. Van Sant (Republican)	152,905
Bernt F. Haugan (Prohibition)	5,430
S. M. Fairchild (Midroad Populist)	763
Thos. H. Lucas (Socialist-Democrat)	3,546
Edward Kriz (Socialist-Labor)	886
Total	314,181

1902

Thomas J. Meighen (People's)	4,821
Samuel R. Van Sant (Republican)	155,849
Leonard A. Rosing (Democrat)	99,362
Chas. Scanlon (Prohibition)	5,765
Jay E. Nash (Socialist)	2,521
Thos. Van Lear (Socialist-Labor)	2,570
Total	270,888

POPULIST PARTY REPRESENTATIVES AND SENATORS

(From Congressional Library)

(Alphabetical list)

POPULIST PARTY UNITED STATES SENATORS

Allen, William Vincent. Nebraska. Elected as a Populist to the United States Senate, and served from March 4, 1893, to March 3, 1899. Appointed to the Senate to fill the vacancy caused by the death of Monroe L. Hayward, and served from December 13, 1899, until March 28, 1901 (pp. 636–637).

Butler, Marion. North Carolina. Elected as a Populist to the United States Senate and served from March 4, 1895, to March 3, 1901 (p. 769).

Harris, William A. Kansas. Elected as a Populist to the Fifty-third Congress, March 4, 1893, to March 3, 1895. Elected as a Democrat to the United States Senate and served from March 4, 1897, to March 3, 1903 (pp. 1066–1067). Listed as a Populist in the Congressional Directories for the Fifty-fifth, Fifty-sixth, and Fifty-seventh Congresses.

Heitfield, Henry. Idaho. Elected as a Populist to the United States Senate and served from March 4, 1897, to March 3, 1903 (p. 1084).

Peffer, William Alfred. Kansas. Elected as a Populist to the United States Senate, and served from March 4, 1891, to March 3, 1897 (p. 1397).

Turner, George. Washington. Elected as a Fusionist and served from March 4, 1897, to March 3, 1903 (p. 1632). Congressional Directory for the Fifty-fifth Congress designates him as a Populist and states that he was elected as a representative of the People's Party, composed of a fusion of silver Republicans, Democrats, and Populists.

POPULIST PARTY UNITED STATES REPRESENTATIVES

Baker, Jehu. Illinois. Served in Thirty-ninth, Fortieth, and Fiftieth Congresses. Elected to Fifty-fifth Congress as Fusionist, having been nominated by the People's Party and also the Democratic Party. March 4, 1897, to March 3, 1899. (Congressional Directory, 55th Cong.).

Baker, William. Kansas. Elected as a candidate of the People's Party to the Fifty-second, Fifty-third, and Fifty-fourth Congresses, March 4, 1891–March 3, 1897 (p. 664).

Barlow, Charles Averill. California. Elected as a Populist and Democrat to the Fifty-fifth Congress, March 4, 1897–March 3, 1899 (p. 671).

Bell, John C. Colorado. Listed as a Populist in the Congressional Directories of the Fifty-third to Fifty-sixth Congresses and in the Fifty-seventh Congress as a Democrat. Biographical Directory states that he was elected as a Democrat to the Fifty-third and to the four succeeding Congresses, March 4, 1893–March 3, 1903 (p. 690).

Boen, Haldor E. Minnesota. Elected as a candidate of the People's Party to the Fifty-third Congress, March 4, 1893–March 3, 1895 (p. 714).

Botkin, Jeremiah D. Kansas. Biographical Directory states that he was elected to the Fifty-fifth Congress as a Fusionist, March 4, 1897–March 3, 1899 (p. 718). Congressional Directory for the Fifty-fifth Congress states that he was elected as a Populist on the Fusion ticket.

Castle, Curtis H. California. Elected as the candidate of the Populist and Democratic Parties to the Fifty-fifth Congress, March 4, 1897–March 3, 1899 (p. 795).

Davis, John. Kansas. Elected as a candidate of the People's Party to the Fifty-second and Fifty-third Congresses, March 4, 1891–March 3, 1895 (p. 886).

Fowler, John E. North Carolina. Elected as a Populist to the Fifty-fifth Congress, March 4, 1897–March 3, 1899 (p. 984).

Glenn, Thomas Louis. Idaho. Elected as a Populist to the Fifty-seventh Congress, March 4, 1901–March 3, 1903 (p. 1016).

Greene, William L. Nebraska. Elected as a Populist to the Fifty-fifth and Fifty-sixth Congresses and served from March 4, 1897, until his death, March 11, 1899 (p. 1032).

Gunn, James. Idaho. Unsuccessful Populist candidate for election to the Fifty-third and Fifty-fourth Congresses. Elected to Fifty-fifth Congress, March 4, 1897–March 4, 1899 (p. 1041). Listed as Populist in Congressional Directory for the Fifty-fifth Congress.

Harris, William A. Kansas. Elected as a Populist to the Fifty-third Congress, March 4, 1893–March 3, 1895. Elected as a Democrat to the United States Senate and served from March 4, 1897, to March 3, 1903 (pp. 1066–1067). Listed as a Populist in the Congressional Directories for the Fifty-fifth, Fifty-sixth, and Fifty-seventh Congresses.

Howard, Milford W. Alabama. Elected as a Populist to the Fifty-fourth and Fifty-fifth Congresses, March 4, 1895–March 3, 1899 (p. 1119).

Hudson, Thomas J. Kansas. Elected as a Populist to the Fifty-third Congress, March 4, 1893–March 3, 1895 (p. 1125). Listed in Congressional Directory in the alphabetical list as a Democrat; in the State list as a Democrat and Populist.

Kem, Omer M. Nebraska. Elected as a Populist to the Fifty-second, Fifty-third, and Fifty-fourth Congresses, March 4, 1891–March 3, 1897 (p. 1173).

Kelley, John E. South Dakota. Elected as the candidate of the Democratic Party and the People's Party to the Fifty-fifth Congress, March 4, 1897–March 3, 1899 (p. 1170).

Knowles, Freeman T. South Dakota. Elected as a Populist to the Fifty-fifth Congress, March 4, 1897–March 3, 1899 (p. 1193).

McCormick, Nelson B. Kansas. Elected as a Populist to the Fifty-fifth Congress, March 4, 1897–March 3, 1899 (p. 1255).

Martin, Charles Henry. North Carolina. Successfully contested as a Populist the election of James A. Lockhart to the Fifty-fourth Congress. Reelected to the Fifty-fifth Congress and served from June 5, 1896, to March 3, 1899 (p. 1292).

Neville, William. Nebraska. Elected as a Populist to the Fifty-sixth Congress to fill vacancy caused by the death of William L. Green. Reelected to Fifty-seventh Congress and served from December 4, 1899, to March 3, 1903 (p. 1353).

Otis, John G. Kansas. Elected as the People's Party candidate to the Fifty-second Congress, March 4, 1891–March 3, 1893 (p. 1376).

Pence, Lafayette. Colorado. Elected as a candidate of the Populists and silver Democrats to the Fifty-third Congress, March 4, 1893–March 3, 1895 (p. 1398).

Peters, Mason S. Kansas. Elected as a Democrat-Populist to the Fifty-fifth Congress, March 4, 1897–March 3, 1899 (p. 1404).

Ridgely, Edwin R. Kansas. Elected by the People's and Democratic Parties to the Fifty-fifth and Fifty-sixth Congresses, March 4, 1897–March 3, 1901 (p. 1462).

Shuford, Alonzo C. North Carolina. Elected as a Populist to the Fifty-fourth and Fifty-fifth Congresses, March 4, 1895–March 3, 1899 (p. 1523).

Simpson, Jerry. Kansas. Elected as a Populist to the Fifty-second and Fifty-third Congresses, March 4, 1891, to March 3, 1895; unsuccessful candidate for reelection to Fifty-fourth Congress;

elected to Fifty-fifth Congress, March 4, 1897, to March 3, 1899 (p. 1526).

Skinner, Harry. North Carolina. Elected as a Populist to Fifty-fourth and Fifty-fifth Congresses, March 4, 1895, to March 3, 1899 (p. 1529).

Stark, William L. Nebraska. Congressional Directory for the Fifty-fifth Congress lists him as a Fusionist (nominated by the Populists and afterward the Democrats), the Fifty-sixth as a Populist (candidate of the Populist, Democrat, and Silver Republican Parties), and the Fifty-seventh as a Fusionist and Populist. Biographical Directory states that he was the unsuccessful Populist candidate for election to the Fifty-fourth Congress, was elected as a Democrat to the Fifty-fifth, Fifty-sixth, and Fifty-seventh Congresses, March 4, 1897, to March 3, 1903, and was an unsuccessful Fusionist candidate for reelection (p. 1561).

Strowd, William Franklin. North Carolina. Elected as a Populist to the Fifty-fourth and Fifty-fifth Congresses, March 4, 1895, to March 3, 1899 (p. 1582).

Sutherland, Roderick Dhu. Nebraska. Elected as a Populist to the Fifty-fifth and Fifty-sixth Congresses, March 4, 1897, to March 3, 1901 (p. 1588).

Todd, Albert M. Michigan. State list in the Congressional Directory for the Fifty-fifth Congress states that he was elected to the Fifty-fifth Congress by a union of Democratic, Union Silver, People's, and National Parties. Biographical Director states that he was elected as a Fusion candidate to the Fifty-fifth Congress, March 4, 1897, to March 3, 1899 (p. 1620).

Vincent, William Davis. Kansas. Elected as a Populist to the Fifty-fifth Congress, March 4, 1897, to March 3, 1899 (p. 1651).

DELEGATE

Callahan, J. Y. Oklahoma. Congressional Directory for the Fifty-fifth Congress lists him as a Populist in the alphabetical list and in the State list says he was elected by the Populists and Democrats on a free-silver ticket. Biographical Directory states that he was elected to the Fifty-fifth Congress on the free-silver ticket, March 4, 1897, to March 3, 1899 (p. 778).

POPULIST PARTY CONGRESSMEN

(Chronological list)

The following lists show Populist Party Congressmen by sessions of Congress in which these Members served:

FIFTY-SECOND CONGRESS, 1891

Senators, 1: Peffer, Kansas.

Representatives, 5: Baker, Kansas; Davis, Kansas; Kem, Nebraska; Otis, Kansas; Simpson, Kansas.

FIFTY-THIRD CONGRESS, 1893

Senators, 2: Allen, Nebraska; Peffer, Kansas.

Representatives, 9: Baker, Kansas; Bell, Colorado; Boen, Minnesota; Davis, Kansas; Harris, Kansas; Hudson, Kansas; Kem, Nebraska; Pence, Colorado; Simpson, Kansas.

FIFTY-FOURTH CONGRESS, 1895

Senators, 3: Allen, Nebraska; Butler, North Carolina; Peffer, Kansas.

Representatives, 8: Baker, Kansas; Bell, Colorado; Howard, Alabama; Kem, Nebraska; Martin, North Carolina; Shuford, North Carolina; Skinner, North Carolina; Strowd, North Carolina.

FIFTY-FIFTH CONGRESS, 1897

Senators, 5: Allen, Nebraska; Butler, North Carolina; Harris, Kansas; Heitfield, Idaho; Turner, Washington.

Representatives, 23: Baker, Illinois; Barlow, California; Bell, Colorado; Botkin, Kansas; Castle, California; Fowler, North Carolina; Greene, Nebraska; Gunn, Idaho; Howard, Alabama; Kelley, South Dakota; Knowles, South Dakota; McCormick, Kansas; Martin, North Carolina; Peters, Kansas; Ridgely, Kansas; Shuford, North Carolina; Simpson, Kansas; Skinner, North Carolina; Stark, Nebraska; Strowd, North Carolina; Sutherland, Nebraska; Todd, Michigan; Vincent, Kansas.

Delegates, 1: Callahan, Oklahoma.

FIFTY-SIXTH CONGRESS, 1899

Senators, 5: Allen, Nebraska; Butler, North Carolina; Harris, Kansas; Heitfield, Idaho; Turner, Washington.

Representatives, 6: Bell, Colorado; Greene, Nebraska; Neville, Nebraska; Ridgely, Kansas; Stark, Nebraska; Sutherland, Nebraska.

FIFTY-SEVENTH CONGRESS, 1901

Senators, 3: Harris, Kansas; Heitfield, Idaho; Turner, Washington.

Representatives, 3: Glenn, Idaho; Neville, Nebraska; Stark, Nebraska.

NOTE.—This list of Members of Congress of the Populist Party is based upon the alphabetical lists found in the official Congressional Directories for the different sessions of Congress, upon the State lists in the same directories, and upon the Biographical Directory of the American Congress, 1774–1927. Unless otherwise specified, the information in regard to party affiliation and term of service as given with the Members' names was obtained from the Biographical Directory and the page numbers given refer to that directory. There has been included in the list Members designated as members of the People's Party, as Fusionists in cases where connection with the Populist Party was indicated, and those designated as Populists and also some other party. In a number of cases the information with regard to party affiliation given for the same person and the same period differed in the two directories, and in some cases different information was given in the same directory. In compilations or tables showing the political divisions in the Congresses found in other sources considerable variation is found with respect to the number of Populist Members. The list compiled here does not agree in numbers with the lists found elsewhere, nor do these lists agree with each other. The present list, therefore, cannot purport to go further than the sources here cited (Library of Congress).

PEOPLE'S PARTY GOVERNORS

1893: Colorado, Davis H. Waite; Kansas, L. D. Lewelling; North Dakota, E. C. D. Shortridge.

1894: Colorado, Davis H. Waite; Kansas, L. D. Lewelling; North Dakota, E. C. D. Shortridge; Wyoming, John E. Osborne.

1896: Nebraska, Silas A. Holcomb.

1897: Kansas, John W. Leedy; Nevada, Reinhold Sadler; Washington, J. R. Rogers.

1898 Kansas, John W. Leedy; Montana, Robert B. Smith; Nebraska, Silas A. Holcomb; Nevada, Reinhold Sadler; South Dakota, A. E. Lee; Washington, J. R. Rogers.

1899: Minnesota, John Lind; Montana, Robert B. Smith; Nebraska, William A. Poynter; Washington, J. R. Rogers; South Dakota, election claimed by A. E. Lee (Fusion) and by Phillips (Republican).

1900: Minnesota, John Lind; Montana, Robert B. Smith; Nebraska, William A. Poynter; Nevada, Reinhold Sadler; South Dakota, Andrew E. Lee; Washington, J. R. Rogers.

1901: Nevada, Reinhold Sadler.

1902: Nevada, Reinhold Sadler; Washington, John R. Rogers.

This list is based on information contained in the annual issues of the World Almanac for the period of the Populist movement. It includes Governors designated as members of the People's Party, Populists, Silver Party, and Populist Fusion. Lack of time has prevented checking to separate members of the Silver Party from the Populist and People's Parties (Library of Congress).

SOCIALIST PARTY VOTES

PRESIDENT

1892 (Socialist-Labor); 1896 (Socialist-Labor); 1900 (Socialist); 1900 (Socialist-Labor); 1904 (Socialist); 1904 (Socialist-Labor); 1908 (Socialist); 1908 (Socialist-Labor). (See People's Party votes for Socialist votes in these elections.)

1912. (See Bull Moose (Progressive) Party votes, 1912.)

1916

Allen L. Benson (Socialist)	590,415
Arthur E. Reimer (Socialist-Labor)	10,105
Woodrow Wilson (Democrat)	9,128,837
Charles E. Hughes (Republican)	8,536,380
J. Frank Hanly (Prohibition)	221,329

1920

Eugene V. Debs (Socialist)	915,302
Warren G. Harding (Republican)	16,152,200
James M. Cox (Democrat)	9,147,353
Parley Christiansen (Farmer-Labor) (Not affiliated with Minnesota Farmer-Labor Party.)	272,514
Aaron S. Watkins (Prohibition)	192,438

1924. (See La Follette Independent Progressive Party, 1924.)

1928

Norman Thomas (Socialist)	267,835
Verne L. Reynolds (Socialist-Labor)	21,181
Herbert Hoover (Republican)	21,392,190
Alfred E. Smith (Democrat)	15,016,443
William Z. Foster (Workers-Communist)	48,228
William F. Varney (Prohibition)	20,101
Frank E. Webb (Farmer-Labor; not affiliated with Minnesota Farmer-Labor Party)	6,391

(American Parties and Politics, Harold R. Bruce, p. 179.)

1932

Norman Thomas (Socialist)	884,781
Verne L. Reynolds (Socialist-Labor)	33,276
Franklin D. Roosevelt (Democrat)	22,821,857
Herbert Hoover (Republican)	15,761,841
William David Upshaw (Prohibition)	81,869
William Z. Foster (Communist)	102,991
Coln Harvey (Liberty)	53,425
Jacob S. Coxey (Farmer-Labor) (not affiliated with Minnesota Farmer-Labor Party)	7,309

(Compiled by George D. Ellis under direction of South Trimble, Clerk of the House of Representatives.)

Minnesota votes (President, Socialist Party)

1896, 1900, 1904, and 1908. (See Presidential votes under heading "People's Party" for these years. Note Socialist candidate also designated as "Public Ownership.") (See Bull Moose (Progressive) Party votes.)

1916

A. L. Benson (Socialist)	20,117
Charles E. Hughes (Republican)	179,544
Woodrow Wilson (Democrat)	179,152
Arthur E. Reimer (Independent Labor)	468
J. Frank Hanly (Progressive)	7,793

1920

E. V. Debs (Socialist)	56,106
W. G. Harding (Republican)	519,421
J. M. Cox (Democrat)	142,994
W. W. Cox (Independent)	5,828
W. W. Watkins (Prohibition)	11,489

1924

Frank F. Johns (Socialist-Independent)	1,855
Robert M. La Follette (Independent)	339,192
Calvin Coolidge (Republican)	420,759
John W. Davis (Democrat)	55,913
William Z. Foster (Workers Party-Communist)	4,427

1928

Norman Thomas (Socialist)	6,774
Herbert Hoover (Republican)	560,977
Al Smith (Democrat)	396,451
Verne L. Reynolds (Industrial)	1,921
William Z. Foster (Workers-Communist)	4,853

1932

Norman Thomas (Socialist)	25,476
Herbert Hoover (Republican)	363,959
Franklin D. Roosevelt (Democrat)	600,806
William Z. Foster (Communist)	6,101
Verne L. Reynolds (Independent)	770
Jacob S. Coxey (Farmer-Labor, not affiliated with Minnesota Farmer-Labor Party)	5,731

SOCIALIST MEMBERS OF CONGRESS AND VOTES RECEIVED

SIXTY-SECOND CONGRESS, 1911

Victor Berger, Wisconsin, Fifth District. Vote: Victor L. Berger, Socialist, 13,497; H. F. Cochems, Republican, 13,147; J. P. Carney, Democrat, 8,433. (Congressional Directory, 62d Cong.)

SIXTY-FOURTH CONGRESS, 1915

Meyer London, New York, Twelfth District. Vote: Meyer London, Socialist, 5,969; Henry M. Goldfogle, Democrat and Independent League, 4,947; Benjamin Barovsky, Republican and Progressive, 1,133. (Congressional Directory, 64th Cong.)

SIXTY-FIFTH CONGRESS, 1917

Meyer London, Socialist. Vote: Meyer London, Socialist, 6,103; Louis M. Block, Republican, 968; Leon Sanders, Democrat and Independent League, 5,763; Timothy N. Holden, Progressive, 18; Solomon Suffrin, National Progressive, 17. (New York Year Book, 1917, p. 495.)

SIXTY-SIXTH CONGRESS, 1919

Victor Berger, Wisconsin, presented credentials as Member-elect but was not seated. (Biographical Directory of the American Congress, p. 696.) Votes were: Victor Berger (Socialist), 17,920; Carney (Democrat), 12,450; Stafford (Republican), 10,678.

SIXTY-SEVENTH CONGRESS, 1921

Meyer London, New York, Twelfth District. (Vote not available at present time.)

The salary due Victor Berger but not paid, after the refusal of Congress to seat him, was voted to his widow by the Seventy-third Congress in 1934, rectifying the cruel error of refusing to seat a duly elected, able, and distinguished Congressman.

SIXTY-EIGHTH CONGRESS, 1923

Victor Berger, Wisconsin, Fifth District. Vote election November 7, 1922: Victor L. Berger, Socialist, 30,045; William H. Stafford, Republican, 26,274. (Wisconsin Blue Book, 1923, p. 573.)

SIXTY-NINTH CONGRESS, 1925

Victor L. Berger, Wisconsin, Fifth District. Vote, election November 4, 1924: Victor L. Berger, Socialist, 32,211; Ernst A. Braun, Republican, 31,702; Raymond Moore, Democrat, 13,441. (Wisconsin Blue Book, 1925, p. 570.)

SEVENTIETH CONGRESS, 1927

Victor L. Berger, Wisconsin, Fifth District. (Vote not available at present time.)

NOTE.—This data obtained from numerous sources, as indicated. Limitation of time precludes extensive checking and verification. (Library of Congress.)

SOCIALIST VOTES: GOVERNOR, MINNESOTA

(Note also Public Ownership candidates)

1896, 1898, 1900, 1902. (Refer to Governor elections under heading "People's Party" for these years.)

1904

Jay E. Nash (Public Ownership)	5,810
A. W. M. Anderson (Socialist-Labor)	2,293
Robert C. Dunn (Republican)	140,130
John A. Johnson (Democrat)	147,992
Charles W. Dorsett (Prohibition)	7,577
Total	303,802

1906

O. E. Loftus (Public Ownership)	4,646
Charles W. Dorsett (Prohibition)	7,223
A. L. Cole (Republican)	96,162
John A. Johnson (Democrat)	168,480
Total	276,511

1908

Beecher Moore (Public Ownership)	6,516
Jacob F. Anderson (Republican)	147,997
George D. Haggard (Prohibition)	7,024
John A. Johnson (Democrat)	175,136
William W. Allen (Independent)	593
Total	367,266

1910

George E. Barrett (Public Ownership)	11,173
C. W. Brandborg (Socialist-Labor)	6,510
Adolph O. Eberhart (Republican)	164,185
James Gray (Democrat)	103,779
J. F. Heiberg (Prohibition)	8,960
Total	295,627

1912

David Morgan (Public Ownership)	25,769
Adolph O. Eberhart (Republican)	129,688
Peter M. Ringdahl (Democrat)	99,659
E. E. Lobeck (Prohibition)	29,876
P. V. Collins (Progressive)	33,455
Total	318,447

1914

Tom J. Lewis (Socialist)	17,225
William E. Lee (Republican)	143,730
Winfield S. Hammond (Democrat)	156,304
W. G. Calderwood (Prohibition)	18,582
Hugh T. Halbert (Progressive)	3,553
Herbert Johnson (Independent Labor)	3,861
Total	343,255

1916

J. O. Bentall (Socialist)	26,306
J. A. A. Burnquist (Republican)	245,841
Thomas P. Dwyer (Democrat)	93,112
Thomas J. Anderson (Prohibition)	19,884
John P. Johnson (Independent-Labor)	5,476
Total	390,619

1918, 1920, 1924. (Refer to Final Elections—State Offices, under heading "Farmer-Labor Votes" for these years.)

COMMUNIST PARTY VOTES, PRESIDENT

1924, 1928, 1932. (See Socialist Party votes for these years. Note also Workers-Communist Party.)

COMMUNIST PARTY VOTES, PRESIDENT, MINNESOTA

(See Socialist Party votes for these years. Note also Workers-Communist Party.)

COMMUNIST PARTY VOTES, GOVERNOR, MINNESOTA

(See Farmer-Labor Party votes for governor 1928, 1930, 1932, 1934.)

PROGRESSIVE (BULL MOOSE) PARTY, 1912, PRESIDENT

Theodore Roosevelt (Progressive)	4,119,507
Woodrow Wilson (Democrat)	6,293,019
William H. Taft (Republican)	3,484,956
Eugene V. Debs (Socialist)	901,873
Eugene W. Chafin (Prohibition)	207,828
Arthur E. Reimer (Socialist-Labor)	29,259

ELECTORAL VOTE

Wilson	435
Roosevelt	88
Taft	8

PROGRESSIVE (BULL MOOSE) PARTY OF 1912, PRESIDENT, MINNESOTA

Theodore Roosevelt (Progressive)	125,856
Woodrow Wilson (Democrat)	106,426
William Howard Taft (Republican)	64,334
Eugene V. Debs (Public Ownership)	27,505
Eugene W. Chafin (Prohibition)	7,886
Elmer Reimer (Socialist)	2,212

PROGRESSIVE PARTY, 1912, GOVERNOR, MINNESOTA

P. V. Collins (Progressive)	33,455
Adolph O. Eberhart (Republican)	129,688
Peter M. Ringdahl (Democrat)	99,659
David Morgan (Public Ownership)	25,769
E. E. Lobeck (Prohibition)	29,876
Total	318,447

SENATORIAL VOTES, REPUBLICAN PRIMARY, 1916

C. A. Lindbergh (Labor endorsed)	26,094
Frank B. Kellogg	73,818
Adolph O. Eberhart	54,890
Moses E. Clapp	168,308

CONGRESSIONAL VOTE, REPUBLICAN PRIMARY, 1916

Representative in Congress:	
Fifth District:	
Ernest Lundeen (Labor endorsed)	9,887
George R. Smith	9,413
Charles L. Sawyer	3,417

CONGRESSIONAL VOTE, FINAL ELECTION, 1916

Representative in Congress:	
Fifth District:	
Republican, Ernest Lundeen (Labor endorsed)	19,131
Democrat, Bowler	11,849
Socialist, Thomas Latimer	7,526
Prohibition, Arthur Markue	6,599

NONPARTISAN LEAGUE IN REPUBLICAN PRIMARY, 1918

Governor:	
J. A. A. Burnquist	199,325
Charles A. Lindbergh (Nonpartisan League endorsed)	150,626
Lieutenant Governor:	
Ralph E. Crane (Nonpartisan League endorsed)	123,751
Thomas Frankson	130,052
A. D. Stephens	68,439
State auditor:	
S. O. Tjosvold (Nonpartisan League endorsed)	123,504
J. A. O. Preus	199,360
State treasurer:	
Albert H. Fasel (Nonpartisan League endorsed)	133,571
Henry Rines	178,698
Attorney general:	
Thomas V. Sullivan (Nonpartisan League endorsed)	153,192
Clifford L. Hilton	164,209
Clerk of supreme court:	
Herman Mueller (Nonpartisan League endorsed)	118,511
Irving A. Caswell	115,726
George C. Magnuson	80,013
Railroad and warehouse commissioner:	
Fred E. Tilquist (Nonpartisan League endorsed)	140,090
Fred W. Putnam	170,411
Representatives in Congress:	
Fifth Congressional District:	
Walter H. Newton	11,484
Ernest Lundeen (Municipal Nonpartisan League and Labor endorsed)	9,946
William A. Campbell	6,855
W. D. Washburn	4,993
Peter J. Youngdahl	3,972
Seventh Congressional District:	
Andrew J. Volstead	19,552
Henrik Shipstead (Nonpartisan League endorsed)	16,775
Ninth Congressional District:	
Halvor Steenerson	19,938
Frank M. Barton (Nonpartisan League endorsed)	16,138

FARMER-LABOR VOTES 1918—FINAL ELECTION

Governor:	
Farmer-Labor, David H. Evans	111,966
Republican, J. A. A. Burnquist	166,611
Democrat, Fred E. Wheaton	76,838
National, Olaf W. Stageberg	6,649
Socialist, L. P. Berot	7,795
Attorney general:	
Farmer-Labor, Tom Davis	99,933
Republican, Clifford L. Hilton	180,877
Democrat, B. B. Gislason	56,029
National, Lars O. Haug	15,047
Railroad and warehouse commissioner:	
Farmer-Labor, Fred E. Tilquist	104,283
Republican, Fred W. Putnam	165,852
Democrat, J. S. Jacobson	68,991
National, William Hokanson	10,628

For record of Charles A. Lindbergh, Nonpartisan League candidate for Governor in 1918 primaries, see speech of Ernest Lundeen, June 24, 1935, CONGRESSIONAL RECORD, page 10015, "Charles A. Lindbergh—Patriot, Pioneer, Statesman."

FARMER-LABOR VOTES, 1920 REPUBLICAN PRIMARY

Governor:	
Henrik Shipstead (Farmer-Labor endorsed)	125,361
Franklin F. Ellsworth	7,754
Tom Frankson	27,421
Samuel G. Iverson	7,333
Thomas Keefe	5,060
J. A. O. Preus	133,832
Lieutenant Governor:	
George H. Mallon (Farmer-Labor endorsed)	138,707
Louis L. Collins	155,432
Attorney general:	
Thomas V. Sullivan (Farmer-Labor endorsed)	117,799
Clifford L. Hilton	118,932
John C. Larson	29,434
Elmer C. Patterson	12,860
Stelle S. Smith	17,298
Representative in Congress:	
Fifth District:	
Ernest Lundeen (Labor endorsed)	15,179
Walter H. Newton	18,084
Charles B. Elliott	3,265
Seventh District:	
O. J. Kvale (Farmer-Labor endorsed)	17,369
Andrew J. Volstead	15,059

FARMER-LABOR VOTES, 1920 FINAL ELECTION

(Independent candidates Farmer-Labor endorsed)

Governor:	
Independent, Henrik Shipstead	281,402
Republican, J. A. O. Preus	415,805
Democrat, L. C. Hodgson	81,293
Socialist, Peter J. Samson	5,124
Lieutenant Governor:	
Independent, George H. Mallon	224,601
Republican, Louis L. Collins	432,226
Democrat, James P. McDonnell	79,414

FARMER-LABOR VOTES, 1920 FINAL ELECTION—continued

Lieutenant Governor—Continued.	
National, C. H. Hubbell	6,695
Socialist, Lillian Friedman	10,629
Attorney general:	
Independent, Thomas V. Sullivan	251,488
Republican, Clifford L. Hilton	446,736
Democrat, R. A. McQuat	53,738
Secretary of state:	
Farmer-Labor, Lily J. Anderson	193,658
Republican, Mike Holm	434,130
Democrat, Frank C. Burmaster	79,941
National, John M. Copeland	7,608
Socialist, J. H. Hirt	18,965
Treasurer:	
Farmer-Labor, John P. Wagner	191,429
Republican, Henry Rines	448,313
Democrat, H. J. Lueders	68,621
Socialist, P. H. Phelps	22,454
Railroad and warehouse commissioner:	
Farmer-Labor, Emil C. MacKenzie	177,256
Republican, O. P. B. Jacobson	445,557
Democrat, Ralph W. Robinson	72,964
Socialist, Tom May	23,900
Representative in Congress:	
First District—	
Independent, Julius J. Reiter	21,158
Republican, Anderson	50,387
Fifth District—	
Independent, Ernest Lundeen	9,573
Republican, Walter H. Newton	54,962
Democrat, Dahl	8,357
Farmer-Labor, Lynn Thompson	22,584
Sixth District—	
Independent, Charles A. Lindbergh	21,587
Republican, Harold Knutson	47,954
Seventh District—	
Independent, O. J. Kvale	35,370
Republican, Andrew Volstead	36,822
Democrat, Mitchell	5,358
Eighth District—	
Independent, William L. Carss	32,395
Republican, Oscar J. Larson	33,428

(Independent candidates Farmer-Labor endorsed.)

1922 FARMER-LABOR PRIMARY

(All Farmer-Labor candidates unopposed except in Ninth Congressional District.)

Representative in Congress:	
Ninth District—	
Knud Wefald	4,532
James S. Barnett	4,144
	8,676

FARMER-LABOR VOTES, 1922 FINAL ELECTION

U. S. Senator:	
Farmer-Labor, Henrik Shipstead	325,372
Republican, Frank B. Kellogg	241,833
Democrat, Anna D. Olesen	123,624
Governor:	
Farmer-Labor, Magnus Johnson	295,479
Republican, J. A. O. Preus	309,756
Democrat, Edward Indrehus	79,903
Lieutenant Governor:	
Farmer-Labor, Arthur A. Siegler	269,417
Republican, Louis L. Collins	322,700
Democrat, Silas M. Bryan	68,441
Secretary of State:	
Farmer-Labor, Susie W. Stageberg	247,757
Republican, Mike Holm	348,559
Democrat, Claude N. Swanson	66,616
State auditor:	
Farmer-Labor, Elizabeth Evans Deming	253,913
Republican, Ray P. Chase	315,089
Democrat, John E. Casey	80,021
State treasurer:	
Farmer-Labor, Frank H. Keyes	294,131
Republican, Henry Rines	339,832
Attorney general:	
Farmer-Labor, Roy C. Smelker	254,715
Republican, Clifford L. Hilton	319,529
Democrat, James E. Doran	72,157
Railroad and warehouse commissioner:	
Farmer-Labor, W. W. Royster	270,752
Republican, Ivan Bowen	290,084
Democrat, William J. North	75,027
Clerk of supreme court:	
Farmer-Labor, H. T. Van Lear	273,542
Republican, Grace F. Kaercher	293,173
Democrat, Frank J. Hebl	74,285
Representative in Congress:	
Sixth District:	
Independent, John Knutsen	4,550
Republican, Harold Knutson	37,201
Seberger	19,365

FARMER-LABOR VOTES, 1922 FINAL ELECTION—Continued

Representative in Congress—Continued.	
Seventh District:	
Independent, O. J. Kvale	42,832
Republican, Andrew J. Volstead	28,918
Eighth District:	
Independent, William L. Carss	28,757
Republican, Oscar J. Larson	32,420
Ninth District:	
Farmer-Labor, Knud Wefald (first Farmer-Labor Congressman)	35,551
Republican, Halvor Steenerson	27,590

FARMER-LABOR VOTES, 1923 SPECIAL ELECTION

FARMER-LABOR PRIMARY FOR SENATOR

Magnus Johnson	57,570
L. A. Fritsche	38,393
Charles A. Lindbergh	21,811
Total	117,774

FARMER-LABOR VOTES, 1923 FINAL SPECIAL ELECTION

SENATOR

Farmer-Labor, Magnus Johnson	290,165
Republican, J. A. O. Preus	195,319
Democrat, James A. Carley	19,311

FARMER-LABOR VOTES, PRIMARY ELECTION 1924

United States Senator:	
Magnus Johnson	174,343
Michael Ferch	15,254
Hjalmar Dantes	7,548
Total	197,145
Governor:	
Tom Davis	55,532
L. A. Fritsche	41,831
Victor E. Lawson	20,784
W. W. Royster	9,083
Floyd B. Olson	55,825
William A. Schaper	8,134
Thomas Vollom	7,245
Total	198,434
Lieutenant Governor:	
Juls J. Anderson	38,387
Willis G. Calderwood	33,128
J. S. Christensen	35,966
Emil E. Holmes	41,017
Frank H. Keyes	31,746
Total	170,244
Secretary of state:	
Louis Abrahamson	42,967
E. A. Preuss	39,225
Susie W. Stageberg	63,864
R. A. Trovatten	30,087
Total	176,143
Treasurer:	
Carl Berg	61,599
William H. Friedell	23,335
John P. Wagner	56,666
Theo. Walstead	31,788
Total	173,388
Attorney general:	
S. J. Kroman	9,996
John C. Larson	31,655
R. F. Peterson	19,787
Roy C. Smelker	16,049
Thomas V. Sullivan	103,644
Total	178,131
Railroad and warehouse commissioner:	
L. Jonus Altman	12,424
Alex Kanter	8,386
Paul I. D. Ostby	16,074
A. E. Smith	43,021
A. P. Teigen	21,123
O. M. Thomason	30,081
Fred E. Tillquist	30,263
Archie Whaley	12,756
Total	174,128

FARMER-LABOR VOTES, PRIMARY ELECTION 1924—Continued

Representative in Congress:	
First District:	
Otto Baudler	3,638
Victor A. Christgau	3,668
Julius J. Reiter	4,362
A. L. Spencer	2,465
Total	14,133
Third District:	
Talbert Erickson	3,843
J. B. Lokkesmoe	2,676
A. C. Welch	8,518
Total	15,037
Fifth District:	
A. G. Bastis	4,911
Thomas P. Dwyer	2,790
R. A. Henning	2,757
John O. Johnson	3,506
Victoria E. McAlmon	4,236
Total	18,200
Sixth District:	
Albert C. Bosel	1,966
O. J. Bouma	1,733
Harry A. Bridgeman	1,939
Henry Funkley	1,664
Halver S. Halverson	1,574
A. H. Hendrickson	1,598
John Knutsen	1,998
S. C. Shipstead	9,221
D. Stickeny	1,481
Total	23,174
Eighth District:	
J. O. Bentall	5,306
William L. Carss	6,439
A. H. Kleffman	3,445
William E. McEwen	4,222
Arthur A. Siegler	1,743
Total	21,155
Tenth District, Farmer-Labor primary:	
George D. Brewer	5,970
Martin A. Hogan	3,784
Fred D. McMillen	3,000
Martin W. Odland	2,530
I. G. Scott	5,586
Total	20,870

There were no contests in the second, fourth, seventh, and ninth districts, and, therefore, no Farmer-Labor primary votes in these districts.

FARMER-LABOR VOTES, 1924—FINAL ELECTION

United States Senator:	
Farmer-Labor, Magnus Johnson	380,646
Republican, Thomas D. Schall	388,594
Democrat, John J. Farrell	53,709
Independent, Thomas Keefe	4,994
Beer, wine, and independent, Merle Birmingham	8,620
Governor:	
Farmer-Labor, Floyd B. Olson	366,029
Republican, Theodore Christianson	406,692
Democrat, Carlos Avery	49,353
Socialist-Independent, Oscar Anderson	3,876
Progressive, Michael Ferch	9,052
Lieutenant Governor:	
Farmer-Labor, Emil E. Holmes	345,633
Republican, W. I. Nolan	410,433
Democrat, Fred Schilplin	50,330
Secretary of state:	
Farmer-Labor, Susie W. Stageberg	288,946
Republican, Mike Holm	473,577
Democrat, Ole C. Halvorson	45,622
State treasurer:	
Farmer-Labor, Carl Berg	322,585
Republican, Henry Rines	422,389
Democrat, Henry H. Reindel	48,302
Attorney general:	
Farmer-Labor, Thomas E. Sullivan	342,236
Republican, Clifford L. Hilton	417,376
Democrat, Robert C. Bell	43,913
Railroad and warehouse commissioner:	
Farmer-Labor, A. E. Smith	334,174
Republican, Frank W. Matson	403,332
Democrat, J. J. Lanin	46,031

FARMER-LABOR VOTES, 1924—FINAL ELECTION—Continued

Representative in Congress:	
First District:	
Farmer-Labor, Julius J. Reiter	28,558
Republican, Allen J. Furlow	41,484
Democrat, L. B. Hanna	7,659
Second District:	
Republican, Frank Clague	45,730
Farmer-Labor, Swanjord	29,901
Third District:	
Farmer-Labor, A. C. Welch	30,093
Republican, August H. Andresen	40,398
Fourth District:	
Farmer-Labor, Julius J. Emme	12,629
Republican, Oscar E. Keller	39,217
Democrat, Dan W. Lawler	30,227
Fifth District:	
Farmer-Labor, A. G. Bastis	36,804
Republican, Walter H. Newton	68,333
Democrat, John S. Crosby	10,967
Sixth District:	
Farmer-Labor, S. C. Shipstead	33,831
Republican, Harold Knutson	39,800
Seventh District:	
Farmer-Labor, O. J. Kvale	43,555
Republican, G. B. Bjornson	30,871
Eighth District:	
Farmer-Labor, William L. Carss	46,926
Republican, Victor L. Power	39,505
Ninth District:	
Farmer-Labor, Knud Wefald	38,248
Republican, Peterson	29,095
Tenth District—	
Farmer-Labor, George D. Brewer	36,490
Republican, Godfrey G. Goodwin	47,749
Democrat, Frank Hicks	4,485

LA FOLLETTE-INDEPENDENT-PROGRESSIVE PARTY

LA FOLLETTE VOTES, 1924—NATIONAL

Robert M. La Follette (Independent-Progressive)	4,667,312
Calvin Coolidge (Republican)	15,749,030
John W. Davis (Democrat)	8,760,557
Herman P. Faris (Prohibition)	48,671
Frank T. Johns (Socialist-Labor)	33,901
William Z. Foster (Workers)	33,605
Gilbert O. Nations (American)	22,873

LA FOLLETTE VOTES—MINNESOTA

Robert M. La Follette (Independent)	339,192
Calvin Coolidge (Republican)	420,759
John W. Davis (Democrat)	55,913
Frank Z. Johns (Socialist-Labor)	1,855
William Z. Foster (Workers)	4,427

FARMER-LABOR VOTES, 1926

PRIMARY

Governor:	
Tom Davis	70,434
Magnus Johnson	82,002
Total	152,436
Lieutenant Governor:	
Emil E. Holmes	57,216
Lou W. Martin	37,456
Peter J. Seberger	27,426
Henry Wuerzinger	12,697
Total	134,795
Representative in Congress:	
Third District:	
August M. Gagen	6,493
J. B. Lokkesmoe	3,741
Total	10,234
Fourth District:	
William W. Meiners	1,919
Thomas V. Sullivan	5,933
Total	7,852
Sixth District:	
O. J. Bouma	2,650
A. H. Hendrickson	2,143
Joseph Himsl	6,325
John Knutsen	4,240
Carl E. Taylor	1,836
Total	17,224
Tenth District:	
Ernest Lundeen	8,595
Fay Cravens	3,909
Total	12,504

FARMER-LABOR VOTES, 1926 FINAL ELECTION

Governor:	
Farmer-Labor, Magnus Johnson	266,845
Republican, Theodore Christianson	395,779
Democrat, Alfred Jacques	38,008
Lieutenant Governor:	
Farmer-Labor, Emil E. Holmes	236,307
Republican, W. I. Nolan	373,940
Democrat, Chas. D. Johnson	53,189
Secretary of state:	
Farmer-Labor, Charles Olson	217,424
Republican, Mike Holm	449,447
State auditor:	
Farmer-Labor, S. O. Tjosvold	218,074
Republican, Ray P. Chase	413,691
State treasurer:	
Farmer-Labor, Thomas J. Meighen	244,861
Republican, Julius A. Schmahl	400,061
Attorney general:	
Farmer-Labor, Frank E. McAllister	214,781
Republican, Clifford L. Hilton	384,724
Democrat, George Cahill	45,049
Railroad and warehouse commissioner:	
Farmer-Labor, Thomas Vollom	236,131
Republican, Ole P. B. Jacobson	387,677
Clerk, supreme court:	
Farmer-Labor, Minnie Cederholm	227,520
Republican, Grace F. Kaercher	341,597
Democrat, Winnifred McDermott	61,852

FARMER-LABOR VOTES, 1926 FINAL ELECTION

Third District:	
Farmer-Labor, August M. Gagen	13,636
Republican, August H. Andresen	40,484
Democrat, Kolars	9,825
Fourth District:	
Farmer-Labor, Thomas V. Sullivan	17,355
Republican, Melvin J. Maas	22,976
Democrat, Henry F. Wessell	1,957
Pearson	19,819
Fifth District:	
Farmer-Labor, Albert Bastis	19,647
Republican, Walter H. Newton	47,162
Democrat, Jensen	5,942
Sixth District:	
Farmer-Labor, Joseph B. Himsl	27,076
Republican, Harold Knutson	39,570
Scattering	14
Seventh District:	
Farmer-Labor, O. J. Kvale	41,151
Republican, Howard	28,641
Eighth District:	
Farmer-Labor, William L. Carss	41,766
Republican, Larson	33,606
Ninth District:	
Farmer-Labor, Knud Wefald	32,505
Republican, Selvig	33,477
Tenth District:	
Farmer-Labor, Ernest Lundeen	21,552
Republican, Godfrey G. Goodwin	36,897
Democrat, Finlayson	4,013

FARMER-LABOR VOTES, 1928 PRIMARY

United States Senator:	
Henrik Shipstead	86,093
William L. Watkins	9,529
Total	95,622
Governor:	
Ernest Lundeen	43,773
L. A. Fritsche	42,949
Total	86,722
Representative in Congress:	
Fifth District:	
Ruby Smith Dehnel	1,546
Vincent R. Dunne	2,366
Ferdinand Johnson	4,274
Total	8,186
Sixth District:	
John Knutsen	6,350
Carl E. Taylor	4,285
Total	10,635
Eighth District:	
J. W. Anderson	4,367
William L. Carss	8,507
Total	12,874

FARMER-LABOR VOTES, 1928 PRIMARY—Continued

Representative in Congress—Continued.	
Tenth District:	
C. R. Hedlund	5,496
John Gabriel Soltis	3,011
Total	8,507

FARMER-LABOR VOTES, 1928 FINAL ELECTION

United States Senator:	
Farmer-Labor, Henrik Shipstead (reelected)	665,169
Republican, Arthur E. Nelson	342,992
Workers Communist, Vincent R. Dunne	9,380
Governor:	
Farmer-Labor, Ernest Lundeen	227,193
Republican, Theodore Christianson	549,857
Democrat, Andrew Nelson	213,734
Industrial, Harris A. Brandborg	3,279
Workers Communist, J. O. Bentall	5,760
Lieutenant Governor:	
Farmer-Labor, Thomas J. Meighen	235,133
Republican, W. I. Nolan	526,413
Democrat, Fred Pfaender	180,449
Secretary of state:	
Farmer-Labor, Susie W. Stageberg	178,096
Republican, Mike Holm	625,712
Democrat, Ruth Haynes Carpenter	163,771
State treasurer:	
Farmer-Labor, Peter J. Seberger	205,228
Republican, Julius A. Schmahl	541,986
Democrat, William A. Just	187,950
Attorney general:	
Farmer-Labor, C. F. Gaarenstroom	192,472
Republican, G. A. Youngquist	524,151
Democrat, George Cahill	205,681
Railroad and warehouse commissioner:	
Farmer-Labor, J. L. Peterson	259,823
Republican, Christian J. Laurisch	463,791
Democrat, Viggo Justesen	171,954
Representative in Congress:	
Third District:	
Farmer-Labor, Henry Arens	15,749
Republican, August H. Andresen	52,526
Democrat, Charles C. Kolars	19,844
Workers-Communist, E. B. Ford	1,154
Fourth District:	
Farmer-Labor, Howard Y. Williams	23,068
Republican, Melvin Joseph Maas	39,648
Democrat, John P. J. Dolan	31,521
Workers-Communist, Maurice Powers	506
Independent, Fred A. Snyder	15,365
Fifth District:	
Farmer-Labor, Ferdinand Johnson	24,869
Republican, Walter H. Newton	80,856
Democrat, James Robertson	31,528
Workers-Communist, O. R. Votaw	723
Sixth District:	
Farmer-Labor, John Knutsen	28,276
Republican, Harold Knutson	55,663
Seventh District:	
Farmer-Labor, O. J. Kvale	56,029
Republican, Lawrence M. Carlson	27,735
Eighth District:	
Farmer-Labor, William L. Carss	42,508
Republican, William A. Pittenger	43,777
Democrat, Dana C. Reed	9,784
Workers Communist, Thomas Foley	2,989
Ninth District:	
Farmer-Labor, Knud Wefald	36,853
Republican, C. G. Selvig	45,319
Tenth District:	
Farmer-Labor, C. R. Hedlund	23,774
Republican, Godfrey C. Goodwin	60,100
Democrat, Ernest W. Erickson	22,702

FARMER-LABOR VOTES, 1930 PRIMARY

United States Senator:	
Ernest Lundeen	39,589
Knud Wefald	27,661
Total	67,250
Governor:	
Floyd B. Olson	60,455
Carl E. Taylor	11,791
Total	72,246
Representative in Congress:	
Third District:	
John T. Lyons	1,302
F. H. Shoemaker	3,863
Total	5,165

FARMER-LABOR VOTES, 1930 PRIMARY—Continued

Representative in Congress—Continued.	
Fifth District:	
Ferdinand Johnson	4,388
Joseph Poirier	4,005
Total	8,393
Tenth District:	
Dwight C. Martin	3,124
Erling Swenson	4,446
Total	7,570

FARMER-LABOR VOTES, 1930 FINAL ELECTION

United States Senator:	
Farmer-Labor, Ernest Lundeen	178,671
Republican, Thomas D. Schall	293,626
Democrat, Einar Hoidale	282,018
Independent, Charles A. Lund	20,669
Communist, Rudolph Harju	5,645
Governor:	
Farmer-Labor, Floyd B. Olson	473,154
Republican, Ray P. Chase	289,528
Democrat, Edward Indrehus	29,109
Communist, Carl Reeve	5,594
Lieutenant Governor:	
Farmer-Labor, Henry Arens	358,385
Republican, John H. Haugen	341,718
Communist, Andrew Roine	14,719
Secretary of state:	
Farmer-Labor, Anna Olson Determan	209,596
Republican, Mike Holm	487,695
Democrat, Mary C. MacGregor	56,535
Communist, Henry Bartlett	12,326
State auditor:	
Farmer-Labor, Henry G. Teigan	260,272
Republican, Stafford King	385,406
Democrat, Benjamin M. Loeffler	78,183
State treasurer:	
Farmer-Labor, Frederick Miller	271,286
Republican, Julius A. Schmahl	375,946
Democrat, J. Pierce Wolfe	77,894
Attorney general:	
Farmer-Labor, Joseph B. Himsl	256,591
Republican, Henry N. Benson	358,955
Democrat, Walter F. Dacey	86,037
Railroad and warehouse commissioner:	
Farmer-Labor, Elmer Gottfried Johnson	288,553
Republican, Frank W. Matson	323,217
Democrat, August Blomquist	84,593
Communist, Nick Maki	8,753
Clerk, supreme court:	
Farmer-Labor, Roy C. Smelker	337,157
Republican, Grace Knercher Davis	338,154
Representative in Congress:	
First district:	
Farmer-Labor, Matt. Fitzpatrick	24,357
Republican, Victor Christgau	45,330
Second district:	
Farmer-Labor, L. A. Fritsche	33,092
Republican, Frank Clague	38,431
Third district:	
Farmer-Labor, F. H. Shoemaker	21,118
Republican, August H. Andresen	35,704
Democrat, Joseph J. Moriarity	17,485
Fourth district:	
Farmer-Labor, Claus V. Hammerstrom	16,180
Republican, Melvin J. Maas	48,633
Democrat, Frank Munger, Sr.	6,593
Communist, A. N. Anderson	1,630
Sixth district:	
Farmer-Labor, John Knutsen	19,461
Republican, Harold Knutson	44,058
Democrat, P. J. Russell	9,197
Seventh District—	
Farmer-Labor, Paul John Kvale	58,334
Republican, Frank Hopkins	13,506
Eighth District—	
Farmer-Labor, William L. Carss	29,001
Republican, William A. Pittenger	55,802
Communist, Walter Harju	3,318
Ninth District—	
Farmer-Labor, Knud Wefald	32,874
Republican, Conrad G. Selvig	37,531
Tenth District—	
Farmer-Labor, Erling Swenson	37,182
Republican, Godfrey G. Goodwin	38,391
Communist, David I. Moses	1,931

FARMER-LABOR VOTES, 1932 PRIMARY

Lieutenant Governor:	
Benjamin F. Opshal	46,994
K. K. Solberg	84,164
Railroad and warehouse commissioner:	
Elmer Gottfried Johnson	61,532
Knud Wefald	69,444

(Governor, Floyd B. Olson; secretary of state, John T. Lyons; State treasurer, A. H. Kleffman; attorney general, Harry H. Peterson nominated without opposition.)

FARMER-LABOR VOTES, 1932 PRIMARY—Continued

United States Representatives (at large):

John G. Alexander	18,353
Henry Arens	69,777
Albert G. Bastis	24,397
J. Adam Bede	32,613
Albert C. Bosel	11,145
R. T. Buckler	23,506
John S. Crosby	22,320
A. O. Devold	27,949
J. V. Free	13,594
C. F. Gaarenstroom	45,252
A. H. Hendrickson	22,738
Magnus Johnson	93,832
John Knutsen	29,436
J. S. Konkel	10,237
Paul John Kvale	72,366
Victor E. Lawson	34,437
Ernest Lundeen	77,412
Laura E. Naplin	22,240
Martin W. Odland	24,019
C. J. Oelseth	11,461
J. L. Peterson	39,475
Emil L. Regnier	22,115
Julius J. Reiter	26,984
Russell C. Riley	19,002
F. H. Shoemaker	37,658
Susie W. Stageberg	27,989
Erling Swenson	33,764
Henry G. Teigan	37,451
Lynn Thompson	30,672
A. C. Townley	50,583
Edward Trombley	10,651
Ralph O. Van Lear	32,935
Mat Wagner	26,176
Howard Y. Williams	29,130
Curtis H. Windsor	9,837
Total vote, United States Representatives	1,121,506

FARMER-LABOR VOTES, 1932 FINAL ELECTION

Representatives in Congress (at large)

Rank	Farmer-Labor	Republican	Democrat
1. Magnus Johnson	388,618		
2. Paul John Kvale	380,444		
3. Henry Arens	361,724		
4. Ernest Lundeen	350,455		
5. Theodore Christianson		337,110	
6. Einar Hoidale			321,949
7. Ray P. Chase		321,092	
8. F. H. Shoemaker	317,109		
9. Harold Knutson		313,221	
10. August Andresen		312,198	
11. W. I. Nolan		306,266	
12. Conrad G. Selvig		304,846	
13. J. A. A. Burnquist		302,356	
14. J. L. Peterson	298,331		
15. Henry G. Teigan	291,887		
16. C. F. Gaarenstroom	291,687		
17. Wm. A. Pittenger		291,487	
18. N. J. Holmberg		287,381	
19. A. C. Townely	261,120		
20. Robert C. Bell			237,881
21. John P. Coughlin			214,462
22. Silas M. Bryan			207,419
23. Emil E. Holmes			205,673
24. James R. Bennett			198,421
25. Donald A. Chapman			190,530
26. Hugh T. Kennedy			186,466
27. John Bowe			184,587
Total	2,941,375	2,775,948	1,947,388

COMMUNIST CANDIDATES AT LARGE, 1932

Rank:

29. J. W. Anderson (Communist)	16,299
30. O. M. Karson (Communist)	9,573
31. Fred Lequier (Communist)	8,927
Total Communist vote for Representative in Congress, at large	34,799

STICKER CANDIDATES AT LARGE, 1932

Rank:

28. Victor Christgau (sticker candidate)	82,826
32. Melvin Maas (sticker candidate)	784
Total sticker-candidate vote for Representative in Congress, at large	83,610

FARMER-LABOR VOTES, 1932 FINAL ELECTION

Governor:

Farmer-Labor, Floyd B. Olson	522,438
Republican, Earle Brown	334,081
Democrat, John E. Regan	169,859
Communist, William Schneiderman	4,807
Industrial, John P. Johnson	1,824

FARMER-LABOR VOTES, 1932 FINAL ELECTION—Continued

Lieutenant Governor:

Farmer-Labor, K. K. Solberg	429,759
Republican, T. O. Streissguth	314,369
Democrat, Ruth Haynes Carpenter	193,671
Communist, John Lindman	10,159

Secretary of state:

Farmer-Labor, John T. Lyons	342,496
Republican, Mike Holm	451,611
Democrat, Jerry A. Harri	182,065
Communist, Robert Turner	8,180

State treasurer:

Farmer-Labor, A. H. Kleffman	360,498
Republican, Julius A. Schmahl	371,574
Democrat, Timothy J. Doyle	223,651

Attorney general:

Farmer-Labor, Harry H. Peterson	379,418
Republican, Henry N. Benson	345,486
Democrat, Ray G. Moonan	218,076
Communist, Tom Foley	8,585

Railroad and warehouse commissioner:

Farmer-Labor, Knud Wefald	372,105
Republican, Oscar A. Swenson	343,659
Democrat, Matthew N. Kraus	215,980
Communist, Emil Nygard	9,458

FARMER-LABOR VOTES, 1934 PRIMARY

United States Senator:

Henrik Shipstead	198,951
Francis H. Shoemaker	71,172
Total	270,123

Governor:

Floyd B. Olson	238,821
John Lind	33,268
Total	272,089

Railroad and warehouse commissioner:

Charles Munn	96,364
Charles J. Johnson	85,152
Elmer Gottfried Johnson	33,496
Alex Kanter	21,327
Total	236,339

Clerk Supreme Court:

Russell O. Gunderson	126,352
Laura E. Naplin	107,234
Total	233,586

Representative in Congress:

First District:

Otto Baudler	8,605
Nellie Miller	5,681
Emil M. Olson	5,317
Total	19,603

Sixth District:

Magnus Johnson	24,907
John Knutsen	6,517
Total	31,424

Eighth District:

E. J. W. Kolhase	8,059
Sigmond M. Slonim	14,484
A. L. Winterquist	18,213
Total	40,756

Ninth District:

R. T. Buckler	17,874
Henry Nycklemoe	6,385
A. C. Townley	13,671
Total	37,930

FARMER-LABOR VOTES, 1934 FINAL ELECTION

United States Senator:

Farmer-Labor, Henrik Shipstead	503,379
Republican, N. J. Holmberg	200,083
Democrat, Einar Hoidale	294,757
Communist, Alfred Tiala	5,620
Socialist, Morris Kaplin	5,618

Governor:

Farmer-Labor, Floyd B. Olson	468,812
Republican, Martin A. Nelson	396,359
Democrat, John E. Regan	176,928
Communist, S. K. Davis	4,334
Independent, A. C. Townley	4,454

FARMER-LABOR VOTES, 1934 FINAL ELECTION—Continued

Lieutenant Governor:	
Farmer-Labor, Hjalmar Petersen	428,897
Republican, Franklin F. Ellsworth	331,747
Democrat, Arthur D. Reynolds	222,144
Secretary of state:	
Farmer-Labor, K. K. Solberg	359,322
Republican, Mike Holm	477,573
Democrat, H. T. Kennedy	170,545
Communist, Robert Turner	5,791
State auditor:	
Farmer-Labor, John T. Lyons	379,654
Republican, Stafford King	380,302
Democrat, Patrick J. Delaney, Jr.	221,221
State treasurer:	
Farmer-Labor, A. H. Kleffman	377,472
Republican, Julius A. Schmahl	394,228
Democrat, Maynard Bartley	201,608
Attorney general:	
Farmer-Labor, Harry H. Peterson	436,140
Republican, Oscar F. Youngdahl	345,372
Democrat, Alric Anderson	190,049
Railroad and warehouse commissioner:	
Farmer-Labor, Charles Munn	420,117
Republican, Christian J. Laurisch	337,061
Democrat, Robert G. Close	197,264
Clerk, supreme court:	
Farmer-Labor, Russell O. Gunderson	342,148
Republican, Grace Kaercher Davis	336,479
Democrat, Clarence L. Smith	230,457
Socialist, Oscar F. Hawkins	5,751

FARMER-LABOR VOTES, 1934 FINAL ELECTION

Representative in Congress:	
First District:	
Farmer-Labor, Otto Baudler	29,038
Republican, August H. Andresen	51,099
Democrat, John W. Feller	29,581
Second District:	
Farmer-Labor, Henry Arens	37,663
Republican, L. P. Johnson	35,968
Democrat, Elmer J. Ryan	43,677
Third District:	
Farmer-Labor, Ernest Lundeen	59,097
Republican, Josiah H. Chase	28,637
Democrat, John W. Schmidt	22,556
Communist, Peter O. Sjodin	632
Fourth District:	
Farmer-Labor, A. E. Smith	30,354
Republican, Melvin J. Maas	37,933
Democrat, John J. McDonough	24,122
Independent, Charles J. Andre	10,180
Communist, Thomas Tracy	497
Fifth District:	
Farmer-Labor, Dewey W. Johnson	42,322
Republican, Theodore Christianson	45,875
Democrat, Sidney Benson	27,814
Communist, Harry Mayville	507
Socialist, George Riedel	317
Sixth District:	
Farmer-Labor, Magnus Johnson	46,346
Republican, Harold Knutson	56,642
Democrat, Frank R. Weber	19,572
Seventh District:	
Farmer-Labor, Paul John Kvale	65,261
Democrat, Richard T. Daly	44,762
Eighth District:	
Farmer-Labor, A. L. Winterquist	25,024
Independent, F. H. Shoemaker	25,386
Republican, William A. Pittenger	39,513
Democrat, Jerry A. Harri	18,707
Communist, Thomas Foley	1,969
Ninth District:	
Farmer-Labor, R. T. Buckler	41,822
Republican, Ole O. Sageng	27,522
Democrat, Martin Oscar Brandon	25,210

FARMER-LABOR VOTES, 1936 PRIMARY

United States Senator:	
Floyd B. Olson	175,652
Carl E. Taylor	13,952
Governor:	
Elmer A. Benson	126,088
Edgar B. Bernard	7,901
Magnus Johnson	50,503
Adolph W. Olson	6,156
Lieutenant Governor:	
Gottfrid Lindsten	101,737
C. E. Townsend	71,712
Railroad and warehouse commissioner:	
Charles J. Johnson	45,873
Hjalmar Petersen	129,434

Secretary of state: Paul C. Hartig (no opposition).
State treasurer: C. A. Halverson (no opposition).
Attorney general: Harry H. Peterson (no opposition).

FARMER-LABOR VOTES, 1936 PRIMARY—Continued

Representative in Congress:	
First District: Chester Watson (no opposition).	
Second District:	
Henry Arens	9,942
L. W. Samuelson	1,678
Third District:	
Louis J. Altman	2,447
Ernest Lundeen	23,777
Fourth District:	
Charles A. Hausler	8,626
Howard Y. Williams	9,348
Fifth District:	
Dewey W. Johnson	19,289
Nat. Ross	3,323
Sixth District:	
John T. Galarneault	5,295
Claus P. Naas	1,670
C. A. Ryan	7,878
Frank R. Weber	5,600
Seventh District: Paul John Kvale (no opposition).	
Eighth District:	
John T. Bernard	17,772
Francis H. Shoemaker	15,713
Ninth District: Richard Thompson Buckler (no opposition).	

PHILIPPINE NEUTRALITY AND NATIONAL DEFENSE

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter I received from General Rivers on Philippine independence.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Speaker, sometime ago I addressed the House on the subject of Philippine neutrality and independence. At that time I called attention to the useless expenditures of American taxpayers' money in the maintenance of an idle army in the Philippine Islands. I also pointed out that the presence of this army is a menace to future Philippine independence, and its withdrawal would result in considerable saving of money to the taxpayers of the United States. Notwithstanding the fact that the Philippine people have been promised their full freedom and independence in 10 years, there is a growing movement in Manila and also in this country at this time for the revocation of the act for Philippine independence. I have several letters from Maj. Gen. William C. Rivers, who spent many years of active service in the Philippines. He is a student of Army and Navy matters and is an expert who fully agrees with my statements on this floor. I take this opportunity to include in these remarks these letters from this expert in order that Members of this House can secure first-hand the impressions of this Army officer on these important matters.

GENERAL RIVERS' LETTERS

The Times Manila dispatch contained an interview with General MacArthur, President Quezon's military adviser, that gives interesting details of the defense plans calculated, the general says, to make the Philippine Islands "invasion proof" at the end of 10 years.

The first law enacted under the new government provided compulsory military training by conscription for youth in the elementary and other schools beginning at the age of 10. The obligation extends to the age of 50 years. All schoolgirls are to receive training for auxiliary service from the age of 10 years. A commission as field marshal is provided for the military adviser.

A regular army of 19,000 and a reserve corps are established. Men drafted at the age of 20 receive their first training of 6 months in reserve centers or for 1 year in the army. Several thousand school teachers are given training in the summer vacation, so as to carry on the military instruction in the schools. The defense plans call for 400,000 trained reserves at the end of 10 years, a 250-plane air force, the regular army, and possibly 100 small defense boats with a speed of 50 to 100 miles an hour, each boat to carry a crew of 8 and 2 torpedo tubes.

COST RUNS HIGH

The yearly military expenditure is estimated at $8,000,000—about 30 percent of the whole annual income of the Philippine government. America is responsible for the defense of the Philippines until 1946. After the withdrawal of our forces, if the relations of the Philippines with a naval power should become strained, such a power could place 10 cruisers in 10 Philippine harbors, interrupt all shipping of passengers, mail, and goods, and sit tight until the Philippines surrendered.

Contemporary with these defense preparations the discussions advocating our permanent retention of the Philippines continue at Manila and in our Congress. Three Senators who had aided the enactment of the independence law submitted to Congress reports of visits to the islands that had changed their own convictions. Briefly, Senators TYDINGS, MCKELLAR, and E. W. GIBSON reported that they felt the Filipinos would be wise to ask for some amendment to the independence act in order that the islands might remain under American sovereignty in some form of dominion status. The reports of the Senators contained at that time no estimates as to the financial and other cost of such a plan to the American people.

What some of the Filipinos desire is, I assume, continuance of autonomy in all matters of local government, continuance of free trade with the United States, and of the single-handed responsibility of our country for defense. The present extra annual cost to the American people for the forces kept at Manila is but a fraction of what would be required if we were to hold the Philippines. This is because the defense of the islands in the future would require in Manila a far greater fleet and an army of American soldiers equipped for war service. Most students agree that we would need in the Pacific a fleet three times that of any western Pacific power.

History shows how difficult it is to abridge rights once granted to a people. History shows also that dominion status for a distant people is practicable only when the ruling people and the dependency are of one race.

Brief study of a globe—not a map—will show that Japan lies squarely between the United States and the Philippines on the direct and short steamer route—Seattle-Japan-Manila. Japan is just midway between the Aleutians and Manila. This relative position of the three countries is a fact of transcendental importance. There has never been a war between two major nations so far apart as the distance from Tokyo to our Capital—7,500 miles—or from our west coast to Manila—6,000 miles.

Holding the Philippines as a dependency would involve us in such a war—some future revolt in the Philippines against us as alien rulers, or a war with Japan. In either case, the Philippines would be crushed. Though we won a war with Japan at such unprecedented if not impossible distances the conflict would but aid Russia to communize China. A war between ourselves and Japan to aid the Philippines or to aid China would harm both those countries.

OUR ALTERNATIVES

After the war, then what? We remain in China at an expense that would shock us, or we return to our own country to watch the Japanese repopulate as promptly as did the Germans after the Great War.

Among the alternatives to the conscription of the Filipinos for armament—a procedure that may wreck their finances and take funds required for economic study of their needs and for the upkeep of their splendid educational and highway systems—and to the naval race in the Pacific—is to take steps to settle our differences with Japan. We should recognize Japan's position in Manchukuo and in China.

We assert a desire to aid the Philippines and China. This can be done only by peace in the Orient through the employment of constructive statesmanship and the frank recognition of existing conditions.

America has in her foreign trade 488 of the 900 merchant vessels that our fleet would need as auxiliaries in a war across the North Pacific. Japan has not the merchant ships her fleet would need. Neither nation has, of course, the 1,000 or more additional merchant ships that would be necessary to transport an invading army. If there be any idea of transporting the new colonial Filipino army by sea to the western littoral of the Pacific for use as an American expeditionary force, such a plan would be impossible for several good reasons.

With the rapid development of the airplane and the great improvement in submarines, it is now practically impossible to transport a war army overseas where the opposing army has a great fleet and army. This comes also from the immense bulk of the machinery and impedimenta now attached to a war army.

Assuming that Switzerland's neutrality has lasted for a century because it is to the selfish national interests of several nations to preserve that neutrality, an examination of the relative positions of Australia, Java, French China, the Philippine Islands, China, Japan, and Russia will indicate how it is also to the selfish interests of the powers concerned to neutralize the Philippines. The Independence Act of Congress asks the President to take steps to endeavor to secure the neutralization of the islands at as early a date as possible. Many Americans hope that our country will aid such a movement, although it would not be to our selfish national interests to any such great degree.

Those who discussed recently in Congress and the press the Army and Navy appropriations often referred to the need for a national-defense policy—some standard to measure the demands of the Navy and Army authorities. The sums being considered for the two arms total more than $1,000,000,000. The armed services received about one-third of a billion additional funds from relief moneys over 2 recent years.

A formal appeal on this subject was addressed recently to the President and Congress by several hundred experienced persons who are alarmed at the increase of more than 75 percent in the regular Budget for the combatant forces in 2 years' time. The principal allegations were that "no explanation of this arming, unprecedented in our peacetime history, has been forthcoming. * * * Common sense demands * * * the immediate projection of a basic policy of national defense * * * with the complete coordination and cooperation of Army and Navy and aviation forces, which cooperation is not now existent. * * * We urge that our national-defense policies be fixed on the basis of the defense of our soil." Now a naval statement announces that we should build a dozen cruisers, when we already have the treaty limit in that class of ships. Great Britain had announced she would build new cruisers—above treaty limits.

FOR LARGER ARMY

Then the Secretary of War stated recently that there is ample justification for the belief that the Army is probably dangerously small. Another authority computes that we have under arms at some time in the year well over 500,000 men—in the Army, Navy, the Guard, the Reserves, and the Coast Guard—in addition to several thousand young men in part-time military training at more than 200 colleges. Also a new term in connection with our military policy recently appeared when a Senator in debate appealed for "dominating" forces of our country.

A military policy evidently depends upon what the people desire to do with armed forces. Our often-repeated assertion is that we arm for defense only. The National Defense Act refers only to the size of the Regular Army and not to the policy for general use of the Navy and Army.

There are two additional sources of confusion in studying our defense expenditures. One is the custom of carrying river and harbor appropriations in the War Department bill. The present bill contains $138,000,000 for rivers and harbors. The last bill had nothing for this purpose.

Another source of difficulty is in the procedure in Congress, where six committees are considering defense appropriations. These committees hold separate hearings and make independent recommendations concerning the funds for the different forces. Several important nations have taken measures to simplify their procedure by appointing a cabinet minister of defense. This official coordinates and controls the general training and the operations of the armed services and regulates their appeals to the national legislatures for funds.

There is ample testimony concerning the industry, application, and knowledge the able gentlemen in Congress apply to the subject of national defense. In a troubled world their dilemmas double. They cannot always predict what the national policy is to be. For example, the Senate just reduced the sum allowed by the House for fortification work in Hawaii. This was said to be for more extended fortifications in that area. The press comment was that, considering the width of the Pacific, the size of our fleet and other matters, such extensive fortifications there may not be necessary for our defense.

DEFENSE POLICY

A reasonable American national-defense policy would be one that provides for the control of the seas in the vicinity of our country as well as for the protection of our own borders and coasts. In the Pacific it would, of course, include the permanent defense of Hawaii and the Panama Canal. In would not include the permanent defense of the Philippines and Guam. Based primarily on Honolulu, as at present, and thus working on exterior and long lines, it would require an overwhelming fleet to defend our west coast. In contrast to this, a moderate fleet based primarily on the Aleutian Islands, and thus working on interior and shorter lines would be a more effective and less costly defense for our west coast, the Panama Canal, and of Honolulu as a secondary base.

Students generally agree that for the permanent defense of Guam and the Philippines we would require in the Pacific a fleet three times the size of the fleet of any other Pacific power. We would need also a large army in the islands with a vast amount of war impedimenta. Not only would there be needed an increase in the Navy beyond the greatest limits ever yet considered, but the Regular Army would have to be increased to a total above that ever heretofore thought of by the American people. All this would entail for our people an ever-growing expenditure.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from California [Mr. HOEPPEL] may extend his remarks in the RECORD and include therein certain letters, affidavits, extracts, and also a short newspaper item in connection with his appearance before the House Committee on Military Affairs. He has obtained an estimate from the Public Printer.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOEPPEL. Mr. Speaker, in order that the Members of the House, the citizens of my district, and the American people generally may be apprised of the type of political persecution which prevails here in Washington, I submit the following facts in connection with my indictment and trial here in the District of Columbia. To my own people at home, whom I have endeavored to represent honestly and faithfully, I wish to say that I hope they will, each and all

of them, read the facts in the case, which I wish to be considered as a statement under oath, and judge me accordingly. If, after reading the true version of my persecution, they feel that I have been unfairly treated, I appeal to them to support me for reelection. If they feel, after reading the facts which I present, that I have been accorded justice, then I hope that they will do everything within their power to defeat me. All I ask is a square deal—nothing more—such as I have endeavored to give to all with whom I have come in contact throughout my 55 years of life.

THE BACKGROUND OF MY PERSECUTION

Before entering upon a discussion of the political aspects of my case, I wish to state that, in accordance with congressional etiquette, I shall refer to WILLIAM GIBBS MCADOO as national committeeman and not in his capacity as United States Senator.

I was called to the Post Office Department in 1934 to confer with patronage-dispenser Farley and was ushered into his office immediately after McADOO left there. I was extended a "glad hand" and told to address him as "Jim." Then I was hauled over the coals for exercising an independent attitude in the Congress. Mr. Farley wanted me to commit myself to sphinxlike silence as far as any opposition which I might feel to New Deal measures was concerned, and to pledge myself to support them, regardless of any personal convictions I might have on the subject. I told him that I would vote with the administration on Democratic platform principles and when I considered the proposals advanced to be constitutional and just to the people, but that I would not accept dictation from him or anyone else.

Out of approximately 250,000 patronage jobs dispensed by this administration, I can recall having received only about 5 appointments in the various alphabetical agencies, with the exception of the C. C. C. Following my conversation with Mr. Farley and prior to the 1934 campaign, Mr. Farley gave orders that my post-office appointments were to be given to McADOO.

Prior to my reelection in 1934, McADOO recommended for appointment as postmaster at South Pasadena an individual who was not a resident of the city and who had twice voted illegally there, notwithstanding that there was a civil-service eligible list for appointment composed of bona-fide South Pasadena residents. I saw correspondence in the United States Civil Service Commission indicating that Farley and McADOO violated United States civil-service law in securing the confirmation of this individual who was not even legitimately on the eligible list for appointment. This appointment was made over my own vehement protest and that of the citizens of South Pasadena.

M'ADOO ALWAYS UNFAVORABLE

The unfavorable attitude of Mr. McADOO was brought to a climax when I appeared before the House Rules Committee, joining with Congressman SWEENEY, of Ohio, in demanding an investigation of the H. O. L. C., which was operating inefficiently and with little sympathy for the distressed mortgagees in many States. Subsequently, McADOO berated and threatened me because in my statements to the House Rules Committee I attributed the inefficiency in the Los Angeles agency to the political patronage set-up dominated and controlled by Mr. McADOO and his henchmen.

POSTMASTER APPOINTMENT INVESTIGATION

Shortly following this, one of Mr. McADOO's henchmen, George F. Rinehart, whom I defeated for nomination in 1932 and 1934, came to Washington, apparently for the purpose of securing a patronage appointment. I was advised that Mr. Rinehart brought a report to Mr. McADOO, charging me with selling post offices in my district. Presumably as a reward for service rendered, Mr. Rinehart, who is more than 72 years of age, was then recommended by Mr. McADOO and appointed to a $2,600 per annum patronage position as "field representative" in the Federal Housing Administration, the duties of which position appear to be primarily political.

THE POST-OFFICE INVESTIGATION DEVELOPED INTO A FIASCO

Mr. Rinehart, Mr. J. B. Elliott, Mr. James B. Pettit, and other McAdooites, initiated this investigation, using disgruntled office seekers in my district as front men in their attack. As soon as I was apprised of their action, I demanded that the matter be placed before the grand jury but as yet nothing has materialized, and nothing can or will materialize unless this fiasco is reinflated as a political weapon against me in the coming campaign. The investigation, carried on by post-office inspectors for a number of months, at considerable expense to the taxpayers, developed not even a semblance of irregularities, and all the postmasters whom I favored, directly or indirectly, are still serving in their positions, which does not substantiate the implications of the investigation that they were "bribe-givers."

I have in my possession various documents on the subject of this investigation, confirming the fact that it was nothing other than a political move against me. The following extract from a letter on this subject, written by one of the individuals involved in the investigation, is pertinent and revealing:

> I further explained that another example of the groundless charges against him (HOEPPEL) is the present post-office investigation in our district which proved conclusively that disgruntled so-called political leaders out here saw fit to maliciously attack his integrity and character by causing such a ridiculous investigation to be made. Personally I was drawn into that investigation by some of those supposed leaders by misstating and distorting facts. And for my part in that matter, I hold sincere regrets to this day.

Personally, I defy any man in this world to show where I, directly or indirectly, at any time, took 1 cent from anyone for an appointment of any kind.

FURTHER PERSECUTION

Back of the succession of events in my case can be clearly discerned a ruthless determination to destroy one who could not be controlled. And so, when the denial of patronage had failed to subdue me, when the most diligent efforts of postal inspectors had failed to reveal the slightest irregularity in the appointments in my district, when the indictment brought against me for alleged conspiracy and solicitation had failed to silence me, I was not surprised to receive a call from a representative of the Internal Revenue Bureau, delegated to investigate my income-tax returns for 1933, the first year in my life that I ever had enough income to require paying more than a few dollars tax.

This type of persecution has been notoriously used by Farley as a political weapon. In my case, it revealed that had I availed myself of my right as a Californian to make a joint return with my wife, I would have been entitled to a refund from the Government. But from the Government's standpoint, I doubt if it paid expenses for it brought a payment of only $33 as tax on some $2,000 in donations I had made that year to charity and to the unemployed which, according to my information when I made my return, was exempt! Let us hope, though, that Mr. Farley and his henchmen were satisfied!

FARLEY ESPIONAGE SIMILAR TO SECRET RUSSIAN POLICE TACTICS

The newspaper reports show that Congressmen and Senators who opposed the administration have had their mail opened and their offices rifled. No doubt this has occurred to a number of the national representatives, but it is outstanding in the cases of Senator VANDENBERG, Senator HOLT, and also the late Senator Schall. So obnoxious has been this espionage that it evoked severe criticism from Senator BONE, himself a Democrat from the State of Washington, who sees in methods of this kind a nascent and budding OGPU which might easily become the instrument for political blackmail.

OFFICES OF CONGRESSMEN ALSO RAIDED

My own office was raided and my mail tampered with, according to positive information brought to me by a Government employee, who advised me that my efforts in behalf of obtaining W. P. A. appropriations for the Pomona Fair

Ground Association at Pomona, Calif., were under suspicion and being subjected to the closest scrutiny. Mr. Jack Afflerbaugh, president of this association, and one of the outstanding citizens of Pomona, can vouch for the fact that my efforts in obtaining W. P. A. funds for the substantial and worth-while improvements at the fair ground were in nowise connected with the cement industry, which was confirmed by Mr. Farley's own secret investigator.

I not only assisted in obtaining appropriations for this project in Pomona, but also cooperated, in 1933, in obtaining funds for the Pomona Reservoir. I have helped every municipality in my district in its meritorious projects, and my only interest has been to assist in bringing relief to the unemployed through substantial work projects which, at the same time, will be a permanent asset to the community.

The citizens of Arcadia will certainly admit that my efforts in behalf of obtaining the Ross Field recreational center were nothing other than open and honest. The citizens of Covina, LaVerne, Alhambra, Monterey Park, Whittier, and other cities of my district, can attest to the fact that my efforts in obtaining appropriations for post offices, schools, and other public buildings at those places, were motivated by my concern for the unemployed, yet the Farley-McAdoo machine spends the taxpayers' money apparently in an effort to create suspicion as to my integrity and thus discredit me politically.

OTHER CONGRESSMEN'S OFFICES ENTERED

A Representative who has been very active in support of the Townsend plan told me that he has positive information that his office was entered, apparently in an endeavor to obtain information to be used by the inquisitorial Townsend Investigating Committee. Other Representatives have complained and have been suspicious that their offices were also entered.

Such are the tactics employed under the leadership of a boxing promoter who, unfortunately, heads our Democratic National Committee. As a Democrat, interested in the succes of our party, I hope that he may be given the kind of "leave of absence" which was accorded to General Hagood, who was penalized for exercising his American right of free speech.

In recounting these facts in connection with my political persecution, I wish to reiterate that as a representative of the people of the Twelfth District of California, no political would-be dictator will control my vote, neither will anyone prevent me from using the voice which God gave me whenever my conscience tells me I must use it in the interest of our suffering people. God help our beloved country if we are to be subjected to a continuance of the Farley domination which has been so evident in the past and which will grow, like a mushroom, adding to the corruption of political life, and thus retard real recovery, unless the leaders in our party return to the sound principles of democracy, free speech, a free press, the free exercise of the ballot, and freedom of worship, vouchsafed to us by the Constitution and so clearly enunciated in the writings of our peerless founder, Thomas Jefferson. As a Democrat, I propose to continue my efforts toward freeing our Democratic Party from the tyranny of selfish leadership.

MY DISCHARGED SECRETARY REWARDED

It was necessary for me to discharge my former secretary because of drunkenness and disloyalty. After his discharge he was contacted by my enemies and used to bring about the indictment against myself and son. He was brought from California by the Government at a cost to the taxpayers of some $300. He was not called as a witness, however, but was merely used to identify my son for Ives, the complaining witness, who less than 2 weeks before the trial had identified another as my son. My former secretary remained in Washington after the trial and has been rewarded with a job in the Democratic National Committee.

Inasmuch as my secretary brought Ives' application to my attention, and knew that I intended to appoint him, his testimony alone, if he had told the facts, would have exonerated me. As I knew I was innocent, I relied upon the truth to exonerate me and considered it unnecessary to bring in a witness of dubious value who had made threats against me and had been otherwise disloyal.

REPORTED FARLEY WILL OPPOSE MY REELECTION

I have been authentically informed that Farley and McAdoo are making political trades and commitments on patronage in my district, and, in addition, that they are actually grooming a candidate against me, in an endeavor to prevent my renomination.

A TRAVESTY ON JUSTICE

Clarence Darrow, the famous criminal lawyer, on the occasion of his seventy-ninth birthday, is quoted as saying:

There is no such thing as justice—in or out of the court.

As the trial which I recently underwent was the first experience of my lifetime as a witness or a participant in a jury trial, I am not in a position to controvert the opinion of such a distinguished jurist as Clarence Darrow. I do say, however, that I have the highest respect for the courts of our land and, even though one may err here or there, they are indeed the bulwark of our liberty, and I would be the last man to criticize them, even though I, an innocent man, am in this instance the victim of injustice through the courts. For the Supreme Court, which during the past 3 years has had placed upon it such an increasing burden of responsibility in the dispensation of justice and the maintenance of our free institutions, I have the highest regard, as I consider it the ne plus ultra in our proudly acclaimed courts of justice.

AN IMPARTIAL JURY IN WASHINGTON VIRTUALLY IMPOSSIBLE FOR A CONGRESSMAN

It is a recognized fact that the citizens of Washington generally have a prejudice against Congressmen, which is only natural, due to the fact that Washington residents themselves have no political liberty, they are constantly being harassed by congressional legislation, and in addition, Congressmen are extended certain privileges in Washington not vouchsafed to the average citizen. As a consequence, anyone in public life is, in a sense, prejudged, if he can be enmeshed in any manner in the political spider web of the District of Columbia courts.

There was enacted in the last session of Congress a bill authorizing the placing of Government employees, pensioners, and other governmental beneficiaries, on District of Columbia juries. To put it more plainly, patronage appointees were authorized for jury duty under this act, were freely drawn on jury panels, and did actually sit on juries in the District of Columbia in cases in which the Government was a party. Could an unprejudiced hearing reasonably be expected from a jury of this type, in a case where the Government was both judge and prosecutor and the Congressman on trial had invoked Farley's wrath because he would not be a "rubber stamp" in the New Deal? The jury under which I was tried included six individuals who had a direct or indirect contact with the Government.

Juries drawn and sitting, similar to mine, have since been declared unconstitutional by the Court of Appeals of the District of Columbia and individuals, including an accused petty thief, have been remanded back for a new trial or the indictment against them quashed because of the unconstitutionality of the jury which found them guilty. The same Court of Appeals denied the motion of my attorneys for a rehearing on this very same point of the unconstitutionality of the jury, and, therefore, it will be necessary for me to go to the Supreme Court to secure the consideration which the Court of Appeals extended to an accused petty thief.

FACTS ABOUT THE DISTRICT ATTORNEY AND HIS ASSISTANT

In order to get a true picture of my persecutors, it is only fair to state that the present district attorney, Leslie C. Garnett, was appointed on the recommendation of a prominent politician of Virginia who contributed handsomely to the Democratic campaign fund. It is also authentically reported that the national committeeman from California, Mr.

McAdoo, who is socially friendly with the United States Attorney General, Mr. Cummings, had a hand in the appointment of Mr. Garnett. Only last year a subcommittee of the District of Columbia Committee voted to remove Mr. Garnett from office because of inefficiency. The matter was the cause of considerable furor in the city of Washington, and a Member of Congress who should know, personally informed me that patronage pressure was exerted by Mr. Farley to prevent the whole committee from asking for the removal of the district attorney. The power of patronage appears to have been very effective, as the report was eventually submitted by the committee with the sting removed, but the criticism of the district attorney's office remaining. The district attorney, therefore, had something to be grateful for.

When the War Department submitted the report to the Department of Justice on the alleged solicitation of a bribe, the best investigator in the Department of Justice was assigned to work on this case. He remained on the case throughout, and apparently, after having manufactured evidence against me, finally resorted to eavesdropping on the deliberations of the jury, the pertinent points of which I will discuss later.

THE DISTRICT ATTORNEY AND HIS ASSISTANT POLITICALLY AMBITIOUS

The district attorney aspires to a Federal judgeship, and David A. Pine, his assistant, who prosecuted the case against me, aspires to the district attorneyship in Washington. With this in mind, I wish to direct attention to certain facts pertaining to the assistant district attorney, David A. Pine.

In March 1935, several days after my indictment, I was visited at my office by Henry Bradshaw who sympathized with me, berated the indictment as unfair, and advised me that I should use dilatory tactics in going to trial as later on, I could get the indictment quashed for about $300. He told me at the time that he was the brother-in-law of David A. Pine, the assistant district attorney, and that he himself was an attorney in the department of the Treasury. As my son was in Arizona at that time and I knew nothing of the charge, I told him that I was innocent and that I would pay nothing to quash the indictment, but that I would confer with my son to see whether he had been involved. He left, giving me his telephone number and telling me to call upon him for anything he could do for me. The case was tentatively set for June but as my son was employed in the West and I wished him to keep in employment as long as possible, I asked, through my attorneys, that the case be held over until the next term. Almost immediately after this request for a continuance, I was again visited by Henry Bradshaw, actually the brother-in-law of David A. Pine who prosecuted my case, as I later ascertained. He again suggested delay and that I could, no doubt, get the indictment quashed by paying around $300.

ATTORNEYS REPORTED NO EVIDENCE AGAINST ME

In the meantime, my attorneys had reported to me that they had reliable information that the District Attorney's office admittedly had no evidence against me, but they did think they had evidence against my son, and my attorneys suggested that I permit my son to plead guilty and take a small fine and thus have the indictment against me quashed. I declined to be a party to such an agreement but, acting on this information, I engaged the services of another attorney to visit the district attorney's office to ascertain whether or not my information was correct and if so, if he could obtain a nolle-pros on the indictment. He reported that the district attorney would not nolle-pros my indictment. I left almost immediately thereafter for California.

Several days later, in my absence, the same Henry Bradshaw, brother-in-law of the assistant district attorney, called at my office and met my oldest son, Raymond W. Hoeppel, and the clerk of the committee of which I am chairman. He did not discuss quashing the indictment for pay with the clerk of the committee, but did suggest to my son that the case be further delayed, as later it would be easy to quash it for an amount.

These facts I transmitted to my attorneys, who advised me to ignore Mr. Bradshaw, which I did. My conclusion, and apparently the inference which it was desired that I should make, was that Henry Bradshaw was in close contact with his brother-in-law, the assistant district attorney, Mr. Pine, but whether the assistant district attorney was involved in an attempted bribe solicitation, or whether the intention was to entrap me, knowing that there was no evidence against me in the indictment then pending, I can only surmise.

DISTRICT COURT OFFICIALS "FIX" JURY

When the jury in my case was being drawn the prosecution, knowing my veteran activities and my fight for the Townsend old-age-pension plan, questioned the prospective jurors as to their affiliations with the Townsend movement and whether or not they were in receipt of pension or compensation. There were three pensioners sitting in the jury box. One of them was challenged by the prosecution and removed. The bailiff of the court, then in session, approached one of the attorneys for my son and told him to remove from the box two individuals, stating to my son's attorney that these individuals were convictors, or "hangmen", and I could get no justice if they remained. My attorneys knew my veteran background and also knew that I was a veteran of the Spanish-American and World Wars, yet, without mentioning a word to me, my son's attorney removed a disabled Spanish War veteran and my own attorney removed another on the suggestion of the bailiff of the court, who, I believe, was acting under instructions from David A. Pine, the assistant district attorney, who was prosecuting the case.

I spoke later to one of the veterans removed from the jury, and he told me he had not served on a jury in that court before. There was no reason why he should have been accredited as a "hangman." I spoke to the other, who is an ex-marine receiving $50 per month pension for Spanish War service, and he told me he thought he was removed because he was a veteran. Imagine, if you can, that I should be interested in removing from the jury men with whom I had served in 1898 and who, it might reasonably be anticipated, would weigh the evidence most carefully in a conscientious effort to give common justice to a comrade! I later spoke to one of these veterans removed from the jury, who remained throughout most of the trial, and he indicated to me that from what he had heard, there would never have been a verdict of "guilty" had he been on the jury. I did not discuss this matter with the other.

The verdict was rendered by the jury December 12. On December 14 the court bailiff throughout the trial—the same individual who helped "fix" the jury—called at my office in the House Office Building on three different occasions, which can be verified by five persons. He asked for money to go to the races to meet two of the jurors, indicating that there were irregularities in the jury discussions and that the information he would get would be valuable to me in a new trial. He not only suggested that I give him money, but also made a similar suggestion to the clerk of the War Claims Committee, of which I am chairman. I refused to consider any proposal of his; whereupon he then requested that my son, who was present in the office throughout the discussions, drive him to the races, as it was getting late and he had lost so much time coming to my office on three different occasions in an effort to see me personally. I also refused to permit my son to take him to the races to meet these jurors, as he alleged.

I leave to the judgment of those who read these facts whether or not I was given a fair trial by an impartially chosen jury.

ACTION OF THE JURORS IN THEIR DELIBERATIONS

The jury deliberations, as reported to me by one of the lady jurors, appear to have been very close to what may be considered as "rough-house" methods. I submit herewith an affidavit which was executed by this lady, a prominent lady of the city of Washington, an individual of culture, education, and distinct refinement. Because of the delicate nature of this lady's disability and her high standing in social and political life, her name and that of her husband, are withheld.

AFFIDAVIT IN SUPPORT OF MOTION FOR A NEW TRIAL, FILED JANUARY 10, 1936

CITY OF WASHINGTON,
District of Columbia, ss:

————, being first duly sworn on oath deposes and says that she was impaneled, sworn, and served as one of the trial jurors in the case of the United States against Charles J. Hoeppel and John H. Hoeppel, wherein they were jointly indicted on the charge of conspiracy to violate the statute of the United States and a verdict of guilty was rendered in said cause on Thursday night, December 12, 1935, and affiant states that the verdict as rendered was not a true and correct verdict and did not represent the judgment and honest conviction of this affiant but was and now is absolutely contrary to the judgment and conviction of affiant. That said verdict was secured and rendered insofar as affiant is concerned under absolute misapprehension as to the effect of said verdict and was procured under the conditions hereinafter set forth, that is to say:

That during the month of May, 1934, affiant was compelled to and did undergo a serious major operation, and suffered from a very serious major operation, and suffered from a very serious illness for more than a year prior to being impaneled as a juror in said cause; that said operation and her illness seriously affected her nervous system to such an extent that any protracted nervous strain or physical exertion rendered her weak and incapacitated and in such a physical and mental condition that she was unable to clearly consider or reason upon any matters submitted to her; that on the final day of said trial when court convened at approximately 10 o'clock a. m., and continued in constant session until about the hour of 6 o'clock p. m., of said date, except for 1 hour luncheon recess, and after said cause was submitted to the jury for consideration at about the hour of 6 o'clock p. m., she was compelled to remain closely confined with her fellow jurors until approximately 11 o'clock of said date, except for a very short time for supper; that in considering the facts in relation to said case and the law applicable thereto, affiant was kept almost constantly engaged in an argument and discussion in relation to said facts and law up until approximately 11:45 o'clock p. m., of said date, during which time affiant became not only physically but mentally exhausted and due to the hours of deliberation upon said facts and law and to the weakness and physical disability from which affiant was suffering, by reason of her aforesaid operation, it produced and brought about a mental condition thereby rendering her ill and bringing about an embarrassing physical condition seriously affecting her mind and rendered her unable to physically withstand the strain of her confinement and the argument incident to her jury service. Affiant becoming suddenly ill, as above stated, was compelled to leave the jury room and retire to the ladies' rest room where she remained suffering and in a highly nervous state of mind, with cold perspiration standing out almost over her entire body; that the fact of this sudden and embarrassing illness occurring at a time when she was serving on the jury with 10 men and only 1 woman rendered her situation extremely embarrassing.

That affiant was firmly convinced that the defendants were not guilty of the crime charged; and that she had been for hours, to the utmost of her ability, arguing for a verdict of not guilty; that upon being overcome by the illness described and the physical and mental strain under which she was then laboring, she was rendered wholly incapacitated and unable to maintain her position or to withstand longer the confinement under her then condition; that being firmly convinced of the innocence of the defendants, she insisted upon notifying the court that the jury was unable to agree, and in some instances she insisted upon asking for further instructions from the court in view of arguments presented by various jurors which she believed were contrary to the evidence and contrary to the court's instructions, but she was advised that she had no right to call for further instructions or to report the inability of the jurors to agree, and was further advised by the jurors and officers having the jury in charge that unless a verdict was speedily rendered, the jury would be locked up for the night. That at that time affiant was unfamiliar with jury service and believed that the locking of the jury for the night meant the confinement of the entire jury together until the following day; that in view of her then physical condition, and without proper facilities to care for herself, and being then in a highly nervous and serious mental condition, and firmly believing that she would be locked up for the night with all of the jurors together, and it being further stated that unless an agreement was reached within a few minutes, no verdict would be received by the court that night, affiant then stated that the defendants were not guilty, but she would concede that the defendant JOHN H. HOEPPEL had given an address in California where the witness Ives was not then living; that it was then stated by some of the jurors that that was all that was necessary; that if she did that, that would be sufficient.

She then stated that she would vote that he was guilty of that fact only, and any vote or consent to any verdict was simply to the fact that the said JOHN H. HOEPPEL had given that address; that the foreman of the jury thereupon stated that the jury had agreed and were then shortly thereafter conducted into court, where a verdict of guilty was announced; that affiant, then being unfamiliar with court practice and what were her rights as a juror, asked of the juror standing next to her if the verdict as being rendered meant that they were guilty of the crime charged, and being advised that that was what the verdict meant, she then asked if she didn't have a right to state that that was not her verdict, but the juror promptly advised her that she couldn't change her vote and would have to agree to the verdict; that, relying upon the statements of the jurors, when her name was called and she was asked if the verdict as announced was her verdict, she then reluctantly answered "Yes", at the same time nearly collapsed, and was then in such a nervous and serious physical and mental condition that she had absolutely no control over herself; that upon the jury being dismissed, affiant immediately left the courtroom, accompanied by her husband; that before leaving the building she was in a complete stupor and wholly oblivious to her surroundings, or where she was, or what she was doing, and remained in this condition for practically 1 hour; that she was taken home by her husband and was in a highly nervous and excited condition during the balance of the night and fully unable to secure any rest or to compose herself; that she had for more than a year been under the care of Dr. Charles Suraci, of the city of Washington, and one of the physicians who had assisted at the time of her major operation, but she was unable to communicate with him on that night or the day following, but did finally communicate with him on the second day following the rendering of said verdict in said cause, but prior thereto affiant communicated with Dr. Taylor, who was the surgeon and physician who operated on affiant and who was familiar with her condition, and again sought his advice and assistance in her then nervous and ill condition.

That when she was finally able to confer with Dr. Suraci she was still in a highly nervous and excited condition as a result of said jury service and the fact that she had under the circumstances above stated joined in a verdict of guilty of the offense charged; that Dr. Suraci, on visiting affiant, advised her that she was in no condition for any jury service and that service of that kind had a decided ill effect upon her nervous system and that any further service would seriously jeopardize her health.

That affiant was at the time of the rendition of said verdict and ever since has been absolutely convinced of the innocence of said defendants upon the charge preferred and that said verdict as rendered did not represent her honest convictions and never would have been in any sense consented to except under the circumstances and conditions hereinbefore set forth; that had it not been for her physical condition and extreme mental strain under which she was then laboring and the fact that she was misled by the statements made to her by her fellow jurors she would never have joined in said verdict and that she verily believed when asked by the clerk of the court if this was her verdict that she had no right to state that she did not consent to the verdict and further, affiant states that in her then mental condition she was wholly incapacitated and in no sense capable of exercising her independent judgment in said action:

That the day following the rendition of said verdict, and when she then appreciated the great wrong and injustice of said verdict and the great wrong and injustice she had done the defendants, she, without any solicitation by any person whatsoever, requested her husband to immediately communicate the facts above set forth to the attorneys for said defendants, which she is advised that he immediately did; and within 2 days after said verdict was rendered, affiant, as soon as she felt she was able to talk and discuss the facts in relation to said case and the circumstances under which the verdict was rendered, voluntarily telephoned to Samuel A. King, one of the attorneys for said defendants, and stated that she desired to make known said facts to the court in order, if possible, to right the wrong which she felt had been done to said defendants and each of them; that she communicated all the foregoing facts to said attorney and now makes this affidavit freely and voluntarily and for the purpose of advising the court fully with relation to the circumstances and conditions under which said verdict was rendered.

This affiant further states that she is still firmly convinced of the innocence of said defendants on the charge on which they were tried and now makes this affidavit in order that justice may be done; and further affiant saith not.

Signed (Name withheld.)

Subscribed and sworn to before me this 10th day of January 1936.

GERTRUDE E. ROWEN,
Notary Public, District of Columbia.

My commission expires October 1, 1939.

This affidavit speaks volumes on this subject and it is confirmed on a point of vital importance by the affidavit of 11 of the jurors, which was executed a month after the trial, wherein they state, in reference to the lady, that—

During the course of the deliberations she suggested that the jury obtain the exhibits and transcript and was informed by the foreman that this was not possible.

They further state that—

She suggested that the court give them further instructions as to the three overt acts charged—

which the foreman of the jury would not permit.

Here we have an instance of a jury arriving at a decision without examining the exhibits and transcript of the trial and, apparently, according to their admission, they found my son and me guilty of conspiracy because my son, in December 1933, was appointed to West Point from the same address from which Ives was appointed in May 1934, at which Ives was not actually residing.

The absurdity of this is apparent in view of the fact that the War Department itself prints lists of congressional vacancies for West Point and gives them to interested applicants, indiscriminately, regardless of their districts of residence. Colonel Bamberger knew Ives was not a resident of my district when he sent him to me for assistance, and General Conley knew it when he enlisted Colonel Bamberger's aid in finding a vacancy for the boy, and specifically suggested HOEPPEL. The fact is that the requirement of residence is a mere pro-forma matter, and has never been more than theoretically enforced.

Several days after the trial this lady called up my wife on the telephone and told her that she wished to make amends for the great injury she had done me. She stated that she had joined in the verdict through a misapprehension and had not been able to sleep or rest since the trial, except through the use of sedatives, and that she never at any time believed me to be guilty.

I did not see this lady personally or converse with her until May 26 of this year, and she then informed me that she demanded the exhibits and transcript in order to clarify points in controversy and prove to the jurors that I was innocent, but they refused to ask for this evidence and would not permit her to leave the room when she attempted to see the bailiff.

During the deliberations of the jury she noted that the Government investigator, Mr. Loebl, who assembled the evidence for the Government and who sat throughout the trial with the prosecution, was hanging out an upper window across from the jury room in such a position as to be able to look down upon the jury, apparently listening to their deliberations. She called attention to his eavesdropping attitude and demanded that the bailiff be asked to make this Government investigator withdraw. This was done and after that the jury room window was closed.

The judge, in his charge to the jury, stated:

A conspiracy is a mental thing. It is where two people expressly or informally or tacitly understand and have the understanding between them that they wish to accomplish a project that is unlawful in itself or that unlawful means are going to be used to accomplish it. That is conspiracy. It is a state of mind in common between two parties toward a certain unlawful act or a lawful act to be carried out in an unlawful way.

Can you imagine a jury, headed by a domineering garage mechanic, being qualified to judge as to the mental state between myself and my son when I made this nomination as a favor to ranking War Department officials?

During the deliberations of the jury, according to my information, it was disclosed that some of the jurors demanded a verdict in the fear that a hung jury would imperil their standing as jurors. They thus appeared to be more interested in drawing pay for continued jury service than in arriving at a fair verdict. I am informed that some of the jurors stated, moreover, that the judge had specifically instructed them not to return without a verdict, and they would not call for instructions on this when such were demanded by the lady who executed the foregoing affidavit.

As time wore on while the lady juror maintained my innocence and refused to be influenced by any consideration other than justice, some of the jurors took off their shoes and their coats, unloosed their ties and shirts, and said they could stay all night there if she could stand it. At 11 o'clock the bailiff stated that they were to be locked up for the night, but the foreman requested 5 minutes more. The lady juror states she told the foreman that she would never arrive at a verdict of guilty, as she believed me innocent; but under duress and in fear of being forced to remain in that environment all night, she did agree that the address given was not the actual Ives address, but with the understanding that that was the only point which she did concede. There was no final ballot taken on the question of guilt or innocence, according to the lady juror; and she told me that, exhausted and ill as she was, she did not realize until too late that her agreement on that one point was being used as an agreement to a verdict of guilty. When the jury was polled, this lady failed to answer her name, whereupon one of the jurors nudged her and told her, "Say 'guilty' ", which she reluctantly did and burst into tears, since she was on the verge of collapse.

This fact is confirmed by the following affidavits of two spectators and could have been confirmed by a dozen. The affidavit of the husband, as to the condition of his wife when the jury was discharged also follows, as well as that of the family physician, their names being witheld in order that publicity may not be directed against this lady who, in the interest of justice, voluntarily made the affidavit quoted.

AFFIDAVIT FILED JANUARY 10, 1936

District of Columbia, ss.:

George K. Frey, Jr., of 1711 Thirteenth Street NW., Washington, D. C., being first duly sworn on oath deposes and says that he was in Criminal Court No. 1 on December 12, 1935, from the time the jury retired in the case of Congressman HOEPPEL until the time the jury was discharged. The jury retired about 5:30 p. m. and were discharged about 11:30 or 11:45 p. m. He was seated in the front of the courtroom when the jury came in to report and noticed that one of the ladies on the jury was crying. When the jury was polled he noticed that this lady hesitated to answer and the man next to her touched or pushed her on the arm and said "say guilty." After some hesitation she answered "guilty" and then broke into tears again. The thing was so noticeable that I called it to the attention of several of the spectators present in the courtroom. He further swears that this description is exactly his version of what happened in the courtroom on the night in question and will be gladly testified to at any time.

GEORGE K. FREY, Jr.

Subscribed and sworn to before me this 7th day of January, A. D. 1936.

FRED R. MILLER,
Notary Public, District of Columbia.

My commission expires February 15, 1937.

AFFIDAVIT FILED JANUARY 10, 1936

District of Columbia, ss:

James J. Laughlin, of 1804 Kilbourne Place NW., District of Columbia, being first duly sworn, on oath deposes and says:

"I was in Criminal Court No. 1 during the early evening and night of December 12, 1935, awaiting the return of the jury in the above-entitled case.

"I was present in the courtroom when the jury filed in and returned the verdict. In fact, the members of the jury were within 5 or 6 feet of me.

"I recall distinctly that, after the request was made by the attorney for the defense that the jury be polled, and as I watched the response of each member of the jury, a lady on the jury was reached, and I noticed that she was in tears and failed to respond to her name when it was called. The man next to her looked at her sharply and also nudged her and said, 'Say "guilty." ' After some hesitation, she then responded 'guilty' in a very weak and feeble voice and again broke out in tears.

"This is a statement of the actual occurrence as seen and heard by me, and I will gladly testify to this effect at any time and at any place."

JAMES J. LAUGHLIN.

Subscribed and sworn to before me this 6th day of January, A. D. 1936.

FRED R. MILLER,
Notary Public, District of Columbia.

My commission expires February 15, 1937.

AFFIDAVIT FILED JANUARY 10, 1936

CITY OF WASHINGTON,
District of Columbia, ss:

——— ———, being first duly sworn on oath, deposes and says that he is a citizen of the United States, over the age of 21 years, and resides at Washington, D. C., and is the husband of ———, who served as one of the jurors in the above-entitled case; that he was present in court on Thursday night, December 12, 1935, when the verdict was rendered in said cause; that he was waiting in the courtroom expecting to accompany his wife home in the event a verdict was reached in said cause and she was dismissed from further service in connection with said cause; that he observed his wife as the jury was brought into the courtroom and while she was standing with the other jurors at the time the verdict was rendered and while the jurors were being polled and noticed particularly at that time that his wife appeared to be in a nervous condition, was swaying back and forth as though practically unable to stand and was very pale; he further observed and noted that it was with apparent difficulty that she answered that the verdict as rendered was her verdict and immediately thereafter affiant joined his wife and accompanied her out of the courthouse; that he then found that she was in an extremely nervous condition, and when she got outside of said building was oblivious to her surroundings.

That while she had been attending court for several days prior thereto and had driven her automobile to the courthouse each day and had parked it at the same place each time, she did not know where she was, where her car was, and apparently did not understand anything that was taking place around her; that it was nearly an hour before his wife apparently came to appreciate

her surroundings and before she was able to locate her car; that affiant drove his wife home in her automobile and she was then in an extreme highly nervous and excited condition; that he was required to render her constant care and attention for several hours; that in her then weakened and nervous condition both affiant and his wife endeavored to communicate with Dr. Charles Suraci, who for more than a year had been the personal physician of his said wife and who had been one of the attending physicians at a time about the month of May 1934 when she had to undergo a major operation; affiant further states that as soon as his said wife became in a condition where she apparently understood the nature and effect of the verdict which she had joined in rendering she immediately advised affiant that she did not at any time believe defendants or either of them were guilty; that she had then done a great wrong and insisted that affiant at once communicate with the attorneys for the defendants and advise them of the facts and circumstances under which she had joined in said verdict and that she had never intended to vote for a verdict of guilty.

Affiant further states that after the rendition of said verdict his wife remained in a highly nervous condition for several days and had to have not only the advice and attention of Dr. Suraci but also of Dr. L. H. Taylor, who had been one of the attending physicians and surgeons at the time of her operation.

Affiant further states that in response to the insistent demands of his wife he communicated, on the 13th day of December 1935, the facts above set forth to Samuel A. King, one of the attorneys for the defendants in this action; that affiant has no interest in this case and is in no manner related to either of the defendants or to their counsel, and makes this statement freely and voluntarily and in order that the truth in respect to this matter may be known, and further affiant saith not.

(Signed) [Name withheld.]

Subscribed and sworn to before me this 10th day of January 1936.

GERTRUDE E. ROWEN,
Notary Public, D. C.

My commission expires October 1, 1939.

AFFIDAVIT FILED JANUARY 10, 1936

Dr. Charles Suraci, being first duly sworn on oath, deposes and says that he is a citizen of the United States, over the age of 21 years, and resides at Washington, D. C.; that he is a duly licensed physician and has been practicing his profession in said city of Washington; that he is personally acquainted with Mrs. ————, who served as one of the jurors in the above-entitled cause; that for many months prior to said service he had rendered professional services to her and knew that she had passed through a siege of serious illness and had undergone a serious major operation which had greatly affected her nervous condition and nervous system; that shortly after her jury service terminated in the above-entitled cause, affiant was called upon professionally to care for and treat her again and then found that said jury service had had a decided ill effect upon her nervous stability and that she was in a very nervous condition and apparently worried and concerned over the verdict in which she had joined in said cause; that affiant, noting her condition at that time, advised against her attempting to render any further service as the same was in no sense conducive to her good health but upon the contrary was greatly detrimental thereto.

Affiant further states that said major operation which she had undergone rendered her extremely susceptible to any nervous strain or excitement and in such a condition, in the judgment of this affiant, she was mentally incapable of rendering proper service in respect to matters of importance and which would of necessity be submitted to her consideration.

Further, affiant states that during the summer of 1935 the said Mrs. ——— also suffered from a serious illness that required proper medical attention for several months and the illness from which she suffered was also of such a nature and character as to affect seriously her nervous system and render her easily susceptible to any excitement or worry or mental exertion, and also was of such a nature and character as would weaken her mental resistance and place her in such condition that with a rather prolonged nervous strain, or under conditions where she was required to exercise mental exertion, that would render her in such condition that she could not withstand such strain or mental exertion and would place her in a condition whereby she could be easily influenced or persuaded and where she could not exercise her usual independent freedom of mental judgment.

Affiant makes this affidavit freely and voluntarily in order that the truth in respect to the condition of said Mrs. ——— may be known; and further affiant saith not.

CHARLES SURACI.

Subscribed and sworn to before me this 10th day of January 1936.

GERTRUDE E. ROWEN,
Notary Public, District of Columbia.

My commission expires October 1, 1939.

JUROR THREATENED BY DISTRICT ATTORNEY'S OFFICE

Through a manner unknown to me, the district attorney's office became aware of the fact that the lady juror intended to submit an affidavit on the subject involved. This lady's husband, at the request of an attorney who is a friend of the family, met another young attorney in a hotel in the city of Washington, who suggested that the affidavit not be signed as he had been informed that David A. Pine, the assistant district attorney, had warned that if she did sign it she would be indicted for perjury, would be brought into court for the most intimate questioning, and the details of her case spread in headlines in the press. Notwithstanding this threat, this lady and her husband, in the interest of justice, executed the affidavits. Because of the personal confidence between this lady and her husband and their attorney friend, through whom the meeting was arranged in the hotel, and in view of the further fact that the husband of the lady is engaged in a business which might suffer in the event undue publicity was given to this, I have been requested not to divulge names. The facts, however, speak for themselves, and their implication is all too apparent—that the action of the district attorney's office here in the city of Washington is not in the interest of justice in my case, but in the interest of persecution, and I insist that any fair-minded individual must admit that the attempted suppression of information, vital to my interests, is indeed more than reprehensible and unfair.

The attitude of the assistant district attorney, David A. Pine, is further shown by the court record whereby, when the attorneys went to the bench, Mr. Pine was surreptitiously reading the notes of my counsel. My counsel censured him then and there, in the presence of the judge, for such conduct, which any man must admit is highly unethical and dishonorable.

In his final summation to the jury, Mr. Pine twisted my direct statements in order to prejudice the jury. Moreover, in what can only be interpreted as an admission that the case against me would not stand on its merits, he further disregarded the principles of honor and justice, and stated to the jury that I was a "monumental liar and a perjurer of the first water", which remarks he did not withdraw but sought to justify as having been invited by the remarks of my own counsel. The judge instructed the jury to disregard his prejudicial remarks, remarks in which he accused me of a crime without any basis for so doing, but I submit to all honorable citizens whether such remarks made by a Government prosecutor before a jury, with no higher degree of intelligence than some of the jurors in my case exemplified, could be removed from their minds in considering a verdict. In other words, the assistant district attorney was apparently out to make a case and, recognizing that the facts and the evidence would not sustain him in his efforts, he resorted to villification and unsupported accusations in order to influence the jury against me. I mention these facts so it may be known through what means David A. Pine aspires to a district attorneyship or judgeship through the efforts of Mr. Farley—or was he, perchance, aggrieved because I would not deal with his brother-in-law and pay cash to have the indictment quashed?

THE ATTITUDE OF THE DISTRICT ATTORNEY'S OFFICE DEFINITELY UNFAIR

My attorneys acted as gentlemen in their conduct with the office of the district attorney, but that office took advantage of their gentlemanly attitude and permitted us to go to trial, not knowing that they had a secret card up their sleeve which they would use in an unfair manner. My attorneys believed that we were to be tried on both indictments—that is, the indictment charging actual solicitation—and requiring actual evidence—as well as the indictment charging conspiracy—but instead my attorneys were forced to go ahead with the trial on the charge of conspiracy only, which as has been shown rested on the presumption of a "state of mind." The prosecution was apparently afraid to bring me to trial on the substantive offense, as they knew they could prove nothing—that they had absolutely no evidence against me—but they did hope that they might influence a compliant jury to condemn me on the basis of a supposed "mental state" existing between my son and me in connection with this nomination.

Despite my repeated requests for trial on the actual offense, this opportunity to establish my innocence was denied me although when I went into court on May 15 and

demanded trial, the assistant district attorney, in opposing my demands, said, referring to the indictment for actual solicitation:

We still feel that this other case is a case that should be prosecuted.

Notwithstanding this statement, however, they refused to bring me to trial on the substantive offense, and finally, went before the court and quashed the indictment, over my vigorous protest, thus confessing to the world that they had nothing to substantiate their charge. They held the indictment over me for months, however, and only quashed it when the court of appeals sustained the verdict of guilty of an unlawful mental state, which verdict, as I will show later, is completely at variance with the true record of the case. May I ask if the district attorney's office on May 15 still felt that this other case was a case that should be prosecuted, why did they retreat over my vigorous opposition and quash the indictment? For no other reason, it appears, than that they knew, without a question of a doubt, that I was indicted without evidence. Such is the administration of justice in the district attorney's office in Washington, D. C., and the district attorney may be rewarded with a judgeship and the assistant district attorney, David A. Pine, may eventually be appointed district attorney, an office which I am informed he coveted before his present boss was appointed.

ABSOLUTELY NO EVIDENCE TO SUSTAIN CONSPIRACY VERDICT

As the data which I have presented shows, the jury came to the conclusion of "guilty" on a basis of a similarity of address of my son and Ives, who were appointed 6 months apart, on the trade I made with Congressman Burke and which he admitted that he solicited from me.

It is apparent from the decision of the court of appeals that they did not examine into the question of evidence but relied upon the jury decision, which decision was contrary to the evidence and was arrived at, as I have shown, under duress. I shall not go into the details of the testimony. Suffice it to say that on 35 different occasions, Ives, the principal Government witness, confessed his inability to remember essential facts or contradicted himself. Notwithstanding that he signed his written resignation in my office, he even denied on the stand that the reasons which he subscribed to were those which he gave when he called on me at my office on June 5. The statements which he claims to have made in my office to me on that occasion were denied by me and my denial was corroborated by my older son who was present at the time. Ives' testimony was further impeached by the testimony of the Government's own witnesses, Congressman Burke and Mrs. Redmond, his secretary.

To me one of the most despicable incidents of the entire trial was the attempt of the prosecution to implicate my wife in the case as a party to the alleged conspiracy. Even the prosecuting attorney apparently recognized the absurdity of attempting to involve Mrs. Hoeppel and declined to cross-question her on the stand.

The conversation which Ives had with me in my office occurred on June 5—5 days after his nomination. Yet on this uncorroborated testimony of Ives, which was impeached by my own testimony, my older son's, my wife's, and that of the Government's own witnesses, I was convicted of conspiracy. In other words, the jury accepted the unsupported and contradictory testimony of a boy whom I had befriended, and who, by his own confession, had planned an unlawful transaction, and absolutely disregarded the testimony of myself, my oldest son, my wife, and other Government witnesses. I submit to any reasonable-minded person if this is justice.

Press representatives, who were present throughout the trial and heard the testimony, were so confident of acquittal that while awaiting the jury's verdict they requested from me a preacquittal statement, in order to save time in getting their stories to press when the verdict was announced.

IVES' TESTIMONY FORCED

I have been creditably informed that Ives himself did not wish to prosecute the charge against me but was forced to continue by the War Department and the Department of Justice.

During the many years of my service in the Army, I was led to respect and honor the officers over me and the enlisted men with whom I served. I wish at this time to reaffirm my respect for them, and to thank the many of them who, in my present difficulty, have expressed their confidence in my integrity.

It is common knowledge, however, that we have bureaucrats in the War and Navy Departments, the same as we do in other Government departments here, who are jealous of their privileges and who ruthlessly purge any individual who comes in conflict with their racketeering raids on the Treasury.

The bureaucrats in the General Staff of the Army, who are opposed to free speech, proceeded against one of their own generals, General Hagood, because he had the temerity to speak the truth before a congressional committee, which injustice was partially corrected through his reinstatement by the President, but the stigma of dictatorial disciplinary action on the part of the General Staff, if not that of the administration, must remain.

THIRTY-EIGHT YEARS' EXPERIENCE WITH THE ARMY

Since 1898, when I volunteered in the Spanish-American War, I have been a close student of the Army. I am a firm believer in national defense but I oppose the profligate spending of the taxpayers' money. In addition, as an enlisted man myself, I have consistently fought for the enlisted men, and I have not hesitated to expose the racketeering methods employed by certain officers who are more concerned with garnering to themselves additional privileges than they are in giving common justice to the enlisted men.

Long before my indictment, certain officers of the War Department betrayed their antagonism to me by frustrating my legitimate attempts to secure information and when the Ives incident arose, they were quick to take advantage of an opportunity to eliminate an individual who knew the racket of the General Staff and who opposed it in the interest of the people.

HIGH OFFICERS WERE INTERESTED IN IVES

Major General Malone of the Third Corps Area at Baltimore was interested in Ives. He sent a personal letter to General Conley, The Adjutant General, who in turn directed Colonel Bamberger to assist Ives to an appointment and out of 435 Congressmen, General Conley only referred to "HOEPPEL" by name. As Colonel Bamberger had been kind to me when I was an enlisted man under his command at Arcadia, and as The Adjutant General was denying me certain rights which I theretofore had enjoyed from the War Department, and as I myself was interested in football and Ives was an athlete, I nominated him to West Point on their request. Ives' application to me carried a footnote in the handwriting of Colonel Bamberger advising my secretary that General Conley was interested in this appointment.

ARMY OFFICIALS ACTIVE IN OBTAINING FOOTBALL PLAYERS

The interest which the Army has in obtaining football stars at West Point is plainly shown in a communication received from Major General Connor, superintendent at West Point, who stated:

Neither can I see that there could be any improper connection whatsoever between an interview of one of our coaches with the coach at Johns Hopkins University, and an effort to obtain an appointment to West Point for Mr. Ives.

The above confirms the fact that coaches from West Point had approached the coach at Johns Hopkins in the interest of Ives and that high Army officials wished his appointment.

It is natural that under these circumstances they should appeal to an Army man in Congress to assist them in behalf of Ives, which I did, for the reasons stated. However, on the witness stand both General Conley and Colonel Bamberger denied any personal interest in Ives. In addition General Conley claimed he was unable to locate any of the correspondence between himself and General Malone which

prompted his action in behalf of Ives, and which doubtless would clearly have established the personal interest of these high officers in the Ives appointment.

IVES CONTRADICTED HIS SIGNED RESIGNATION

Ives tendered to me his written resignation, signed by him, stating that he was resigning "for personal reasons." He repudiated his written resignation on the witness stand. The fact is that shortly after that time he married, which, in my opinion, was one of the personal reasons for his resignation, as married men are not admitted to West Point.

IN SOME INSTANCES WEST POINT AND ANNAPOLIS APPOINTMENTS ARE RACKETS

I have documentary evidence to show the interest that the War Department has in some appointments to West Point, and especially in the sons of some of the high-ranking officers on duty here in Washington. However, in order to maintain the honor and prestige of the Army, with which I have been associated since a youth of 17, I shall refrain from making any specific statements on this subject. I am of the opinion that appointments to West Point should be free and open to all citizens, regardless of pull, prestige, or money, and with this in view I appeared before the Military Affairs Committee long before my indictment, recommending that West Point appointments be taken from Congressmen. I insert in the RECORD at this point an article taken from the editorial page of the Washington Star of February 24, 1935, which article is a direct statement of my attitude on appointments to West Point and Annapolis.

CAPITAL SIDELIGHTS

By Will P. Kennedy

Proposal to change the method of appointing young men to the United States Military Academy at West Point and the Naval Academy at Annapolis, so as to require 1 year's service as an enlisted man before any youth would be eligible for appointment, received very serious consideration during the past week by the Military Affairs Committee of the House. It was disclosed that both Chairman VINSON, of the Naval Affairs Committee, and Chairman MCSWAIN, of the Military Affairs Committee, are in favor of the proposed change. Several members of the latter committee complained that all that candidates for these two service academies want is a free education in engineering, and that they will take either branch of the service they can make, and have no intention of making a career in either the Army or Navy.

The suggestion was voiced by Representative JOHN H. HOEPPEL, of California, who claims to be a "graduate of the university of hard knocks", and who served in the Army 20 years as an enlisted man and 20 months as an officer. He saw service both in the Spanish-American and World Wars. Rather than burden the retired list of the service with a large number of officers, the possibilities should be considered, HOEPPEL said, of obtaining adequate national defense without undue taxation. He argued that at least 50 percent, if not all, of the appointments to West Point and Annapolis be made from selections within the enlisted ranks. Designation for appointments, he said, could be made by Members of Congress from a selected group of 10 to 20 candidates whom each Congressman would be called upon to nominate for 1-year enlistment in the Army or Navy. At the end of each year competitive examinations could be held of each of these groups, with selection from the three highest for appointment to Annapolis or West Point.

With a procedure of this kind, Mr. HOEPPEL urged, only the most deserving and apt would be eligible for a subsequent 4 years' training at the service academies, from which they should emerge as unusually qualified officers, with an experience of inestimable value based on their previous enlistment. This would democratize and popularize the Army and Navy, he told his colleagues. Every high school, college, and university in each congressional district would gladly furnish a list of qualified applicants for such enlisted training and subsequent consideration for entry to West Point or Annapolis. Enlisted men failing to secure appointment to the academies might be reenlisted for an additional year for special training along the lines of the Plattsburg officers' training course, to qualify these young men for commission in the Reserve Corps.

As an incentive for graduates of high schools, colleges, and universities to remain in the enlisted service for a second year for this special reserve training, a substantial increase in compensation was suggested.

Only the most virile, apt, and qualified young men would thus be selected for appointment to the service academies, Mr. HOEPPEL pointed out. The 4,000 or more outstanding American youths in this category, each year absorbing a special 1 year's course of training to qualify them as Reserve officers, would add to the efficiency of the officer personnel and would give to the service a constantly recurring officer personnel whose activities in the interest of defense could be anticipated over a period of at least 30 years, without subjecting the country to an inordinate retirement burden as would occur if additional officer personnel is absorbed into the regular establishments.

During my service as a Representative I have appointed two boys to West Point and three to Annapolis. At this time I have one vacancy for West Point and one for Annapolis. The total number which a Congressman may have at the academies is seven. I thus have two vacancies at the present time.

To this day I have never seen the parent or parents of the boys I appointed to West Point; neither have I seen the boys themselves. I insert here affidavits which speak for themselves on this question.

EXACT COPY—AFFIDAVIT

Before me, a notary public in and for the county of Los Angeles, State of California, personally appears Mrs. Beatrice Frost of 505 North Sunset Boulevard, Temple City, California, who, being duly sworn, deposes and states as follows:

That Congressman JOHN H. HOEPPEL appointed her son, Joseph H. Frost, to the United States Military Academy at West Point, in 1935;

That this appointment was made as a result of a competitive examination in which her son, Joseph H. Frost, competed;

That the appointment was made by Congressman HOEPPEL without any solicitation on his part or on the part of any representative or agent for him, for any remuneration or consideration for such appointment; and

That neither she nor her son was personally acquainted with or had met Congressman HOEPPEL prior to the time that he appointed affiant's son nor have they met him to this date.

(Signed) MRS. BEATRICE FROST.

Subscribed and sworn to before me this 6th day of November 1935.

[SEAL] (Signed) RUBIC A. CHILSON,
Notary Public.

My commission expires October 3, 1936.

EXACT COPY—AFFIDAVIT

Before me, a notary public in and for the County of ———, State of New York, personally appeared Joseph Harold Frost, who, being duly sworn, deposes and states as follows:

That Congressman JOHN H. HOEPPEL appointed him to the United States Military Academy at West Point in 1935;

That this appointment was made a result of a competitive examination in which he competed;

That the appointment was made by Congressman HOEPPEL without any solicitation on the part of Congressman HOEPPEL, or on the part of any representative or agent for him, for any remuneration or consideration from the affiant or his mother in return for such appointment; and

That neither the affiant nor his mother was personally acquainted with or had met Congressman HOEPPEL prior to the time that he appointed the affiant, nor have they met him to this date.

JOSEPH H. FROST.

Subscribed and sworn to before me this 7th day of November 1935.

E. D. POST,
Captain, Infantry, Summary Court.

EXACT COPY

WAR DEPARTMENT,
OFFICE OF THE CONSTRUCTING QUARTERMASTER,
UNITED STATES ARMY,
Fort Mason, San Francisco, Calif., November 1, 1935.

Hon. JOHN H. HOEPPEL,
M. C. from the Twelfth District of California,
Arcadia, Calif.

DEAR MR. HOEPPEL: Sometime last spring a representative of the Department of Justice looked me up and said that they had accidentally stumbled on some major at Baltimore that claimed you said I had contributed substantially to your campaign fund. I told the man I had never dreamed of such a thing, and he said he believed you had made some such statement just to get rid of him.

Fact of the matter is you were the logical one for me to apply to for an appointment, as I was originally a resident of your district and my boys were there as infants.

When I received a list of vacancies from the Adjutant General I noticed you still had two vacancies and there was a little red arrow in front of your name.

This is the only communication we have ever had with you relative to the appointment.

With best regards, I am sincerely,

(Signed) S. W. HULSE,
Captain, Quartermaster Corps,
3424 Divisadero Street, San Francisco, Calif.

EXACT COPY—AFFIDAVIT

Before me, a notary public in and for the county of San Francisco, State of California, personally appeared Capt. Seward W. Hulse, who, being duly sworn, deposes and states as follows:

That Congressman JOHN H. HOEPPEL appointed his son, Allen Douglas Hulse to the United States Military Academy at West Point some time in 1934;

That at no time did Congressman HOEPPEL, or anyone acting for him or as his representative, solicit his son or himself for any contribution of any kind; and

That to this day neither the affiant nor his son, to the best of his knowledge and belief, have ever seen Congressman HOEPPEL.

Further the affiant saith not.

SEWARD W. HULSE,
Captain, Quartermaster Corps.

Subscribed and sworn to before me this second day of November 1935.

RAYMOND T. DONOHUE,
Notary Public.

My commission expires August 14, 1939.

I had under contemplation for appointment to my pending West Point vacancy Merritt L. Hewitt, an enlisted man now on duty at Fort Scott, Calif., who attained the highest rating in my civil-service examination this year. The father of this boy was killed in an airplane accident in the Army. Inasmuch as the boy has now obtained a Presidential appointment through his unusual ability and high scholastic standing, as shown by the following letter, I will continue to have a vacancy for West Point:

WEST POINT PREPARATORY SCHOOL,
Fort Winfield Scott, Calif., May 25, 1935.

The Honorable J. H. HOEPPEL, M. C.,
House of Representatives, Washington, D. C.

DEAR MR. HOEPPEL: I received your telegram this morning. I wish to thank you for your courtesy in looking up that matter for me. Last Tuesday I received unofficial word that I was to be admitted to West Point. That information was contained in a telegram to the school and contained a great many names, and so I believed there was a possibility of an error. Especially since every other candidate whom the telegram said was to be admitted received official word by last Friday. However they were all congressional appointees, and it must be that it takes the War Department longer to prepare the information concerning Presidential nominees.

Needless to say I am very happy to have at last made the grade. My goal has always been West Point. Again thanking you, I remain,

Respectfully yours,

MERRITT L. HEWITT.

Of the three whom I appointed to Annapolis, as shown by the affidavits, I had not seen the father or the boy in one instance and to this day, have not yet seen the boy. I insert here the affidavits in reference to these appointments:

EXACT COPY—AFFIDAVIT

Before me, a notary public in and for the county of Los Angeles, State of California, personally appears Mr. and Mrs. Daniel Ball, of 207 North Temple Street, Temple City, Calif., who, being duly sworn, depose and state as follows:

That Congressman JOHN H. HOEPPEL appointed their son, Alex Ball, to the United States Naval Academy at Annapolis, in 1934;

That this appointment was made as a result of a competitive examination in which their son, Alex Ball, competed; and

That the appointment was made by Congressman HOEPPEL without any solicitation on his part or on the part of any representative or agent for him, for any remuneration or consideration for such appointment.

DANIEL N. BALL.
HELEN BALL.

Subscribed and sworn to before me this 30th day of October 1935.

[SEAL] ROY TEETERS, *Notary Public.*

My commission expires February 20, 1936.

EXACT COPY—AFFIDAVIT

Before me, a notary public in and for the county of Los Angeles, State of California, personally appeared Eleanor Kaysing, of 1109 Fair Oaks Avenue, South Pasadena, Calif., who, being duly sworn, deposes and states as follows:

That Congressman JOHN H. HOEPPEL appointed her son, Charles Kaysing, to the United States Naval Academy at Annapolis in 1935;

That this appointment was made as a result of a competitive examination in which her son, Charles Kaysing, competed; and

That the appointment was made by Congressman HOEPPEL without any solicitation on his part or on the part of any representative or agent for him, for any remuneration or consideration for such appointment.

ELEANOR KAYSING.

Subscribed and sworn to before me this 29th day of October 1935.

[SEAL] DORIS M. BUCKMAN.

My commission expires February 20, 1939.

CITY OF ALHAMBRA,
Alhambra, Calif.

AFFIDAVIT

Before me, a notary public in and for the county of Los Angeles, State of California, personally appeared Val Woodbury, mayor of the city of Alhambra, Alhambra, Calif., who, being duly sworn, deposes and states as follows:

That Congressman JOHN H. HOEPPEL appointed his son, William W. Woodbury, to the United States Naval Academy at Annapolis in 1934;

That this appointment was made as a result of a competitive examination in which his son, William W. Woodbury, competed; and

That the appointment was made by Congressman HOEPPEL without any solicitation on his part or on the part of any representative or agent for him, for any remuneration or consideration for such appointment.

Affiant further states:

That neither he nor his son was personally acquainted with or had ever met Congressman HOEPPEL prior to the time that he appointed affiant's son.

VAL. WOODBURY.

Subscribed and sworn to before me this 2d day of November 1935.

[SEAL] EDWARD D. NELSON,
Notary Public.

All of the appointments I have made, with but one exception, were made as a result of a competitive civil-service examination, Mr. Frost, at West Point, heading the list one year, Mr. Ball, at Annapolis, another year, and the others all making high passing marks. Two of the boys whom I appointed are fatherless, one of them being the son of an Indian war veteran.

For my existing Annapolis vacancy I have nominated Norman Krasney, of Belvedere, never having seen either him or his father. It was reported to me that Krasney's father is an invalid and that the boy is working his way through school. He was recommended to me by his instructors and by friends in Belvedere, and I am hopeful that he will be admitted to Annapolis on July 1.

In further affirmation of the fact that I was not concerned with any monetary consideration in making appointments to West Point and Annapolis, I submit additional affidavits on this subject:

POST OF FORT MONROE,
County of Elizabeth City, State of Virginia, ss:

Personally appeared before me one Robert C. Garrett, lieutenant colonel, Coast Artillery Corps, who, being duly sworn, deposes and says:

"That, early in the year of 1933, Congressman J. H. HOEPPEL, of the Twelfth District of California, informed me that the Robert Loghry Post, Veterans of Foreign Wars, had requested that he appoint my son to the United States Military Academy. Congressman HOEPPEL stated that he would do everything that he could to secure me this appointment. Later, through the personal efforts of Congressman HOEPPEL, I received a first alternate appointment, with Charles Hoeppel appointed as the principal. Congressman HOEPPEL stated that if his son passed the examination that he would appoint my son as principal on another appointment he had.

"Both boys failed in this examination. However, my son failed by such a slight margin that I requested Congressman HOEPPEL to use his influence to have this waived, but, on further consideration on my part, withdrew this request, as I felt my son could not remain at the academy.

"The failure of my son to pass the required examination prevented Congressman HOEPPEL from appointing him to the Military Academy.

"Congressman HOEPPEL offered to appoint my son to the Military Academy without having received, or solicited, any consideration of any kind from either myself or any other member of my family, and to the best of my knowledge and belief was entirely voluntary on his part, having been initiated by the Robert Loghry Post.

"If I were called as a witness in court, I would testify to the above.

"Further deponent saith not.

"ROBERT C. GARRETT,
"Lieutenant Colonel, Coast Artillery Corps."

Sworn to and subscribed before me this 5th day of December 1935.

O. B. BUCHER,
Major, Fifty-first Coast Artillery, Adjutant.

STATE OF CALIFORNIA,
County of Los Angeles, ss:

T. C. Rogers, being first duly sworn, deposes and says:

That on or about November —, 1932, my son, Carlton Rogers, having finished high school, enrolled in a prep school near Annapolis with the intention of preparing himself for United States Naval Academy. That in November 1932 I was in the eastern portion of the United States, and upon hearing of the election of J. H. HOEPPEL as Congressman for my district, and knowing that M. H. Graham was an intimate friend of his, I requested Mr. Graham to see him as quickly as possible and ask for an Annapolis appointment for my son, Carlton.

That Mr. Graham informed me that Congressman HOEPPEL was willing to appoint Carlton Rogers to the Naval Academy. That thereafter, and on or about April of 1933, I met Congressman

HOEPPEL at his office in Washington for the first time. That at that time I informed Congressman HOEPPEL that my son did not at that time desire the appointment. That the offer to appoint Carlton was made without any solicitation on the part of Congressman HOEPPEL. That at no time was anything said or suggested about a consideration being given for any such appointment. That to my knowledge Congressman HOEPPEL has never met my son, Carlton.

That at the time that the offer of appointment was made I had never met Congressman HOEPPEL, and that to my knowledge the appointment was made at the request of our mutual friend, Mr. M. H. Graham.

Further affiant saith naught.

T. C. ROGERS.

Subscribed and sworn to before me this 5th day of December 1935.

[SEAL] GERTRUDE STITCH,
Notary Public in and for said County and State.

My commission expires November 18, 1939.

STATE OF CALIFORNIA,
County of Los Angeles, ss:

M. H. Graham, being first duly sworn, deposes and says:

That in the fall of 1932, I received a request from Mr. T. C. Rogers asking me to request Congressman-elect HOEPPEL to appoint his son, Carlton Rogers, to the Naval Academy. That thereafter I did request said appointment from Congressman HOEPPEL, and Congressman HOEPPEL offered to make said appointment. That during my one conversation with Congressman HOEPPEL, nothing was said or intimated that was in any nature a solicitation by Congressman HOEPPEL to make the appointment, and that there was no statement, suggestion, or intimation of any consideration whatsoever in connection with the same.

That it was at my instance and request that Congressman HOEPPEL offered to make the said appointment, and that to my knowledge Congressman HOEPPEL has never met Carlton Rogers.

Further affiant saith naught.

M. H. GRAHAM.

Subscribed and sworn to before me this 8th day of December 1935.

[SEAL] GERTRUDE STITCH,
Notary Public in and for said County and State.

My commission expires November 18, 1939.

TESTIMONIALS AS TO MY INTEGRITY, HONOR, AND SERVICE

Inasmuch as the jury accepted the contradictory uncorroborated statement of Ives, a confessed conspirator, notwithstanding that his testimony was further contradicted by two Government witnesses, by myself, my oldest son, and my wife, I offer herewith for insertion in the RECORD affidavits and letters covering the past 30 years of my military service, recorded as "excellent" throughout, and my conduct as a citizen since my retirement from the Army.

AFFIDAVIT DATING BACK TO 1906

Mr. J. B. L. Hickerson, who is chief clerk of the Alaskan Telegraph & Radio System, on which system I served approximately 10 years, has submitted the following affidavit, which speaks for itself:

EXACT COPY—AFFIDAVIT

Before me, the undersigned notary public in and for the State of Washington, residing at Seattle, Wash., personally appeared on this day, the 19th day of November 1935, J. B. L. Hickerson, who, being duly sworn, states:

That he first met JOHN H. HOEPPEL, then an enlisted man in the Signal Corps, United States Army, in 1906 or 1907, in Seattle, Wash., when said HOEPPEL returned to the United States from Alaska, where he was the operator in charge of the Signal Corps telegraph office at Fort Egbert (Eagle), Alaska.

That while said HOEPPEL was operator in charge at Fort Egbert, he was the chief clerk of the system at Seattle and all reports from the Fort Egbert station were handled by him.

That Government funds coming into HOEPPEL's possession were properly accounted for by said HOEPPEL and that to his knowledge no question ever arose as to his honesty and integrity.

That said HOEPPEL served at Seattle for a number of years thereafter, also in Alaska, and at no time to his knowledge was the honesty or integrity of Hoeppel brought into question by his superior officers.

That he was a hard-working, conscientious, energetic, and faithful cable and telegraph operator; his character was excellent.

That this affidavit is made for presentation in court and if present in person, he would make the foregoing statement to the court.

J. B. L. HICKERSON.

Subscribed and sworn to before me.

[SEAL] JOHN A. SOULE,
Notary Public in and for the State of Washington, residing at Seattle.

AFFIDAVIT FROM MY LAST COMMANDING OFFICER

Col. T. A. Baldwin, Jr., who was commanding officer at Ross Field, Arcadia, Calif., at which station I reported for duty on my return from France in the latter part of 1919, has submitted the following affidavit:

STATE OF TEXAS,
County of Harris:

Before me, the undersigned, an authority to administer oaths, appeared Col. T. A. Baldwin, Jr., Air Corps, United States Army, Houston, Tex., who, after being duly sworn according to law, deposes and sayeth:

That Mr. J. H. HOEPPEL served under my command for a period of 2 years as chief clerk and disbursing clerk in the aerial supply department at the Air Corps Balloon and Airship School, Ross Field, Arcadia, Calif.

Mr. HOEPPEL had access to all the funds at all times, made all purchases, and the property and financial accounts were under his immediate supervision. He fulfilled his trust in a splendid way and had my implicit confidence, which confidence was never betrayed in the slightest manner.

I was commanding officer at Ross Field, and am happy to state that I found Mr. HOEPPEL at all times a gentleman of exemplary habits, both personal and official, a loyal assistant, and a man of the highest character and integrity.

This affidavit is submitted with the hope that it may be presented to the court.

T. A. BALDWIN, Jr.,
Colonel, Air Corps, U. S. Army.

Subscribed and sworn to before me this 21st day of November, 1935.

GEO. F. ELSENEROICH,
Notary Public in and for Harris County, Tex.

My commission expires June 1, 1937.

AFFIDAVIT FROM LEADING BUSINESSMAN OF MY COMMUNITY

Mr. C. C. Howard, editor and owner of the Monrovia Journal and the Arcadia News, both of which circulate in my community, has furnished me with the following affidavit:

AFFIDAVIT

C. C. Howard, editor and owner of the Monrovia (Calif.) Journal and the Arcadia (Calif.) News, being first duly sworn, deposes and says:

That he is a resident of the city of Monrovia, County of Los Angeles, State of California, and has been for 12 years last past;

That he has known Congressman JOHN H. HOEPPEL for the past 10 or 12 years;

That during this period Congressman HOEPPEL was postmaster of Arcadia, Calif., from 1923 to 1931, and that from 1931 to the present date he has been the editor in fact of the Retired Men's News, a national periodical;

That the reputation and standing of Congressman JOHN H. HOEPPEL, with relation to the truth, veracity, and honesty in the community in which he lives is excellent, and that he is generally referred to by those who know him as "Honest John."

That he personally knows that Congressman HOEPPEL has been very active in the past years working in behalf of war veterans and their dependents, and that since his incumbency as a Congressman he has been recognized and is known as a friend of "the underdog."

That he would believe him under oath, and that furthermore, your deponent, were he subpenaed as a witness before a court and a jury, would testify as above stated, and that he could amplify this statement even more as a testimonial to the high character and conduct of Congressman JOHN H. HOEPPEL and his entire family in the community.

Further deponent saith not.

C. C. HOWARD.

Subscribed and sworn to before me this 18th day of November 1935.

[SEAL] F. R. SHALLERT,
Notary Public, County of Los Angeles, State of California.

AFFIDAVIT FROM MAYOR OF MY CITY

I submit further an affidavit from the mayor of my own city, who has lived in my community a much shorter period than myself, but who has known me for approximately 4 years:

OFFICE OF RICHARD KREBS, JR., MAYOR, CITY OF ARCADIA,
Arcadia, Calif., November 7, 1936.

To whom it may concern:

This is to certify that I have known Congressman JOHN H. HOEPPEL for a period of 4 years. During this period I have found him to be an outstanding, worthy, law-abiding citizen. He has the respect and the confidence of every citizen of consequence whom I have met in my official duties and in personal contacts.

Congressman HOEPPEL bears a reputation for honesty and a benign interest in helping the unfortunates and has been very liberal in his aid to the unemployed and others in difficult circumstances. There is not a blemish on his character to my knowledge as far as I have been able to ascertain from my contact and association with him here as a citizen of the city of Arcadia.

Congressman HOEPPEL is outstandingly known as a friend of the veterans and their dependents and is reported to have given generously of his time, without any remuneration, for 10 or 15 years in

their interest. In fact, all veterans and their dependents consider Congressman HOEPPEL as their especial friend.

This testimonial is given in the utmost sincerity as a statement of fact. I am not related in any respect or in any way affiliated with Congressman JOHN H. HOEPPEL, in business or otherwise, nor have I ever been affiliated with him in other than projects of civic betterment.

Sincerely yours,

RICHARD KREBS, JR.,
Mayor of the City of Arcadia, Calif.

Subscribed and sworn to before me this 16th day of November 1935.

[SEAL] HILDA M. GRAY,
Notary Public.

My commission expires November 9, 1937.

MY RECORD OF MILITARY SERVICE

I volunteered for service in the Spanish-American War at the age of 17 years, and within 4 months after enlistment, was appointed a noncommissioned officer in the Regular service. I continued in the service until retirement in 1921. I have nine discharges from the Army, eight of which were as a noncommissioned officer, with character "excellent" throughout. I have one discharge from my World War commission as an officer, and my certified record states:

SECOND AVIATION INSTRUCTION CENTER,
Tours, France, April 5, 1919.

First Lt. JOHN H. HOEPPEL has served at this station since its organization in 1917 as post quartermaster. His services have been very satisfactory, resulting in promotion. He is recommended as an excellent officer, capable of performing any duty demanded by his rank.

A. B. JOHNSON,
Captain, Air Service, Adjutant.

During the period of my service overseas, I was quartermaster at the second largest aviation field in France, and was held responsible and accountable for every function of a quartermaster, except that of disbursement, and in this capacity, I handled thousands of dollars in cash and unusually large amounts of supplies, since the garrison, at one time, consisted of 800 officers and 3,300 enlisted men. I had no commissioned assistants until after the armistice. That I performed my duties satisfactorily, without one cent of irregularities, is evidenced by a Treasury Department clearance, dated September 18, 1920.

WAS A MEMBER OF THE FIRST DIVISION

I went to France with the First Division, and while on duty in the training area near Verdun, I was transferred to the Air Service from the Signal Corps. After transfer I reported personally to General Mitchell, a friend of mine, under whom I had served in Alaska in 1901. Because of my radio experience I was immediately detailed to make an inspection of the French aviation production factories, with special reference to their use of radio in airplanes. As a result of my study and report I received the following communication:

AMERICAN EXPEDITIONARY FORECS, AIR SERVICE,
August 23, 1917.

From: Engineering Intelligence Division.
To: JOHN H. HOEPPEL, sergeant, first class, Signal Corps, Aviation Section.
Subject: Acknowledgment of radio paper.

The receipt by this department is acknowledged of your paper addressed to Major Dodd, dated July 30, on the subject of radio communications as applied to airplanes. We sincerely thank you for this paper and hope that you will forward to this department all information that it is possible for you to gather on the subject of radio, as well as any other subject pertaining to aviation which comes to your attention.

By authority of Colonel Bolling.

EDGAR S. GORRELL,
Major, Aviation Section, Signal Corps.

It was my belief that my report was valuable in the prosecution of the war, and I so reported to my former superiors in the Signal Corps at the Paris office. When I returned from France, I called on Colonel Culver, Chief of Communications of the Air Service, who endeavored to obtain special consideration for me in my reenlistment, as will be shown by his letter, because of the service I had rendered the Government in radio communication and its application to aircraft. He told me then that, as a result of my report, the entire radio program of the French and American units was coordinated and improved and that they closed all radio activities in America and went posthaste to France for this purpose. His letter, which I now insert in the RECORD, speaks for itself:

WAR DEPARTMENT,
OFFICE OF THE DIRECTOR OF AIR SERVICE,
Washington, October 28, 1919.

Memorandum for Personnel Division.
Subject: First Lt. John H. Hoeppel, A. S.

1. Reference is made to first endorsement, O. D. A. S., dated October 11, 1919 (Personnel Division), on application of Lieutenant Hoeppel for permission to reenlist with a grade of M. E. A. M. after discharge from his present condition. Lieutenant Hoeppel's work with the Air Service during several years past has frequently come to the attention of the undersigned. This work has included certain duties connected with Air Service radio.

2. It is recommended that his request be granted, and that the reenlistment be authorized into the grade of M. S. E., and, on the basis of his electrical training, the grade of A. M., if possible.

C. C. CULVER,
Colonel, Air Service, Chief, Communications.

At the conclusion of my inspection of the French radio as applied to airplanes, I was detailed by General Mitchell to take charge of detachments of cadets coming from America for aviation training. While I was second in charge, the officer in charge was inexperienced and I actually performed the duties of organizing the Second Aviation Instruction Center, which was the second largest American flying field in France. In the primary organization of this field, I was in direct charge of Capt. Eddie Rickenbacker, who later became the famous ace, and many others who also became well-known aces before the conclusion of the war. During this period, John G. Winant, present chairman of the Social Security Board, came under my command for administration and discipline.

As the field enlarged, I assumed the duties of quartermaster and in this capacity, I exposed a firm of war profiteers who had been reaping a golden harvest at the expense of the American Treasury. At the time I made my report to General Carson, the Chief of the S. O. S., this firm had pending bills against the Government totaling 1,500,000 francs. I insert in the RECORD at this point correspondence from the War Department to confirm my statement in this regard:

WAR DEPARTMENT,
OFFICE OF THE QUARTERMASTER GENERAL,
Washington, June 13, 1935.

MY DEAR MR. HOEPPEL: Your letter of May 21, 1935, addressed to The Adjutant General was referred to this office for attention.

Information is furnished that the records on file in this office confirm your statement that a deduction of 10 percent was made from bills rendered by Messrs. Klein-Levy & Fils. A deduction of this 10 percent made a saving to the United States Government of approximately 150,000 francs. Copies of letters pertaining to these transactions are hereto attached.

For the Quartermaster General.

Very truly yours,

R. H. JORDAN,
Colonel, Quartermaster Corps, Assistant.

In a further communication, transmitted to me by Major Ely of the Finance Department, my service is recognized. I insert this communication at this point:

[Third Endorsement]

Maj. E. F. Ely, Finance Department, Headquarters Hawaiian Department, Fort Shafter, Territory Hawaii, July 15, 1935.
To: The Adjutant General, Washington, D. C. (Through: Commanding General, Hawaiian Department, Fort Shafter, Territory of Hawaii.)

The circumstances regarding the matter in question, as I remember them at this late date, follows:

In the spring of 1918, it was decided to move the offices of the chiefs of supply branches and certain other services from Chaumont to Tours and place them under the S. O. S. The large French barracks at Tours, which had been assigned us to house these activities, had to be renovated, remodeled, and equipped with office furniture and other office equipment within a certain period. At the time the supply of required equipment available in the open market in France being limited, the Quartermaster procurement officer contacted Levy-Klein & Fils, a commission firm, with a view of that firm obtaining and furnishing these requirements. Later, when the firm submitted their bill, it was determined that while all the supplies covered thereby had been delivered, the prices charged in most cases appeared to be excessive. The matter was then referred to the inspector general, S. O. S., for investigation, with the result that Levy and Klein agreed to make flat reduction on their original bill of 150,000 francs, and payment thereon was accordingly made by me as finance officer, S. O. S.

I remember that Mr. HOEPPEL, at the time a captain, Quartermaster Corps, on duty at Tours, was, to a certain extent, responsible for the investigation which resulted in this savings to the Government; however, whether he initiated this action and was wholly responsible therefor, I am unable to say at this late date.

(Signed) E. F. ELY,
Major, Finance Department.

The positive facts in the case are that I was wholly responsible for and initiated this investigation, which resulted in a saving to the Government at that time of approximately 150,000 francs—$27,500—and additional thousands in losses which would have resulted in subsequent accounts had not the racketeering of this firm been uncovered.

As a result of my activity in this matter the son of Mr. Levy called on me and berated me for having exposed his firm, indicating that had I remained quiet I could have received compensation, an insinuation which I wholeheartedly resented. At this point I insert in the RECORD a letter which was mailed to all purchasing offices in France blacklisting this firm and prohibiting further purchases from them:

AMERICAN EXPEDITIONARY FORCES,
HEADQUARTERS SERVICES OF SUPPLY,
OFFICE OF THE CHIEF QUARTERMASTER, A. E. F.
July 18, 1918.

From: Chief Quartermaster, A. E. F.
To: C. P. O., Q. M. C., and all camp and post quartermasters.
Subject: Dealing with war profiteers.

1. In accordance with instructions from C. G., S. O. S., you are advised that all dealings are prohibited with the firm of Levy, Klein et Fils, of Tours, also known in Nevers; with the individuals said to compose this firm, viz: Herl Joseph Levy and Gaston Levy, his son; or with any like brokers or others who are not bona-fide dealers in the merchandise they offer.

2. Emergency purchases should be avoided as far as practicable, especially as concerns stationery and office supplies, requisitions being submitted periodically to anticipate wants so far as possible.

3. The C. G., S. O. S., also directs a strict compliance with the laws, regulations, and orders in regard to making purchases, and especially that economy be exercised in the expenditure of office supplies.

By direction, (Signed) CLYDE B. CRUSAN,
Lt. Col., Q. M. C., N. A.

The French authorities also took cognizance of the profiteering of this firm, and in a communication the Chief of Staff of the French Army called for information from American sources on this subject. I insert a letter at this point, confirming this statement:

PRESIDENCE DU CONSEIL,
Tours, le 14 Octobre 1918.

From: General Fillonneau, chief de la Mission du Commissariat General des Affaires de Guerre Franco-Americaines, pres le Q. G. des S. O. S.
To: General Commanding S. O. S.
Mission pres le Q. G. des S. O. S.
J. G. 7043/1135.

Pursuant to the legal action taken by the French authorities against the firm Levy Klein & Co. (Tours and Nevers), charged with asking excessive prices from the American Army, I should greatly appreciate if you would send to this mission:

1. Copy of all invoices originating from the firm Levy & Co., either at Tours or Nevers, concerning goods of all kinds—wood, furniture, stationery, etc.—sold to the American Army.

2. The duplicates of transportation orders given to Messrs. Levy by the American services.

3. If possible, a list of all merchants from whom the above goods were bought by Messrs. Levy & Co.

I beg to call your attention to the fact that the firm in question is likely to have dealings chiefly with the following services:

Chief ordnance officer, chief quartermaster, director general of transportation, chief of engineers, chief signal officer, chief surgeon, chief chemical warfare, and director of motor transport corps.

In the general's absence.

(Signed) [Illegible.]
Chief of Staff.

After the Armistice, I received a letter from the Chief of the Air Service which I insert in the RECORD as evidence of the service which I rendered overseas:

AMERICAN EXPEDITIONARY FORCES,
November 29, 1918.

From: Chief of Air Service, A. E. F.
To: Second Lieut. John H. Hoeppel, Second A. I. C.
Subject: Recommendation for promotion.

The exceptionally meritorious service which you have rendered with the American Expeditionary Forces resulted in a recommendation for promotion in grade submitted by your superior officers. The Chief of Air Service approved the recommendation, but unfortunately instructions from the War Department discontinued all promotions of officers on the 11th instant, making it impossible to confer the reward which you have so well earned.

While communicating the above information, the undersigned takes this opportunity of thanking you personally for the assistance contributed toward the American air successes in the great war now drawing to a close.

MASON M. PATRICK,
Major General, N. A., Chief of Air Service.

MMP/HCB.

DECLINED HIGHER PROMOTION OVERSEAS

I was promoted to the rank of first lieutenant before my return to the United States in recognition of my service overseas during the war. I was offered a higher rank in another branch of the service, but as this would have necessitated a transfer from my duties, I declined the opportunity.

With a background of experience and service which I have just described, does any reasonable man believe that at the age of 55 years, I would send my son to Baltimore, under an assumed name, and ask him to solicit money for "an appointment from Congressman HOEPPEL"—as testified—and that I would then be a party to an appointment on that basis, accepting in pay therefor, through my son, a nonnegotiable note payable to a fictitious name? This simply does not make sense, but as the jury refused to examine into the exhibits and the record, were coerced in their deliberations by the mechanic foreman, and accepted as "evidence" against me the uncorroborated and contradictory testimony of a confessed conspirator, I am forced to appeal directly to thinking, fair-minded people—not for favor—not for sympathy—but simply for the square deal which thus far has been denied me through the courts.

TO EXTEND EMPLOYEES' COMPENSATION ACT TO CERTAIN WORLD WAR VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12869) to liberalize the provisions of Public Law No. 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 10, after line 10, insert:

"SEC. 404. That in addition to the suspension of the limitation for the period elapsing between the filing in the Veterans' Administration of the claim under a contract of insurance and the denial thereof by the Administrator of Veterans' Affairs or someone acting in his name, the claimant shall have 90 days from the date of the mailing of notice of such denial within which to file suit. This act is made effective as of July 3, 1930, and shall apply to all suits now pending against the United States under the provisions of section 19, World War Veterans' Act, 1924, as amended; and any suit which has been dismissed solely on the ground that the period for filing suit has elapsed but wherein the extension of the period for filing suit as prescribed herein would have permitted such suit to have been heard and determined may be reinstated within 90 days from the date of enactment of this act: *Provided*, That on and after the date of enactment of this act, notice of denial of the claim under a contract of insurance by the Administrator of Veterans' Affairs or someone acting in his name shall be by registered mail directed to the claimant's last address of record: *Provided further*, That the term 'denial of the claim' means the denial of the claim after consideration of its merits."

Page 10, strike out line 11 to 15, inclusive.

Page 10, strike out lines 16 to 20, inclusive.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mrs. ROGERS of Massachusetts. Mr. Speaker, reserving the right to object, and I will not object if the gentleman will explain to us whether he believes the President will sign this bill. I understand a similar bill was vetoed some time ago. I want to be sure the President will sign this one.

Mr. RANKIN. Mr. Speaker, in response to the inquiry, may I say to the Members of the House that there were three amendments put on this bill by the Senate. One of them was to eliminate a provision in the bill that passed the House with respect to uniforms for certain employees in the Veterans' Administration. The other amendment eliminated a provision wherein we provided for payment for official telephone service installed in quarters provided for

employees of the Veterans' Administration on Government reservations when authorized under regulations prescribed by the Administrator.

Without reference to the merit of that provision, the Senate has eliminated it, and I shall move to concur in the Senate amendment.

The other amendment includes a provision to extend the time for filing suits on veterans' insurance claims; and while I am not authorized directly to speak for the White House, as no one else in the House is, I presume, I desire to assure the gentlewoman from Massachusetts that, in my opinion, this bill will become a law if these amendments are agreed to.

Mrs. ROGERS of Massachusetts. I heartily approve of that provision which extends the time for filing suits on veterans' claims.

Mr. PATMAN. Mr. Speaker, reserving the right to object, may I ask the gentleman from Mississippi if this is not the bill that has for its purpose the compensation of widows and dependents of the men who lost their lives in the Florida hurricane?

Mr. RANKIN. That is true.

Mr. PATMAN. Is it not true this is a wholly unrelated matter—and I refer to the question of insurance claims? For one, I am not in accord with the views of certain Senators who have been trying for some time to get an amendment through this House which would permit a lot of these old suits to be revived. If there ever was a situation in which the Government was robbed, it was in connection with some of these insurance cases. I do not mean all of them, because most of them were meritorious; but the Government has been robbed in some of those cases, and my opinion is that the Government will be robbed in some of these. I am not in accord with those views.

I hope the gentleman will withdraw his request or else refuse to concur in the amendment.

Mr. RANKIN. I will give the gentleman a vote on that amendment if he desires. We passed the bill last year. I was in accord with it then. It was introduced by the gentleman from Alabama [Mr. STARNES] and reported by the committee. I think it should become a law. Therefore I shall be glad to give the gentleman a vote on that proposition, but I do not want to do anything at this time to jeopardize the bill.

Mr. PATMAN. The gentleman knows that a number of officials of the Red Cross and other organizations, including veterans' organizations, charged with the duty of investigating these cases, would go around and discover a large number of cases that were on the border line. Then they would resign as officials of the Red Cross or veterans' organization and connect themselves with some law firm. They would then use the information they had received in filing these suits. A large number of such cases have been thrown out by the courts, and I think they ought to stay out.

Mr. RANKIN. I do not agree with the gentleman's contention at all. These cases, as a rule, involved men who were insured and who had become disabled. Because of disability, these men were unable to carry on and keep up their insurance payments. My opinion is that the number of cases will be very limited.

Mr. Speaker, it seems to me that the Government is fairly well protected when these cases are tried in the Federal courts. There is a district attorney in every district, and besides there are attorneys connected with the Veterans' Administration. I think the gentleman is unduly apprehensive about the effect of this legislation.

Mr. PATMAN. I may say they had about 10 or 12 years in which to file these suits.

Mr. RANKIN. That is true.

Mr. PATMAN. They had 10 or 12 years. This is to grant a further extension and revive a lot of these old cases.

Mr. RANKIN. As the gentleman knows, there are many border-line cases. Many of these men were presumptive cases. Some of them did not know what their rights were under the law until the time for filing suits had expired. As I stated, in my opinion there are a great many of these cases that are meritorious.

Mr. CONNERY. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. CONNERY. I am inclined to agree with the gentleman from Mississippi. These men have been paying for their insurance, and it is merely a question of removing the statute of limitations, permitting them to file suits on their insurance for total or permanent disability, and for the payments that go with it. As the gentleman from Mississippi stated, this is a question for the courts. The Government has its legal experts, and it is up to the Government to fight the case if it is an unjust one.

Mr. RANKIN. May I say to the gentleman from Massachusetts it will be much better to determine these cases in the courts than to have the House flooded with bills to pay the individual claims.

Mr. PATMAN. Mr. Speaker, further reserving the right to object, I will ask the gentleman if it is not the fact that this does not apply to cases where they are paying the insurance, but only applies to cases where they came out of the Army 17 or 18 years ago and did not keep up their insurance at all and paid no premiums whatever; and now, 17 years after the war is over, we are to give them the privilege of going back and saying that they did have a disability which they did not contend for.

Mr. RANKIN. No; I will say to the gentleman from Texas that it applies to those men who came out of the service so badly disabled that they were not able to pay their insurance. These are the men that this section applies to.

Mr. PATMAN. I do not agree with the gentleman.

Mr. O'MALLEY. Mr. Speaker, I ask for the regular order.

Mr. PATMAN. I shall object unless we may have a separate vote on the matter.

Mr. RANKIN. I promised the gentleman that we would have a separate vote.

Mr. PATMAN. If we may have a separate vote, it is all right.

Mr. RANKIN. I shall move for a separate vote on each amendment if that is desired.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Page 10, after line 10, insert:

"SEC. 404. That in addition to the suspension of the limitation for the period elapsing between the filing in the Veterans' Administration of the claim under a contract of insurance and the denial thereof by the Administrator of Veterans' Affairs or someone acting in his name, the claimant shall have 90 days from the date of the mailing of notice of such denial within which to file suit. This act is made effective as of July 3, 1930, and shall apply to all suits now pending against the United States under the provisions of section 19, World War Veterans' Act, 1924, as amended; and any suit which has been dismissed solely on the ground that the period for filing suit has elapsed but wherein the extension of the period for filing suit as prescribed herein would have permitted such suit to have been heard and determined may be reinstated within 90 days from the date of enactment of this act: *Provided*, That on and after the date of enactment of this act notice of denial of the claim under a contract of insurance by the Administrator of Veterans' Affairs or someone acting in his name shall be by registered mail directed to the claimant's last address of record: *Provided further*, That the term 'denial of the claim' means the denial of the claim after consideration of its merits."

Page 10, strike out lines 11 to 15, inclusive.

Page 10, strike out lines 16 to 20, inclusive.

Mr. RANKIN. Mr. Speaker, I move to concur in the Senate amendments, and yield 5 minutes to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, section 319 of the World War Veterans' Act is the section that is referred to in this amendment, is it not?

Mr. RANKIN. I am not sure about that.

Mr. PATMAN. I had never heard of this amendment until this morning, and I did not know the Senate had put on the amendment. I was hopeful the gentleman would call the committee together and let us consider this matter, and I believe that would be a fine thing to do now.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. RANKIN. We considered it last year, and passed it out unanimously.

Mr. PATMAN. We did not pass it out unanimously, so far as I was concerned, because I have opposed this all the time.

Mr. RANKIN. The gentleman was certainly notified of the meeting, and if was not there, it was his own fault.

Mr. PATMAN. Let me state just what this means, and if the House wants to do this, all right.

There are a few law firms in this country that have been soliciting this particular business. There is one such firm in Los Angeles, Calif., and the main member of the firm used to be the regional manager of the office out there, and by reason of his contacts he got inside information about all these cases. They have a large number of these suits. Just a few firms in the country handle these particular lawsuits, and by reason of having this inside information it is easier for them to get judgments against the Government. In other words, they select cases that the Government cannot answer by reason of the lapse of time and the loss of evidence by reason of length of time and for other reasons.

Section 319 does not refer to the case where a veteran has actually paid his insurance and is asking the Government to carry out a contract. No; for 10 or 15 years after the war was over these veterans had the privilege of going into the courts, under section 319 of the World War Veterans' Act, and showing that, although they did not keep up their insurance as they should have done in order to have any benefits, they were really suffering from a disability which they probably had not even claimed in 10 or 15 years; but they come back and say that they were suffering from a disability and by reason of such disability they were entitled to draw as much from the Government as it would have taken to have paid their insurance premiums, and therefore their insurance should now be considered to be in effect.

Where a claim is meritorious it should be paid. If any of these claims have been denied that have merit in them, I would be very glad to vote for any one of them, but I am not willing to grant by a blanket law the privilege to all these law firms that have gone out and have been soliciting these cases, and have even paid money to get these cases in their offices. I am not willing to further grant them these special benefits to which they are not entitled under existing law.

Mr. LUNDEEN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. LUNDEEN. I am wondering if it would not be a good thing for the veteran's neighbors to pass on his case. They know him. I am not arguing against the gentleman.

Mr. PATMAN. That question is not involved here, and should not be involved in any case. This is a meritorious bill with the exception of this amendment, and every meritorious case that would be reinstated by that amendment I would be very glad to vote for myself, but we do not know what we are doing. How many cases are involved? Ten thousand dollars is involved in practically every case. We do not have the facts before us that will enable us to properly pass on this matter, and since it is in no way related to the bill under consideration, it should come up on its own merits. If I should be convinced that any veteran is denied a square deal under existing law, I would certainly vote to correct it.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. RANKIN. Mr. Speaker, I yield the gentleman from Texas 5 minutes more.

Mr. PATMAN. Mr. Speaker, we do not know how much is involved in this. Who is getting the money out of it, what is behind these cases? So I say, take up this original bill, the bill passed by this House to grant aid to the widows and dependent children of these men who lost their lives in the Florida hurricane and pass it. Why should we let the Senate put on entirely new subject matter, something not related to this subject in any way; and since it is not, we are perfectly within our rights in demanding that that amendment be stricken out, and then let them present a bill that contains meritorious cases which they hope to reach by this amendment, and I, for one, will be very glad indeed to vote for every one of these meritorious cases. I am not willing to open the floodgates to a bunch of shyster-lawyer firms in this Nation who have used unlawful means and deceitful methods and underhanded tactics in order to get these lawsuits. I am not willing to put a premium on that kind of practice in this country, and I ask Members to vote down the motion of the gentleman from Mississippi [Mr. RANKIN], so that we will force the Senate to take out this amendment.

I yield back the remainder of my time.

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, we passed this bill out of the Veterans' Committee, reported this same amendment last year in the form of a bill, and that passed the House. The gentleman from Texas [Mr. PATMAN] speaks of shyster lawyers. In the first place, all of the lawyers are tied down for remuneration to 10 percent of the claim. That is all they can get, if they win the case. The gentleman from Texas, like the rest of us, no doubt has gone to the Veterans' Bureau; and if anyone thinks it is easy to win a compensation case with the Veterans' Bureau, let him go down and try it himself; try it on cases of men permanently and totally disabled and see how far he will get, because the position of the Veterans' Bureau, perhaps justly, from their point of view, is that they are supposed to keep down the expenditures and protect the money of the Government at all costs. They are not going to give any break to the veteran if they can help themselves. The gentleman from Minnesota [Mr. LUNDEEN] suggested that it is far better for the veteran to be tried on insurance cases by a jury of his neighbors in his home district because they know whether he is totally disabled. They see him walking the streets or in a wheel chair or in his bed; they know what his services were and and whether he is entitled to win his insurance. We passed on this in the Veterans' Committee. The Senate merely added it onto this bill. The gentleman from Texas says he agrees with all the other parts of the bill. Personally I am glad to see the Senate add this amendment, because in most cases with veterans' insurance policies, in 9 cases out of 10, the doubt has been resolved against the veterans in favor of the Government; and we have been trying for years since the foundation of the Veterans' Committee to get a break for the veteran—to have the doubt resolved in favor of the veteran.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. MAY. The simple effect of this act would be to lift the statute of limitations for a period of 90 days only.

Mr. CONNERY. That is all. It gives the veteran a chance to file his suit.

Mr. MAY. It gives him recourse to the courts in the district in which he resides.

Mr. CONNERY. Yes. The Bureau of War Risk Insurance has its litigation lawyers—lawyers who fight these cases for the Government. They are supposed to be leading lawyers, and they defend the Government against the veterans in these cases.

Mr. MAY. They take the Government's side all the time?

Mr. CONNERY. All the time, no matter what their personal feelings may be.

Mr. THURSTON. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. THURSTON. Time and again we have extended the statute of limitations for civilians who had claims against the Government, sometimes amounting to millions of dollars.

Mr. CONNERY. Yes.

Mr. THURSTON. So that if we do it in this instance we would only be according the veteran the same privilege that we have given to private individuals.

Mr. CONNERY. Yes; you are dealing with disabled men, because in order to file on their insurance they file for permanent, total disability and for payments under that.

Mr. O'MALLEY. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. O'MALLEY. We have also extended the statute of limitations for corporations in many private bills that have come into this House?

Mr. CONNERY. Yes; and we should do it for the veteran.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I shall not use the 5 minutes granted me. As the membership of the House knows, I feel that this bill does not go nearly far enough. I was in the committee when Mr. STARNES' bill granting this special provision was voted out last year. I thoroughly approved of it. It is only fair to give these men their day in court. [Applause.] After all, those of you who work on veteran cases know that there are still many men over the country who do not know their rights. It is only fair to give them 3 months more to get their insurance claims adjusted. It is not enough, but I earnestly hope and I know the Members of the House will vote for it.

When this bill extending the time for filing suits passed the House and Senate last session I was very much pleased, for I personally know of many cases where the disabled veterans have been denied their day in court through their lack of knowledge of the regulations.

When the President allowed the matter to die by way of a pocket veto, I felt much the same as I did when he cut the disabled veterans so cruelly by his Executive orders. The membership of the House trusted the President in his promise not to cut the disabled, but apparently he had extremely bad advice and cut them ruthlessly. The disabled veterans have been sadly neglected in the Seventy-third and Seventy-fourth Congresses. Repeatedly I have asked for hearings on my bill to increase the pensions for widows and orphans—without result. The Committee on World War Veterans' Legislation has become noticeably inactive to the needs of the disabled. Prior to March 4, 1933, disabled veterans had a full and complete opportunity to present their problems to the committee. Since then such has not been the case.

As I stated on the floor of the House during the discussion on this bill for the relief of the Florida hurricane sufferers, due to the fact that it was brought up under a suspension of the rules, no change could be made in it. I voted for it, although I did not, and do not now, believe it goes far enough.

The hearings held on the subject were a whitewash, as everyone knows who has had the opportunity to read the transcript of evidence. The United States Government had a responsibility to face in the death of these men. It was most evident that it was the purpose of the committee to minimize that responsibility.

Such has seemed to be the consistent policy of the committee. The blind veterans have been denied hearings; the widows and orphans likewise; the administration has obviously been hostile to giving disabled veterans' problems the careful, humane, and sympathetic consideration they deserve.

I yield back the balance of my time.

Mr. RANKIN. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. STARNES].

Mr. STARNES. Mr. Speaker, this amendment passed the House by unanimous consent in the form of a bill at the first session of the Seventy-fourth Congress. It simply extends the statute of limitations for 90 days to those cases where there has been some dispute as to whether or not there had been a denial of the veteran's claim by the Veterans' Administration in order for him to bring his suit. No liability to the Federal Government can arise unless and until a jury of the veteran's peers has passed upon his claim.

I think it is meritorious. The House passed it by unanimous consent, and I hope at this time the House will concur in the Senate amendment. [Applause.]

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. GRISWOLD].

Mr. GRISWOLD. Mr. Speaker, I do not know how the gentleman from Texas voted on the Economy Act, but he may recall that when we passed that act we took away from the veterans for 1 year the right to file these insurance claims and to sue them out in the courts. We placed the matter in the hands of the Administrator of Veterans' Affairs and took it out of the hands of the courts from the date of the passage of that act until the Supreme Court held that section invalid and again gave these men the right to go into court. By this act we correct an error of the past and take from the records the penalty Congress imposed on the veteran.

The pending bill does nothing more than to give back to these men 20 percent of the time we took away from them in that invalid section of the Economy Act.

I admire the efforts of the gentleman from Texas [Mr. BLANTON] in behalf of the Treasury. Many times I have voted with him, but when he advances the argument that we should not continue this right to the veterans because there are a few crooked lawyers in the country who might profit, I cannot follow him. The amount involved in this bill is approximately as much as we have given to two world's fairs, one in the State of Texas. I am willing to take that much money out of the Treasury even though a few crooked lawyers may benefit rather than see one just claim of a veteran thrown out. It is not proper to penalize the veteran and deprive him of that to which he is justly entitled under his contract of insurance because we have a few shyster lawyers who might chisel a part of the money received by the veteran. The proper procedure to correct that evil would be to pass a law that would prevent the lawyer taking advantage of his veteran clients. The gentleman from Texas does not suggest such a law. He merely opposes the measure on account of the lawyer and to prevent the lawyer taking advantage of the veteran would prevent the veteran from having that to which he is entitled.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Mr. Speaker, the only argument that seems to have been made against this bill is that if we extend the statute of limitation so these veterans can file their claims, a few crooked lawyers might dig up an unjust claim and bring it into court. I, of course, am not an attorney; but I am surprised that if the two gentlemen from Texas who just spoke in opposition to this amendment, who are attorneys, have the facts that certain lawyers in this country are digging up such suits and soliciting claims against the Government that they do not report these facts to the bar associations of the respective States in which these attorneys reside. It would seem to me to be a shame that because a few lawyers have used the law dishonestly we should vote down a just bill for the veterans. I hope this amendment is adopted overwhelmingly. It is not the duty of Congress to keep lawyers honest, but it is the duty of the bar and its members to do so.

Mr. LUNDEEN. Mr. Speaker, I would like to say, if the gentleman will permit, that no case handled by any of these able lawyers can be put through unless it has been handled before a local jury of friends and neighbors. Who better knows and understands the veteran and his case than a jury of his neighbors?

Mr. O'MALLEY. It is a poor argument to say that because some lawyers abuse and degrade the law we should deprive the deserving veteran of his fair day in court. This forum is no place for settling the squabbles of attorneys over their own shortcomings as a class. It is a place where all our citizens should be able to come for justice. This amendment brings justice to the veterans and should be passed; and no injection of the misdeeds of lawyers or the abuse of our laws by some of them who took oath to uphold should blind us to the rights of those who fought for this country. It has been suggested occasionally that only attorneys should be elected to Congress. God help the people of this country

if some of them would do in Congress what the gentleman from Texas says they do on veterans' claims.

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I cannot permit the statements and insinuations that have been made here to go unanswered.

In the first place, these appeals are not coming from "shyster" lawyers, as the gentlemen from Texas [Mr. BLANTON and Mr. PATMAN] seem to think. There may be more "shyster" lawyers in Texas than I think there are, but I do not believe they are as thick over the United States as has been intimated here today. [Applause.]

This bill extends the time for only 90 days for these men to file their suits. They must come before a court and run the gauntlet of all the legal proceedings. They are not only under the eagle eye of the Federal judge but they are opposed by a district attorney and an assistant district attorney. Then they have to convince a jury of 12 men. If the Government is injured in any way, it has the right to appeal to the circuit court of appeals and then to the Supreme Court of the United States. So I say, Mr. Speaker, that all this talk about "shyster" lawyers getting in on these cases, as an argument against this provision, is not fair to these disabled veterans whom we are trying to assist by the passage of this act.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; for a question.

Mr. PATMAN. I hope the gentleman will not construe my remarks as meaning that only shyster lawyers favor this.

Mr. RANKIN. I know.

Mr. PATMAN. I merely mentioned this incidentally as an illustration. A committee I was on investigated some matters relating to this and we uncovered the situations I have disclosed.

Mr. RANKIN. I understand, but there has been more said about "shyster" lawyers than about all the others put together. Bacon once said that the pencil of the Holy Ghost had labored more in depicting the miseries of Job than it had in describing the felicities of Solomon. The gentlemen from Texas [Mr. PATMAN and Mr. BLANTON] have spent most of their time talking about the "shyster" lawyers who have handled a few cases for these disabled veterans. For this reason I call attention to the fact that the lawyers who have written me, and whom I know personally, are not "shyster" lawyers, and the veterans themselves who have written me, of course, were writing in their own behalf. So let us not obscure the merits of this measure by holding up a few "shyster" lawyers as if this legislation were designed to assist them, and them alone.

We certainly have gone the limit, I may say to the Members of the House, in passing all kinds of omnibus bills to pay claims for alleged injuries to civilians and never heard "shyster" lawyers mentioned. If these were any other kind of claims, I wonder if the question of "shyster" lawyers would be raised as a defense. I wonder if the question would be raised if these claims for injuries to civilians were caused by being run over by a C. C. C. truck, or something of that kind.

Mr. Speaker, I have not regaled the House very much recently in connection with veterans' affairs. I started in 1930 to try to take care of the disabled veterans who had come out of the war afflicted with tuberculosis, cancer, paralysis, and other chronic constitutional diseases which were slowly but surely eating away their lives. A bill of mine which passed in 1930 was vetoed, and another one passed which took care of these men in a small measure. However, it left out their widows and orphans. This bill puts the widows and orphans of those presumptives back so that we can take care of them, and at the same time it wipes out the vicious misconduct clause insofar as it affects them.

There were men who, just as brave as any soldiers who ever faced a firing line, came out of the war with these incipient diseases which have been constantly eating away their existence. Many of them did not know for years that they were suffering from any of these diseases. Many of them lived off out yonder and did not know of their rights, and therefore let the time for filing expire. Many of them are now helpless and feel that they are entitled to their insurance.

All we are asking is that these men be given the right to go into court and present their claims. I say when we do that we are acting in response to and in accord with the wishes of 99 percent of the American people who understand this proposition. [Applause.]

Mr. Speaker, I move the previous question.

The previous question was ordered.

The Senate amendment was agreed to.

The SPEAKER. The Clerk will report the further Senate amendments.

The Clerk read as follows:

Senate amendment no. 2: Page 10, strike out lines 11 to 15, inclusive.

Senate amendment no. 3: Page 10, strike out lines 16 to 20, inclusive.

Mr. RANKIN. Mr. Speaker, I move that the House concur in the other two Senate amendments.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CONNERY. Mr. Speaker, I make the same request.

Mr. O'MALLEY. Mr. Speaker, I make the same request.

The SPEAKER. The Chair will state that all Members have general permission to extend their remarks in the RECORD unless it is desired to include some extraneous matter in their remarks.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, I appreciate being granted this time, in which I simply want to call attention to the fact that in spite of all the ballyhoo that attended the adoption of a particular plank in the Republican platform, which was adopted a few days since, demanding the extension of the civil service, when the gentleman from Georgia [Mr. RAMSPECK] presented a bill for consideration the other night that would accomplish exactly that purpose, it was Republican opposition and objection which prevented the consideration and adoption of the bill which sought thus to extend the civil service.

[Here the gavel fell.]

ENTRY UNDER BOND OF EXHIBITS OF ARTS, SCIENCES, AND INDUSTRIES

Mr. CELLER. Mr. Speaker, there was passed by the House the other evening, the bill (S. 3843), to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes. It seems there was a misapprehension at that time, in that it was stated that the Senate bill was identical with the House bill, which had received the approval of the House. On account of the fact there is a difference between the two, I ask unanimous consent, Mr. Speaker, that the Clerk of the House be directed to request the Senate to return to the House the bill S. 3843.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MICHENER. Mr. Speaker, reserving the right to object, what bill is this?

Mr. CELLER. It is S. 3843 and concerns an exhibition to be held in the Port of New York Authority Building.

Mr. SNELL. This is not the lobbying bill?

Mr. CELLER. No.

The SPEAKER. The gentleman from New York asks unanimous consent that the Clerk be directed to request the Senate to return to the House the bill S. 3843. Is there objection?

There was no objection.

REGULATION OF LOBBYING

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence the legislation, to prescribe punishments for violation of this act, and for other purposes, for further consideration.

The Clerk read the title of the bill.

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. SWEENEY].

Mr. SWEENEY. Mr. Speaker, we are about to consider the famous, or infamous, Smith bill. The administration, not content with gagging the Members of Congress, putting every Member on the spot, now reaches out to gag their constituents.

This Smith bill is a report of a special committee—or, I should say, the Rules Committee—to investigate the pernicious activities of the lobbyists in connection with the Wheeler-Rayburn bill of last year, a measure designed to curb the vicious holding companies. This great committee has labored and brought forth a mouse in the instrumentality of the Smith bill, designed to send everybody to jail who spends over $10 in trying to influence their Congressmen to vote for any meritorious legislation. It is designed to affect the American Federation of Labor, the Farmers Union, the veterans' organizations, and a host of others, but is particularly aimed at the National Union for Social Justice and the Townsend movement.

You know there are many groups in this country today that are fast coming to realize that this is not the Congress of Franklin D. Roosevelt. Mark you that! This is not the Congress of Franklin D. Roosevelt or any other Chief Executive, and they have a right to have their day in court. Whether you believe in the philosophy of Dr. Townsend and other groups or not, they have the right to be heard in behalf of proposed legislation they are supporting. A denial of the right of petition and the opportunity of many groups in this country to be heard in their Congress is an assault on democracy itself and a decided drift toward dictatorship and fascism.

People of this great country are Congress-minded. I am satisfied that no one knows this better than the Members of Congress, who each day in their official life receive numerous communications from their constituents relative to the measures before the Congress of the United States. This country is not ready now, and I hope it never will be ready, to cast aside the political philosophy of Thomas Jefferson and Andrew Jackson and follow in the wake of many of the European nations who in this day of world change have forfeited their political and religious freedom. This freedom America long fought for, and attained after years of struggle and bloodshed, and no American wants to exchange it for the concentration of power in the hands of any one man, the power to wield as he sees fit.

In what I am going to say now I have no desire to be at all offensive toward the Chief Executive of the United States Government. I have a personal respect for him and the high office with which he has been entrusted by the people of this Nation. In 1932 I was one of the three delegates from Ohio at the Chicago convention of the Democratic Party who supported him on the third ballot, which decided his nomination at that convention. I had observed his career as Governor of the State of New York and the war he waged against the power interests; his public pronouncement against gag rule in legislative bodies, while he was Governor of the Empire State. This excited my admiration for him, and on the eventful third ballot I left the Ohio delegates, who were secretly ready to cast their vote for Newton D. Baker, the dark horse of Wall Street, and who, except for the result obtained on the third ballot, would have been the nominee of the Democratic Party in 1932 for the President of the United States.

Following this convention I returned to my home community, and I do not say this in the spirit of egotism at all, but as a fact. I organized a substantial group of citizens in northern Ohio who made possible Franklin D. Roosevelt carrying the Buckeye State in the election that followed by a plurality of approximately 70,000 votes over his opponent. What I am going to say now is not for the comfort of the sunflower side of the House, who are enthusiastic over the candidacy of Alfred Landon, Governor of the State of Kansas. I think if Landon is elected it will be a national calamity. It will be returning to the laissez-faire days of McKinley, of Harding, of Coolidge, and of Hoover, with the gold standard tie-up, and the private control of money in the hands of a few.

I say to you now, the State of Ohio, which went 70,000 for Roosevelt in 1932, in my opinion, will be lost to him by over 100,000, and I am willing to wager a bet with anyone in this House on that proposition. [Applause.] No; I repeat, this statement is not made to give any comfort to those who are sponsoring the candidacy of a reactionary for President of the United States. The standard bearer of my party, in my opinion, is going to lose the Buckeye State, because there are hundreds of thousands of people in my State, and I am certain similar conditions exist in other States, who know what is going on in the National Capital. They know the story of the attempt for over a year to block consideration of the Frazier-Lemke refinancing bill to aid the stricken farmers of the Nation; they know the camouflage behind the investigation of the Townsend plan; they know that the committee appointed to investigate the activities growing out of the lobby in connection with the consideration of the Wheeler-Rayburn legislation, to which I referred a moment ago, dare not bring back a report to this House identifying and disclosing the activities of certain public-utility lobbyists. I repeat, they dare not make such a report, because it may involve some lawyers and lobbyists close to the national administration, who have been reported in the public press to receive in many cases in excess of $25,000 as fees for their services.

There are enough statutes in the criminal laws of the Federal Government to warrant the indictment and conviction of some of these men, and I am certain the committee, many of them intelligent lawyers, are cognizant of this fact.

I am not going to sit idly by in this House as a Democrat and see men appointed to office under this administration who were indicted subsequent to the World War for fraud and irregularities in the granting of war contracts, and indicted as a result of congressional investigation. Today these men are placed in high position of trust and responsibility in the present administration. I am not going to sit idly by and see the Chairman of the Home Owners' Loan Corporation, a former president of the United States Chamber of Commerce, deny to Members of the House of Representatives information and cooperation, as he did last year when we were seeking an investigation to disclose the political favoritism and corruption in that agency of the Government, which was brought to our attention by our constituents. At least, 25 Members of the Congress made complaint against this Corporation and its State agencies. I am certain you all remember what I am talking about. Many of us sought to inquire why more than 20 State managers of the Home Owners' Loan Corporation were removed during a period of 1 year after its inception. This information has not been forthcoming to date, nor has any consideration been given to the resolution to investigate this organization, which resolution is now pending before the Rules Committee of the House. I make the challenge now this committee dare not report out this resolution because any investigation would be equivalent to political dynamite for the present administration.

I am glad I can make this statement as a Democrat—one who believes in the philosophy of the Democratic Party, but who cares more for its principle than its label. The Democratic Party only comes to power once every quarter of a

century, and it generally goes down to defeat because it forgets the principles and becomes autocratic instead of democratic.

I want to see an Executive in the White House whose word is his bond. [Applause.] I do not care for your applause. I want to see an Executive who when he stood on the steps of the Capitol yonder in his famous inaugural address, which I characterized on March 4, 1935, in this very House as an address comparable to Lincoln's second inaugural address. On that marked occasion President Roosevelt said:

I am going to drive the money changers from the temple.

There has been no driving of money changers from the temple. Private control of our monetary system is still the accepted order, and will be until the people rise in their wrath and demand that Congress be again restored to its constitutional right to coin money and regulate the value thereof.

Mr. Speaker, I do not want to see a President of the United States one day walk down one side of the road with the Chamber of Commerce and the next day walk down the same side of the road with organized labor. I do not want to see a President of the United States who walks down the side of the road with the war veterans one day and with the enemies of the veterans the next day. This is a day for plain talking. I do not pretend to criticize the New Deal in its entirety, but some of us know how this game is being played. Some of us know that those who sit at the table of the mighty and play the political game of poker generally have a hole card, which, when turned to the surface, is always the ace of political expediency.

The people of this country, victims of a man-made depression, expect more than political expediency as a solution of the serious problems confronting them. They have a right to insist that the proper adjustment be made in our capitalistic system to insure a more equitable distribution of wealth and an annual living wage for the laborer, cost of production plus a profit for the farmer, and a real measure of social justice in lieu of governmental dole administered primarily in the cause of political allegiance and prospective support.

Mr. Speaker, I have repeatedly in appearing before my constituents declared that I would rather be defeated for public office than become a rubber stamp in the Congress of the United States. Despite machine opposition, I have been successful because of the faith my constituents have reposed in me. I believe every Member of this Congress can do the same if he meets the issue in a courageous manner and lifts himself from the morass of ancient political tradition and custom. [Applause.]

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. KOPPLEMANN].

Mr. KOPPLEMANN. Mr. Speaker, ladies and gentlemen of the House, how much longer will you ladies and gentlemen of the Congress permit Mr. Jesse Jones to ignore the will of the people as you have unanimously expressed it in the passage of the flood-loan bill?

More than 2 months ago this House acted to make available for industries crippled by the March floods emergency loans from the R. F. C. by passing unanimously the Kopplemann R. F. C. flood-loan bill, H. R. 11968. To date the R. F. C. has not disbursed a nickel in Hartford, Conn., or my district, under this bill, despite the pleas of manufacturers and merchants suffering from the worst catastrophe in the district's history, despite the applications for loans amounting to $267,000, and despite the fact that the R. F. C. has approved, from these applications, loans totaling $40,000.

The emergency flood-loan law as it was passed by the House and as it was later amended by the Senate, is the most liberal bill authorizing emergency loans of Federal funds ever enacted. It was an emergency measure. Immediate action to relieve human suffering was its sole purpose. Nearly 9 weeks have elapsed, and the R. F. C. has not yet sent a nickel to Hartford. The Honorable Jesse Jones, Chairman of the R. F. C., offers no explanation to me or to other Congressmen in whose districts businessmen are experiencing similar difficulties in procuring R. F. C. funds even after loans are approved by Mr. Jones' board.

The only amendments offered from the floor by both sides was for the purpose of making this measure sufficiently liberal to insure loans to every worthy applicant.

I desire to call to the Members of the House certain correspondence and developments relating to the bill and to the law.

I quote a letter I received from Louis M. Bingham, editor of the Connecticut Industry. His letter is dated March 31, 1936:

However, from the very start of R. F. C. loaning to industries, I have felt that too little importance was placed upon a man's business and credit reputation and his past business contact. If he has carried on successfully in the past and his business seems to have a future, it would seem that these two items added together should weigh heavily in considering his application for a flood rehabilitation loan. The workability of any legislation rests primarily upon the rules and regulations, their interpretation and application by the administrative agency.

On April 1 I replied to Mr. Bingham:

This morning I had a session with Jesse Jones. The point you make in your letter about the importance which should be placed upon a man's business and credit reputation and his past business conduct is one which I have been emphasizing all along.

I now quote from a letter I wrote to the mayor of Hartford, Thomas J. Spellacy, dated April 2:

From my talks with Mr. Jesse Jones, chairman of the R. F. C., and with other members of that Board, I am quite hopeful that all deserving cases in my district will be given serious and immediato attention just as soon as the bill is passed in the Senate and signed by the President.

I then went on to urge that all those in distress make application immediately so that action on their applications could be expedited.

On April 7, to my amazement, the following news story appeared in the Hartford Times:

WASHINGTON.—Hope that the R. F. C. will liberalize credit regulations for emergency loans to flood-crippled industries was killed by Chairman Jesse Jones.

The Walsh-Kopplemann bill which the House passed last week in an attempt to extend Government credit to industries affected by floods was described by Mr. Jones as "permitting us to lend money on a man's signature." That means, he interpreted, "we can make personal loans if the person has good and sufficient collateral."

MUST HAVE SECURITY

Indicating clearly that the Reconstruction Finance Corporation is a banking and not a relief organization, the chairman declared: "If a person walks into a bank, he has got to have certain collateral. If he comes to us for loans, he similarly must have reasonable security."

Told of statements describing the R. F. C.'s idea of "reasonable security" as a man's "right eye and left eye", Mr. Jones smilingly asserted, "and sometimes the eyes aren't good enough."

The R. F. C. does not propose to do any extensive loaning on secondary liens, he indicated, "although this liberalization of R. F. C. regulations is the purpose of the bill and was vehemently demanded in the House."

NO AID FOR LITTLE FELLOW

The small merchant without real estate or security stands little chance of securing R. F. C. loans, it was evident from Mr. Jones' assertion that "if a man rents his store and has no security, it's going to take him a long time to repay."

Denying assertions that $25,000,000 will be insufficient for the purpose of the bill, he declared that he could not understand why framers of the measure set the amount of loans permissible at $25,000,000.

On April 9 I sent the clipping to the Honorable Jesse Jones and asked him if he had been quoted correctly. I received from Mr. Costello, secretary to Mr. Jones, a note advising me that immediately upon his return to Washington Mr. Jones would answer my question. For the information of the House, up to the present time Mr. Jones has ignored my letter.

On April 17, with the President's signature, the bill became law.

At the request of the mayor of Hartford, myself, and others, a Reconstruction Finance Corporation branch was opened in Hartford within a few days after the President had signed the bill.

On April 21 I received a letter from Joseph P. Carney, manager of the Boston R. F. C. office, advising me that approval had been given to the application of one of my constituents. I was elated over the fact that such approval

had been given 4 days after the bill had been signed. I felt confident that the loan would be consummated shortly after. To my surprise, on May 13—3 weeks later—I received word from my constituent, advising me that the conditions of the loan were such that if they could meet them "they would have no need for the loan."

In the meantime, the distinguished Representative from Massachusetts, JOHN W. MCCORMACK, expressed his fear that the help which Congress intended to give through this special emergency legislation would not be forthcoming, and in support of his fear he sent me the following letter, which he had received from the chairman of the R. F. C., dated April 28:

DEAR JOHN: Your letter of April 25 has been received and noted.

We are endeavoring to make loans authorized by "An act authorizing the Reconstruction Finance Corporation to make loans for the repair of damages caused by floods or other catastrophes, and for other purposes", according to the act, which reads that such loans shall be so secured as reasonably to assure repayment thereof.

We cannot predetermine what constitutes such security in advance of the application but will give sympathetic consideration to all phases of every application and do our best to give relief, within the limitation of the law.

With best wishes, sincerely yours,

JESSE H. JONES.

Complaints continued to reach me. On May 25 the mayor of Hartford advised me that "no cash as yet" had been disbursed. The rest of his letter follows:

However, for your information there have been 62 applications returned to the district office. These applications total $267,000. Of these, 44 have been forwarded to Washington. Of the 44, Washington has actually worked on 21, approving 9 applications totaling $36,000 and disapproving 12 applications totaling $65,000.

Again, out of the 44 applications the Hartford branch office approved 18 and rejected 26.

I talked with Mr. Barlow, of the Hartford branch office, and he informs me the legal information in connection with the applications is quite extensive, and they are endeavoring to cut out as much of the data required as possible.

I am sorry that I am not able to advise you that some of the applicants have actually received their money.

On May 28 I wrote the following letter to the R. F. C.:

GENTLEMEN: My interest in the bill for loans to flood sufferers in my district and throughout the country is just as keen today as when I voted and worked for its passage.

Naturally, I am interested to know what money has thus far been disbursed in my own district in Connecticut. I would appreciate any information you have up to the present time.

I received the following tabulated information regarding the authorization of loans with this significant comment, "Disbursement of these loans has not been consummated":

STATISTICAL AND ECONOMIC DIVISION,
May 28, 1936.

Loans authorized in Connecticut to finance the repair of damage by flood or other catastrophe, under the act approved Apr. 13, 1934, as amended, as of May 26, 1936

City	Name	Date authorized	Amount authorized
East Hartford	Anthony Puia	May 22, 1936	$700
Do	Charter Oak Machine Co	Apr. 22, 1936	3,500
Do	Harry F. Goodwin	May 18, 1936	1,000
Do	Dexter P. Mather, trading as D. P. Mather & Son Sand Co.	May 13, 1936	2,200
Hartford	Double B Products Co., Inc	Apr. 23, 1936	5,000
Do	Grace T. Edmonds	May 22, 1936	500
Do	Mrs. Rose Mary Hurwitz	May 20, 1936	1,500
Do	Paramount Grille, Inc	May 11, 1936	500
Do	James D. Pinto and Nicholas J. Pinto	May 8, 1936	1,000
Do	Michele Tuccitto	May 25, 1936	700
Norwich	Millbrook Woolen Mills, Inc	May 18, 1936	22,000
West Hartford	Marguerite Long Pallotti	May 20, 1936	1,400
Total			40,000

The next day I received a letter from Charles P. Bloome, executive vice president of the Wearing Apparel Board of Trade, Philadelphia, Pa., with which he enclosed his statement as it appeared in the Wilkes-Barre Record of May 28, scoring the Reconstruction Finance Corporation for its failure to carry out the intent of the flood rehabitation loan bill as it was passed by Congress.

I submit Mr. Bloome's letter and the news report of his statement:

MAY 29, 1936.

Hon. HERMAN P. KOPPLEMANN,
Congressman, First District of Connecticut,
House of Representatives, Washington, D. C.

DEAR MR. CONGRESSMAN: The enclosed news item speaks of a new tragedy. It appears that all of the sympathetic interest and humane feelings on the part of the President of the United States and the great Congress dissolved itself into an idle gesture and blighted hopes.

Billions for relief which degrades sturdy Americans but not one penny for concrete and practical help to the bulk of the merchants and manufacturers who make up the massive fortifications of American industrial, commercial, civic, and patriotic life of this great Nation. Some day someone will pay the penalty for this torture and cruelty.

Respectfully yours,

CHARLES P. BLOOME.

[Enclosure]

[From the Wilkes-Barre Record of May 29, 1936]

FINDS FLOOD LOANS ARE NIL—APPAREL ASSOCIATION EXECUTIVE CLAIMS R. F. C. IS BEING TOO STRICT

"The Reconstruction Finance Corporation is not following Congress' instructions for character loans, but is sticking to rigid collateral loans, of which I have not found one in my 3,000 miles of traveling through the flood area of Pennsylvania and New York State", Charles P. Bloome, executive vice president of the Wearing Apparel Board of Trade of Philadelphia, said last night.

"When Congress appropriated $80,000,000 for flood loans, and President Roosevelt issued a statement that he was sending relief to the flooded areas, the President stressed that the loans to retailers were to be made on character", Mr. Bloome continued, "I have found literally thousands of small merchants, many of them in business 25 to 50 years, who have been unable to meet the R. F. C.'s rigid requirements. It takes a certified public accountant to fill out the questionnaire the R. F. C. demands in applying for the loan and most of the merchants affected don't have the money left from the flood to pay the accountant. In fact, most of the merchants don't have the records of their businesses, but they do have the good will of their neighbors, which was what I believe Congress intended should be the basis for the loans."

Mr. Bloome said that he had found no loans made in Pittsburgh, Johnstown, Williamsport, or any of the other towns affected, and that the R. F. C. men sent into the field to receive applications did not have one request for loan filled out, although there were many applications for forms.

He said that when he returns to Philadelphia on Friday he will ask the organization's directors to canvass the Philadelphia Congressmen and Senators, to have them request the R. F. C. to follow the original intent of the flood-relief bill.

On June 2 I presented the situation to the President. The next day I received this letter from a constituent:

We have been reading in the newspapers that the R. F. C. is going to close their office here in Hartford because they do not receive enough applications for emergency flood loans. As a matter of fact, they have made it so difficult to get a loan that no one seems to have the courage to apply.

We lost in the flood about $2,000 worth of leaf tobacco. Right after the flood we made application to the local office here for a loan of $2,500 for a period of 3 years. We offered as collateral $4,500 worth of accounts receivable, also our personal guaranty and present cash value of our insurance policies, which amounted to an additional $1,500. The loan was refused to us on the grounds that they did not feel we could pay it back. We cannot help but feel that the whole set-up here was a joke and that no one that was hit by the flood and really needed help was given any. Naturally those firms that have ample bank credit do not need the R. F. C. to help them, but companies like ourselves with limited capital, when hit by a catastrophe like the flood, are refused aid from our Government. We have worked hard to build up the business we are doing now, and it has meant a living for two families. Our name in Hartford is clean, and no one has refused to give us credit.

When you sponsored the bill in Congress to help the small businessman who was hurt by the flood, we saw a ray of hope that we would get some help. Certainly, when we see our Government spend money on causes which are less worthy, we cannot help but feel that the small businessman is discriminated against.

On June 3 I sent my constituent's letter to the President. His answer is as follows:

DEAR CONGRESSMAN KOPPLEMANN: Your letter of June 3 with enclosure has been forwarded to the Chairman of the Reconstruction Finance Corporation with the suggestion that an effort be made to expedite loans to flood and tornado sufferers.

Thanking you for bringing this particular matter to my attention,

Sincerely yours,

FRANKLIN D. ROOSEVELT.

So you see the President joined in the effort to have this law properly administered.

I then received from the Honorable Jesse H. Jones the following letter, dated June 6:

DEAR CONGRESSMAN KOPPLEMANN: Your letter of the 3d to the President, with which you enclose a letter from J. R. Gans Co., of Hartford, has been given consideration, and I am authorized to advise you that a loan to the applicant was declined because, in the opinion of our Board, the security offered was not such "as reasonably to assure repayment."

This requirement is in the act which Congress passed authorizing such loans.

As you know, we opened an office in Hartford for the purpose of making these loans and have authorized a few, although, due to failure by the applicants to execute the necessary papers, none have actually been disbursed.

We have made some changes that we hope will result in expediting this service. If any other complaints come to you we shall be glad to have them and shall do the best we can to meet them.

Very truly yours,

JESSE H. JONES, *Chairman.*

The last chapter thus far written on this particular subject is the following letter, which I addressed to the President under date of June 12, in comment on the letter I received from the Chairman of the Reconstruction Finance Corporation:

When I left your office the other day I told newspapermen that at last loans were going to be made under the flood and tornado loan bill, which you were good enough to sign. But to be perfectly frank, I am even more disgusted with the situation than I was when I saw you.

Today I received a letter from the Honorable Jesse H. Jones, in which, to use the language of the streets, he thumbs his nose at all of us.

My best wishes to you.

It is now June 17 and still not a nickel has been disbursed.

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I am sure that we have all been very much interested in the remarks of the gentleman from Ohio [Mr. SWEENEY]. The things he said about this conference report are pertinent, but I am sure that more interest attaches to his revelation concerning the attitude of the great State of Ohio toward the New Deal, and his prophecy that President Roosevelt will lose Ohio in the coming campaign by at least 100,000 votes. Now, ordinarily, one might consider suggestions of that kind mere political talk. However, when coming from so distinguished, so well-informed, and so potent an Ohio Democrat as the political leader from Cleveland, certainly much significance attaches to the statement. Personally, I can only say that Michigan will do even better than that.

I am not going to talk politics, because my time is limited, and I shall confine what I have to say to the Black-Smith antilobbying bill, as embodied in the conference report now before the House. The Smith bill passed the House several weeks ago. Those opposing the bill were unable to secure a roll call. In fact, little study and consideration were given to the bill by the general membership of the House. It bore the name "antilobbying", and that was sufficient to warrant its passage. We are all opposed to pernicious lobbying. Yet I feel sure that the vast majority of the House want to encourage, rather than discourage, helpful suggestions from whatever source received, especially from our constituents back home. At the time the Smith bill was up in the House I was one of the few who spoke in opposition to the bill, and I will not repeat what I said then. Those remarks are found on page 4536 of the CONGRESSIONAL RECORD, under date of March 27, 1936. The Smith bill, if not aimed directly at, would at least primarily affect groups and organizations like the Father Coughlin group and the Dr. Townsend group. It would make the functioning of such organizations a physical and financial impossibility if all of the details required in the Smith bill were complied with. I realize that in the view of many a cessation of these activities might be advisable, yet we must not lose sight of the fact that this is free America; that the legislators are but the hired men of the constituents; and that it should not only be the privilege but the duty of the average voter to present to his Representative in Congress his views on any legislative matter. It matters not how much we may disagree with the views of any group or bloc, under our Constitution that group or bloc has certain rights, and the enforcement of the Black-Smith bill would virtually deny to many citizens the right of petition.

I have been unable to ascertain any great demand or sentiment for this bill. Everybody, of course, is against lobbyists. Yet few people have any definite conception as to what is meant by the term "lobbyist." As I have heretofore said to the House, personally, I am not afraid of lobbyists. My door is always open. The person who is afraid of lobbyists is liable to be influenced by them, and is more valuable to his nation in the role of a private citizen rather than in the capacity of one presumed to enact legislation. I know of no organization or group of our citizens favoring this bill. I do not speak for any organization. Yet when an organization presents facts to me concerning proposed legislation, I feel called upon to present those facts for what they are worth.

This morning I received a communication from Mr. N. P. Alifas, a representative of the American Federation of Labor. This communication states in a concise way the reasons why the American Federation of Labor is opposed to this conference report, and, Mr. Speaker, I ask unanimous consent at this point to insert in the RECORD the communication received from Mr. Alifas.

I also ask unanimous consent to include excerpts from the constitution of the American Federation of Labor, from the Chamber of Commerce of the United States of America, and from the constitution of the National Association of Manufacturers of the United States of America. I make this request because these excerpts so clearly show that the Smith bill will be applicable to these organizations.

The letter of Mr. Alifas, of the American Federation of Labor, is as follows:

MY DEAR CONGRESSMAN: The representatives of organized labor have recently held a number of conferences at headquarters of the American Federation of Labor to discuss the apparently disastrous effects which the enactment of the pending antilobbying act, H. R. 11663, may have on organized labor, and as one of the representatives of organized labor I beg to submit herein a few of the reasons why we believe disastrous effects upon labor unions may follow the enactment of this legislation unless it is returned to conference and so amended as to definitely eliminate labor unions from its fines and penalties.

The term "person" is defined in the act as including individuals, committees, or group of persons. Therefore the A. F. of L., its affiliated unions, and the locals of those unions are persons within the meaning of the act, and all contributions made by these union agencies to influence legislation or departmental matters of interest to organized labor must be reported to the Clerk of the House between the 1st and the 10th of each month. The filing of such a report, containing both receipts and expenditures, involves practically a complete audit of many organizations' accounts once a month and means a heavy financial drain on labor unions, to say nothing of the risk of incurring heavy fines and imprisonment due to inadvertent errors or omissions.

While the provisions of section 6 of the act make it unnecessary for some unions to file a list of all the names and addresses of their members who pay dues, the labor unions which consist exclusively of Government employees and legislative agencies to which unions in general contribute would under this section be compelled to keep records and file all of this volume of information once a month. It is no small task to impose upon a Government-employee union with forty or fifty thousand members the requirement that the names and addresses of all these members paying dues must be tabulated once a month.

Section 7 provides that any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence the passage or defeat of any pending legislation or appropriation by Congress shall register with the Clerk of the House and the Secretary of the Senate and file a complete audit of receipts and expenditures every 3 months.

Section 8 provides that any person who shall engage himself for pay or for any consideration to attempt to influence any official in the administration of any governmental duty so as to give any benefit or advantage to any private corporation or individual shall file with each of such Federal agencies with whom he attempts to deal a statement disclosing the subject matter in respect of which such person is interested, the amount of his compensation, his expenditures, etc., before he undertakes to take up such matters with Government officials.

We have several hundred Federal agencies with which labor officials deal. Many labor officials in the course of a year contact all of these agencies. This would require the filing of several hundred reports by many of these representatives of labor. Apparently a labor-union official could not request the restoration of a discharged employee or discuss conditions of employment affect-

ing individuals without running afoul of the law unless he first registered and gave all details of his standing.

On the other hand, the antilobbying act would permit persons of wealth and independence to come to Washington and engage in lobbying activities without having to comply with the provisions of the act.

In similar manner the act also permits individuals to appear before committees of Congress without having to register. This would permit the captains of industry, commerce, and finance and their paid attorneys to influence legislation at its inception without having to register or otherwise comply with the terms of the antilobbying act or to be otherwise stigmatized as lobbyists.

The antilobbying act, in fact, appears to be so worded that even a secretary of a local union receiving a nominal salary for his services, who writes a letter to his Congressman, his Senators, or any official of the executive departments or any of its agencies, upon instructions of his organization, for or against pending legislation, or for or against any matter within the discretion of Government officials, would be considered a lobbyist, and before he undertook to write these letters, would be required to register.

Furthermore, it would appear that one of the principal purposes of this proposed act is to discourage lobbying by means of heavy fines and imprisonment, under complicated procedure, before American citizens may attempt in any way to influence affairs of the Federal Government, thus making it exceedingly risky for the officers and members of labor unions to exercise their constitutional rights.

The penalty for violation of any of the provisions of this act is up to $5,000 or 12 months' imprisonment, or both, and if a report is filed and contains inaccurate statements, the individual is subject to imprisonment for perjury for a period up to 2 years.

We feel that this legislation violates many of the liberties guaranteed by the Constitution, and sincerely trust that the conference report will be sent back to conference for such modifications as will definitely exclude labor unions from the provisions and penalties of this act.

Thanking you for your interest, I remain,

Very respectfully yours,

N. P. ALIFAS,
President, District No. 44,
International Association of Machinists.

Sections 1–5 of article 2 of the constitution of the American Federation of Labor are as follows:

SECTION 1. The object of this federation shall be the encouragement and formation of local trade and labor unions and the closer federation of such societies through the organization of central trade and labor unions in every city, and the further combination of such bodies into State, Territorial, or Provincial organizations to secure legislation in the interest of the working masses.

SEC. 2. The establishment of national and international trade unions, based upon a strict recognition of the autonomy of each trade, and the promotion and advancement of such bodies.

SEC. 3. The establishment of departments composed of national or international unions affiliated with the American Federation of Labor, of the same industry, and which departments shall be governed in conformity with the laws of the American Federation of Labor.

SEC. 4. An American federation of all national and international trade unions to aid and assist each other; to aid and encourage the sale of union-label goods; and to secure legislation in the interest of the working people and influence public opinion, by peaceful and legal methods, in favor of organized labor.

SEC. 5. To aid and encourage the labor press of America.

Article 1 of the bylaws of the National Chamber of Commerce is as follows:

This organization shall be known and designated as the Chamber of Commerce of the United States of America. It is formed for the purpose of encouraging trade and commercial intercourse among the States, the Territories, and the insular possessions of the United States of America and with foreign nations and of promoting cooperation among chambers of commerce, boards of trade, and other business and industrial organizations of the United States, increasing their efficiency and extending their usefulness. It is intended to secure cooperative action in advancing the common purposes of its members, uniformity and equity in business usages and laws, and proper consideration and concentration of opinion upon questions affecting the financial, commercial, civic, and industrial interests of the country at large.

Section 1 of article 2 of the constitution of the National Association of Manufacturers is as follows:

SECTION 1. The general objects and purposes for which the said corporation is formed are the promotion of the industrial interests of the United States, the fostering of the domestic and foreign commerce of the United States, the betterment of the relations between employer and employee, the protection of the individual liberty and rights of employer and employee, the education of the public in the principles of individual liberty and ownership of property, the support of legislation in furtherance of those principles and opposition to legislation in derogation thereof.

It will be observed that at least one of the objectives of each of the above organizations is to secure legislation in the interest of the membership of the organization and to influence public opinion in support of legislation in furtherance of the principles for which the organization stands. In this debate it has been, or will be, insisted that this legislation will not affect these organizations. A reading of the above excerpts fully answers any such argument.

The American Federation of Labor's letter, which I have quoted, states in a clear and succinct way just what effect this legislation will have on the American Federation of Labor if it ever becomes a law. What is true of the American Federation of Labor is also true of the other groups above mentioned. Indeed, it does not end there. The law would be applicable to all farm organizations, all patriotic organizations, all women's clubs, all peace societies—in fact, to every group or organization which might, directly or indirectly, be interested in the passage or in preventing the passage of any given legislation. The Members of this body will realize the magnitude and far-reaching effect of any such proposition. Yes; someone near me has suggested that it would even include the birth-control propaganda now so prevalent in our midst.

It is true that the Congress did pass this Smith bill. It is equally true that the Members of the House had little knowledge as to what the effects of the bill would be. The very type of lobbying which this legislation might prevent has in this specific instance brought to the Members of the House the facts regarding the Smith bill; and if I do not miss my guess, this House is going to reverse the action taken a few weeks ago when the roll is called today.

Under the parliamentary situation, if you are opposed to this conference report, then you should vote against the adoption of the conference report. After the conference report is voted down, then a motion will be made either to recommit the bill to the Committee on the Judiciary or to place the Senate amendments and the conference report on the table. That is, the first vote will be against the conference report. The second vote will be to lay the report on the table. If this procedure is adopted, then the matter will be at rest for the remainder of this session, and, in the meantime, thorough investigation may be made by any of those doubting the statements which I have made here today.

In making this plea against this bill I am speaking for free speech and the right of petition. As I said before, I am representing no group or bloc, but here is one time when all individuals, organizations, groups, and blocs should be united against legislation that will in effect take away from our citizens the rights which they have always enjoyed—to communicate with, to advise, and possibly sometimes to attempt to command their Representatives in the Congress, without the fear of going to jail and without the necessity of complying with a lot of rules and regulations. [Applause.]

The SPEAKER. The time of the gentleman from Michigan has expired. Is there objection to the request of the gentleman from Michigan to extend his remarks in the RECORD in the manner indicated?

There was no objection.

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, for the reasons stated by the gentleman from Michigan [Mr. MICHENER], out of whose committee this bill came, I join with him in urging the defeat of the conference report. After the conference report is defeated I urge the support of a motion to refer the bill to the Committee on the Judiciary for further consideration, or to a motion to lay the Senate amendment on the table, whichever is made. I assume that the motion in order will be for the House to recede and concur, and if that is made it will be necessary to vote that motion down, after which a motion to refer to the Committee on the Judiciary the Senate amendment, or lay it on the table, will be in order. In any event the bill in its present form should be defeated.

Mr. RANKIN. I suggest to the gentleman that the proper motion would be to recommit the bill to the Committee on the Judiciary.

Mr. McCORMACK. Mr. Speaker, I followed this bill with a great deal of interest. If there was a roll call on the bill when it passed the House, I would have voted against it, because it is too broad in its scope. The bill does not accomplish the objectives sought and desired. It eliminates the representatives of the utilities lobby and lobbies of that kind, and strikes at groups that none of us had the least intention of affecting.

It was admitted by my distinguished friend from New York [Mr. CELLER] the other day that this bill would not affect the groups it was intended to affect and those that it was aimed at, but that it would affect groups of citizens interested in legislation one way or the other whom none of us had the least intention of subjecting to the law. Furthermore, there is a possibility under the construction of this bill that it would include the Knights of Columbus, the Masons, the U. M. C. A., the Kiwanis, and other similar organizations of that kind, in addition to the National Union for Social Justice, the Townsend movement, and organized labor, if they supported or opposed pending legislation.

The other day my friend said that labor would not be affected, but labor will be affected, because labor, while not particularly engaged in the business of lobbying, has an organization of its own particularly for that purpose. Because of that fact organized labor will clearly and manifestly come within the purview of this bill.

Mr. CONNERY. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CONNERY. The gentleman from Missouri [Mr. WOOD] and I visited Mr. Green, the president of the American Federation of Labor, this morning, and he says the American Federation of Labor is absolutely opposed to this bill.

Mr. McCORMACK. I thank my good friend for his contribution.

Now, there is a desirable objective sought, but this bill does not accomplish it. The machinery used is too broad. We do not want to undertake to affect certain groups of citizens who are earnestly and legitimately engaged in trying to obtain the passage of legislation or in opposing it. The objectives that we seek are not accomplished by this bill. It eliminates those that should be legislated against or covered by law, and includes those who should not be included therein. It is too broad in scope, amazingly so. The bill in its present form should be defeated. Reference has been in the able argument of the gentleman from Michigan [Mr. MICHENER] to other objections to the bill, with all of which I am in agreement.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. O'MALLEY. This would even affect any small fraternal organization which might want to come here and get a bill passed for memorial purposes?

Mr. McCORMACK. It is quite likely it would come within the purview of this bill.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARCANTONIO. As a matter of fact, the purpose of this legislation was aimed at those organizations who work in the dark—under cover?

Mr. McCORMACK. Exactly.

Mr. MARCANTONIO. A public-utility holding company is not principally organized for the purpose of influencing legislation.

Mr. McCORMACK. The gentleman himself brought that out clearly on Monday.

I do not think it is fair to convey the impression that President Roosevelt proposed this bill. It is absolutely inconsistent with the facts. We want to be honest with ourselves. I want to be honest with myself. I have to be honest with myself before I can be honest with my fellow men. President Roosevelt did not recommend this bill and that fact should be understood and appreciated. This bill came out of the Committee of the Judiciary, undoubtedly as the result of the recommendation of the special committee appointed by this House to investigate the lobbying that was going on in connection with holding companies. As far as I know, I have never heard of President Roosevelt expressing an opinion on this bill, one way or the other.

Mr. SWEENEY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to my friend.

Mr. SWEENEY. Does the gentleman know who did recommend it?

Mr. McCORMACK. I do not, but I do not think the President did.

Mr. SWEENEY. Does the gentleman know whether the President is opposed to it or not?

Mr. McCORMACK. I cannot tell the gentleman that. The gentleman from Ohio and I agree on the contents of this bill, and in this respect we have the same reasons for opposing it. As far as this bill is concerned, our reasons are the same. I join with the gentleman from Ohio in his opposition. I hope and urge that the bill, in view of its present form, will be defeated. [Applause.]

The SPEAKER. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. CELLER. Mr. Speaker, I yield 10 minutes to the gentleman from North Carolina [Mr. CLARK].

Mr. CLARK of North Carolina. Mr. Speaker——

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. CLARK of North Carolina. I yield.

Mr. COLDEN. Does this bill exempt lobbyists for railroads, banks, holding companies, and utilities?

Mr. CLARK of North Carolina. It does not.

Mr. Speaker, it seems to me that the House is just threshing over old straw. The argument here in regard to the acceptance or rejection of this conference report is the same argument that we had pro and con when the bill was passed sometime ago. Nothing has been done to it except certain provisions, including administrative departments, are now in the bill under the report. Otherwise it is just what the House passed but a few weeks ago, and we are simply threshing over old straw.

I must express my astonishment at the amount of confusion that has been injected into this debate. This bill does reach the power companies. It does reach the American Federation of Labor. It does reach patriotic organizations or anyone else who hires and sends a lobbyist to Washington to influence legislation either way. It does not purport to prohibit the individual, the farmer, for instance, from coming here and advocating or opposing legislation. It cannot do that. If it cannot prohibit a laborer or a farmer from coming here as such in his own right, it cannot prevent a bank or a power company or the American Federation of Labor from coming here in its own right as such. But when any of those agencies or corporations or individuals or associations or what not spend money to send representatives here for the purpose of influencing legislation, they do have to file their accounts and show what money they have expended and to whom it was paid, as provided in this bill, and it does not make any difference who sends them here. The bill is universal in its application. If you except from it all of the various and sundry organizations that have been mentioned, you would not have any antilobbying bill at all. I repeat, the bill does reach the power companies. If they send a paid representative to Washington to advocate or oppose legislation, he must show how much money he has gotten or will get, who he got it from, and what he did with it. Then, when you send a committee out, as you did last year, to investigate a situation of that kind, it will have something on which to start to work. Every dollar that any power company spent in an attempt to influence legislation would be shown up in the statement of the representative himself, who must file it with the Clerk of the House. Now, that is one feature of the bill, and it applies to all alike, as it should do.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. CLARK of North Carolina. I yield.

Mr. MARTIN of Colorado. The objection to the bill, as I understand it, is not that the representative of any organization or movement would have to register and state what they got and who they got it from, but that these great

popular movements would virtually have to register their entire membership in Washington and every cent that all members contributed to the movement.

Mr. CLARK of North Carolina. I am coming right to that. One feature of the bill, as I have already mentioned, is that any paid lobbyist, and I am using this term in a nice sense, who comes here must register. He must file a statement of expenses, he must show how much money he got and what he did with it, to whom he paid it.

The other feature of the bill, and the only other feature, is that those organizations throughout the country whose principal business is to influence legislation, and who collect money for this purpose, whose principal business is to collect money and use it for the purpose of influencing legislation, must show from whom they collected it, how much they got, and what they did with it.

Mr. MARTIN of Colorado. If the gentleman will permit me, the gentleman must realize that that would be impracticable. We might just as well pass a law prohibiting them from lobbying and be done with it.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. CLARK of North Carolina. Yes; for a question.

Mr. MOTT. Does this bill undertake to regulate or restrict the operation of paid lobbyists of the administration such as Cohen, Cochran, and many others I might mention who come into our committees, come onto the floor, and come into our offices in an attempt to influence legislation for the administration?

Mr. CLARK of North Carolina. It does not.

Mr. MOTT. Why does it not?

Mr. CLARK of North Carolina. The gentleman can offer an amendment to that effect.

Mr. MOTT. Would the gentleman accept such an amendment?

Mr. CLARK of North Carolina. I am afraid we have passed the amending stage. I may say to the gentleman from Oregon that there is some divergence of views about that.

Mr. MOTT. The gentleman will recall that when the bill was under consideration in the House such an amendment was offered from this side but was voted down by a strictly party vote.

Mr. CLARK of North Carolina. Then, that is the answer to the gentleman's question as to why it is not in here.

Mr. MOTT. What objection is there to having such an amendment in the bill?

Mr. CLARK of North Carolina. I cannot undertake to answer a party question in the limited time I have.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. CLARK of North Carolina. I yield.

Mr. O'MALLEY. The gentleman states that the other feature of the bill would require organizations whose principal business is to favor or oppose legislation to register and state every contribution they got.

Mr. CLARK of North Carolina. No; they can show how much money they collected.

Mr. O'MALLEY. And from whom.

Mr. CLARK of North Carolina. Yes; if their principal business is the collecting of money and using it for the purpose of influencing legislation. If these organizations cannot account for the nickels and dimes and quarters, they ought not to collect them.

Mr. O'MALLEY. Then the gentleman knows that this would make an impossible task for certain organizations, for they would have to register a million people who gave a million quarters. We might as well pass a bill to put them out of business.

Mr. CLARK of North Carolina. I yielded to the gentleman for a question, not a speech.

Mr. O'MALLEY. Such a requirement would put them out of business.

Mr. FADDIS. Mr. Speaker, will the gentleman yield for a question?

Mr. CLARK of North Carolina. Not just now. I will yield later if I have time.

Mr. Speaker, so far as the American Federation of Labor is concerned, it would not, in my judgment, be touched by this bill unless it sent paid representatives to Washington for the purpose of lobbying. If they do this, there is no reason why they should be exempt.

Mr. MARCANTONIO and Mr. WOOD rose.

Mr. CLARK of North Carolina. Mr. Speaker, I yield first to the gentleman from New York.

Mr. MARCANTONIO. It is well known that the American Federation of Labor has a legislative bureau whose sole purpose is to influence legislation, which, in my opinion, is a laudable purpose. In this respect the American Federation of Labor comes within the purview of this bill.

Mr. CLARK of North Carolina. I doubt it.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CLARK of North Carolina. I cannot yield until I answer the gentleman's question.

Mr. MICHENER. I think I speak for the Judiciary Committee when I say that no one doubted but that these various organizations would be included.

Mr. CLARK of North Carolina. I have great respect for the Committee on the Judiciary, but I am not bound by them in my own views. I think that an individual coming here in his own right would not be affected by this bill. If the American Federation of Labor is affected by legislation, it has a right to come here and exercise its influence for or against it. This would not be any more lobbying than it would be for the farmer to come here on legislation which directly affected him.

Mr. Speaker, I yield now to the gentleman from Missouri [Mr. WOOD].

Mr. WOOD. Does the gentleman mean to tell this House that this bill does not affect the legislative committee of the American Federation of Labor and also the legislative representatives of the American Legion, and the Disabled American Veterans, the Veterans of Foreign Wars? These organizations have paid representatives here not only during the session of Congress but have a national legislative representative bureau here all the time.

Mr. CLARK of North Carolina. I think that if they have a paid representative here seeking to influence the passage of legislation one way or the other they would come under the bill in this way, that the representative would have to register and show how much money he got and how he spent it, just like anybody else would.

Mr. WOOD. Then, according to the provisions of the bill that legislative representative would have to render an accounting of all the money he spent during the year whether he was here or elsewhere.

Mr. CLARK of North Carolina. If he was lobbying, he would have to, and there is no reason why he should not.

Mr. WOOD. Not only while he was here but throughout the entire calendar year.

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, the argument made by the gentleman who just preceded me tells the whole story. The purpose of the pending bill is to outlaw Father Coughlin's Union for Social Justice, the American Federation of Labor, and the Townsend organization. These three organizations, whether you agree with them or not, represent a great proportion of the working people of the United States. This bill will prevent them from coming to their representatives in the Congress of the United States and saying: "We favor legislation for social justice", or "We favor labor legislation", or "We favor old-age-pension legislation", and, as suggested by the gentleman from Missouri, this would include disabled veterans. The American Legion, Veterans of Foreign Wars, and the Disabled American Veterans must not send representatives here; they must not pay the expenses of anyone to come before the Congress of the United States and say, "We want justice for the men who served their country in time of war."

Mr. CITRON. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Connecticut.

Mr. CITRON. Certain public utilities in their annual reports to stockholders are attacking and criticizing the Members of Congress for having voted for the Wheeler-Rayburn bill. In other words, public utilities are playing politics. They are doing more than to try to influence legislation; for they are trying to intimidate and browbeat and punish Congressmen. Such conduct is a menace to our country and its parliamentary bodies. Does the pending bill reach those people?

Mr. CONNERY. Oh, no. This would not stop the big power companies. This bill hits the Union for Social Justice, the American Federation of Labor, the Townsendites, and the veterans.

Mr. Speaker, I hope the conference report will be voted down and that a motion will be offered and agreed to referring this entire matter to the Judiciary Committee or else laying it on the table.

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, this bill also affects organizations of unemployed. The power companies are not organized principally for the purpose of influencing legislation; therefore only in cases where they send a representative down here must he register and give an accounting, but under this bill they do not have to account for all of their other nefarious lobby practices, nor do they have to account for the contributions received for the purpose of broadcasting propaganda, nor do they have to give a list of their contributors. But all other organizations which are working in the open, such as the Workers' Alliance, the National Union for Social Justice, the Townsend group, the American Federation of Labor, and organizations of that sort, whose primary purpose is to influence legislation, would have to give a list of contributors and account for every single cent they receive. I opposed this bill when it was originally before us. I oppose it now. The joker in this bill is now obvious to all. This bill punishes mass organizations and exempts the utility holding companies, whose activities should be curbed.

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, in the consideration of the pending conference report I find myself in a most embarrassing position, because I have for years been an advocate of the regulation of lobbying activities. I feel one of the greatest curses existing at the present time is the fact certain people are using their efforts in support of or in opposition to legislation pending before the National Congress or before the various State legislatures without disclosing from whence the money comes or what influence is back of their activities.

There have been certain disclosures within the past year that have convinced the public that an antilobbying measure should be enacted into law, but the very lobbying organizations the activities of which have caused public opinion to demand this type of legislation are exempt from complying with the provisions of this bill.

Mr. Speaker, there is no evil, as I see it, in the activities of the American Federation of Labor, the various veterans' organizations, the Townsendites, or the Coughlin organization in their support of or opposition to legislation. We all know where their money comes from. We know that these organizations are supported largely by small contributions of individual citizens throughout the country. That is all the information we need. There is no necessity for having these people register or having them file their accounts, including the names and addresses of each contributor of a dime, a quarter, or a few dollars, because we know where the money is coming from and for whom they speak. The evil of lobbying lies chiefly in the fact that very often large amounts of money are spent in support of or in opposition to legislation, when the identity of the persons making such contributions are not known to Members of Congress or to the public. I believe we should regulate such lobbying, but this bill exempts those whom we should regulate and binds those who do not need regulation. Let us enact a real lobbying bill in the near future. However, we should not enact this bill, because it is unfair to those whose identity is already known and permits those who have so far succeeded in working under cover to continue such practices.

Mr. Speaker, this is not a real lobbying regulatory bill and should be defeated.

Mr. CELLER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. MORITZ].

Mr. MORITZ. Mr. Speaker, the enactment of this law will accomplish more than many speeches because of the fact that the masses are our superiors and employers. This law is a veiled attempt to check the people and prevent them from expressing their wish. If the people are to be checked in telling us what they want, they will simply crash the door. They will show us they are the master. That is as it should be. Many Congressmen think they are knighted by some special privilege, whereas in fact they are but delegates of the people. This law is vicious and should be defeated.

Mr. CELLER. Mr. Speaker, I yield the balance of my time to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I am the author of this so-called infamous bill. I was astounded this morning to be told by my colleagues on the floor some of the things that they said were in my mind when I wrote this bill.

I want to say to the House first, because I have but very little time, that I deny specifically one statement that has been repeatedly made here by gentlemen who either do not understand this bill or do not want to understand the bill, or who are opposed to any antilobbying legislation.

It was stated by the gentleman from Connecticut that the bill was aimed at the American Federation of Labor, the Townsend plan, and the Coughlin plan. This statement is entirely without foundation. It is not aimed at any specific group or organization but is aimed fearlessly at all groups who undertake by insidious propaganda and lobbying methods to influence the action of Congress. I may say further emphatically that the statement that the American Federation of Labor would have to report its entire receipts and disbursements is entirely without foundation, as anyone who will read the bill will readily observe.

When you come right down to the crux of the situation, there is only one question which confronts us, and we might as well meet it squarely. Are you going to do something about this antilobbying proposition that you have been alternately condemning and condoning for the last 20 years, or are you going to do nothing about it? This is the first lobby bill that has ever passed this House or gotten as far as a conference report, and this is your opportunity to make good or not to make good. This is the same bill this House voted for overwhelmingly 2 months ago, after full debate and before some interested organizations opposed it.

If the Members had studied this bill, they would know what was in it, and they would not be dependent upon statements made by other Members on the floor who do not know what they are talking about.

Mr. Speaker, this bill has been considered by three committees of the House and by the Judiciary Committee of the Senate and by a conference committee of the two Houses, composed of some of the best lawyers in the United States.

Mr. SWEENEY. Will the gentleman yield?

Mr. SMITH of Virginia. I cannot yield now, but I will yield to the gentleman later when I have completed my statement.

There is not anything in this bill that any honest organization should be opposed to, because any honest organization that is attempting to influence legislation in this House or in the other House ought to be ready to put its cards on the table and tell the public where they are getting their money and what they are doing with it.

This bill, instead of being what some of these gentlemen have tried to make it out to be this morning, and I do not know what their motives may be, originated with the utility investigation. It was aimed at the utility lobby which was investigated by the Rules Committee, of which I was a member. We have found out that these lobby investigations

have been, and will continue to be, a case of locking the stable door after the horse is stolen until we get a bill of this kind enacted into law, and we wanted to forestall that proposition because we found out that millions of dollars had been raised for the purpose of defeating legislation on this floor. And all this bill does is to say, "You will come out in the open and say where you are getting the money and to whom you are paying it."

If this bill had come in here when all this utility lobby was going on last year you would have passed it in 5 minutes and not a single one on this floor would have dared to vote against it. What changes the picture today? Conditions are the same today as they were then, men are the same, their motives are the same. They are trying to get legislation through this House. Where is there a man on this floor who will say that any organization should be permitted to come here and undertake to pass legislation and be afraid to say who is supporting them and who is paying their expenses and where the money is coming from and to whom he is paying it out? Is there anybody on this floor opposed to that? This is all that the bill does.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I cannot yield at this time. I will yield later when I have finished my statement.

I want to make it clear that this bill is uniform and is not aimed at any particular group, but grew out of the conditions the Rules Committee found to have existed by reason of the utilities lobby. Someone has said this will not affect the utilities. That is exactly what it is intended to affect. They raised a huge sum of money in an organization which was formed for the very purpose of defeating the utility bill. This sum of money ran into the hundreds of thousands of dollars. They raised it from all the utility companies and put it in the hands of an organization which expended it in an effort to defeat utility legislation. Under this bill they would have to report every dollar of that money, where they got it and what they did with it, and if they had done that you would not have had the row you had here about the lobby on the utility bill. Are you willing today to put the stamp of your approval on such conduct by voting against this bill?

We could not write a bill here and say that it shall apply to the utility companies, but that the bill shall not apply to the Townsend plan or the Coughlin plan or some other plan. Why should it not apply to everybody equally? Are gentlemen prepared to say that we want a bill that will apply to the utilities and yet will not apply to somebody else who is doing the same kind of thing. Are gentlemen prepared to take that position on the floor of this House?

The American Federation of Labor is not affected. I want to make this statement positively because the American Federation is not organized for the principal purpose of effecting legislation. Any organization that is formed for that specific purpose, whether they are good, bad, or indifferent, has got to report, but there is not anything in this bill that stops anybody from doing anything that they can lawfully do today. The only thing the bill says is that if you are playing this game of lobbying here, you must put your cards on the table and let Members of Congress know where this propaganda is coming from, and if they know where it is coming from they will know how to vote intelligently.

It has been said by the uninformed that the bill would interfere with the rights of free speech, with the rights of lawful assembly, with the freedom of the press, with the right of petition, and sundry other things equally absurd.

I will state in the first place some of the things that the bill does not do:

First. It does not prohibit any person from any sort of activity, either lawful or unlawful.

Second. It does not curtail the right of free speech or freedom of the press or the right of petition by any possible stretch of the imagination.

Third. It has no application of any kind, character, or description to the publishers of newspapers, magazines, or other publications.

Fourth. It has no application to persons who appear openly and frankly before the committees of Congress and engage in no other activities to influence legislation.

Fifth. It does not require any reports of any persons or organizations now required to report under the provisions of the present Corrupt Practices Act.

Sixth. It does not apply in any manner to persons who appear voluntarily without compensation.

Seventh. It does not apply to organizations formed for other purposes whose efforts to influence legislation are merely incidental to the purposes for which formed.

The bill was framed principally to curb the growing evil of organized attempts to influence legislation by the stimulation of false propaganda designed through avalanches of inspired letters and telegrams to impress upon Members of the Federal Congress that a great surge of public sentiment exists for or against the passage of proposed legislation. The effort to secure such legislation arose out of the recent investigation of the lobby on the utilities bill. During the consideration of that measure Congress was flooded with fake telegrams and inspired letters in every conceivable form to impress upon the Members of Congress that the public sentiment in their respective districts was violently opposed to the legislation.

This class of lobbying was universally condemned, and out of this incident and the ensuing investigation emanated the Smith antilobby bill which passed the House. That it happens to apply to others who are engaged in the same vicious practices merely emphasizes the need of the legislation.

The bill applies chiefly to three distinct classes of lobbyists:

First. Those who do not visit the Capitol but initiate propaganda from all over the country in the form of letters and telegrams, many of which have been proven to be forgeries, and others based entirely upon misinformation as to facts. This class of persons and organizations will be required under the bill, not to cease or curtail their activities in any respect, but merely to disclose the sources of their collections and the methods in which they are disbursed.

Second. The second class of lobbyists are those who are employed to come to the Capitol under the false impression that they exert some powerful influence over Members of Congress. These individuals spend their time in Washington presumably exerting some mysterious influence with respect to the legislation in which their employers are interested, but carefully conceal from Members of Congress whom they happen to contact the purpose of their presence. The bill in no wise prohibits or curtails their activities. It merely requires that they shall register and disclose the sources and purposes of their employment and the amount of their compensation.

There is a third class of entirely honest and respectable representatives of business, professional, and philanthropic organizations who come to Washington openly and frankly to express their views for or against legislation, many of whom serve a useful and perfectly legitimate purpose in expressing the views and interpretations of their employers with respect to legislation, which concerns them. They will likewise be required to register and state their compensation and the sources of their employment.

The provisions of the bill under attack today relate to persons, firms, corporations, or organizations formed for the principal purpose of attempting to influence legislation or the election of Federal officers. The bill does not in any wise seek to curtail their activities or prevent them from doing any of the things they are now doing. It merely requires them to disclose the sources from which their collections come and how they expend the money. This portion of the bill merely parallels the existing Corrupt Practices Act, which requires all candidates for Federal office to disclose their receipts and expenditures in seeking to bring about their elections. If they, as candidates for public office, are required to disclose their receipts and disbursements for public inspection, there can be no earthly reason why voluntary organizations formed for a similar purpose, or for the purpose of influencing legislation, should be permitted to operate secretly and clandestinely.

How anyone could object to any such thoroughly democratic and American policy of open and fair dealing, it is beyond me to understand.

No honest person or organization ought to object to the bill, and the dishonest ones should be exposed to the public gaze.

I shall now be pleased to yield to any Member who may desire to ask me a question.

I yield first to the gentleman from New York [Mr. MEAD].

Mr. MEAD. I would like to ask the distinguished gentleman from Virginia if this will affect the postal organizations, the civil-service organizations, and the navy-yard organizations.

Mr. SMITH of Virginia. If they are formed for the sole purpose of trying to effect legislation, then they have got to report. The bill does not prohibit them from doing anything they can do now, but they will have to report their receipts and disbursements.

Mr. MEAD. They are not formed for that purpose, but they have a legislative representative here.

Mr. SMITH of Virginia. Then that gentleman would have to register, and that is all that would have to be done.

Mr. MEAD. Would he have to give the names of all the contributors?

Mr. SMITH of Virginia. No; just what his organization pays him. If they paid him $10,000 a year, and so much for expenses, he would have to report that.

Mr. FADDIS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Pennsylvania.

Mr. FADDIS. The gentleman has stated that this bill will not apply to the American Federation of Labor, if I understood him correctly. Is that true?

Mr. SMITH of Virginia. That is right, except if they have a representative here.

Mr. FADDIS. Then my question is this: To what extent will labor organizations, fraternal organizations, and so forth, have to register? Will they have to register their membership, their dues, and the receipts and expenditures?

Mr. SMITH of Virginia. Not at all. Just the paid lobbyist who is here in Washington would have to file a statement saying that he was employed by such and such an organization; that they paid him $10,000 a year, or whatever the salary is, and so many thousand dollars a year expenses.

Mr. FADDIS. Then the organization back of the representative would not have to register?

Mr. SMITH of Virginia. No.

The SPEAKER. The time of the gentleman from Virginia has expired. All time has expired.

Mr. CELLER. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. CELLER) there were—ayes 37, noes 123.

Mr. CELLER. Mr. Speaker, I object to the vote upon the ground that there is no quorum present and make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty Members present, not a quorum. This is an automatic call. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on agreeing to the conference report.

The question was taken; and there were—yeas 77, nays 265, not voting 81, as follows:

[Roll No. 123]

YEAS—77

Barden	Chandler	Creal	Faddis
Bland	Clark, Idaho	Cross, Tex.	Ford, Miss.
Blanton	Clark, N. C.	DeRouen	Gillette
Boland	Colden	Dobbins	Greenwood
Buchanan	Cole, N. Y.	Doughton	Gregory
Buck	Colmer	Doxey	Guyer
Cannon, Mo.	Cooley	Driscoll	Hill, Ala.
Castellow	Cooper, Tenn.	Driver	Hill, Samuel B.
Celler	Cox	Duffy, N. Y.	Hobbs
Hook	Moran	Richardson	Utterback
Johnson, Tex.	O'Connor	Robertson	Vinson, Ky.
Jones	Oliver	Secrest	Walter
Kerr	Patman	Smith, Va.	Warren
Lambeth	Patton	South	Wearin
Lewis, Colo.	Pettengill	Starnes	Whittington
McGehee	Powers	Steagall	Wilcox
McLaughlin	Ramsay	Tarver	Zimmerman
McReynolds	Randolph	Thom	
Mahon	Rankin	Thomason	
Miller	Reilly	Umstead	

NAYS—265

Adair	Eckert	Kocialkowski	Reed, Ill.
Allen	Edmiston	Kopplemann	Rich
Amlie	Eicher	Kramer	Richards
Andresen	Ekwall	Kvale	Risk
Arends	Englebright	Lambertson	Robinson, Utah
Ashbrook	Evans	Lamneck	Rogers, Mass.
Bacharach	Farley	Lea, Calif.	Rogers, N. H.
Bacon	Fenerty	Lehlbach	Rogers, Okla.
Barry	Fish	Lesinski	Romjue
Beam	Fitzpatrick	Lord	Russell
Beiter	Flannagan	Lucas	Sanders, Tex.
Bell	Fletcher	Luckey	Schaefer
Biermann	Focht	Ludlow	Schneider, Wis.
Blackney	Ford, Calif.	Lundeen	Schulte
Bloom	Frey	McAndrews	Scott
Boehne	Fuller	McCormack	Sears
Boileau	Fulmer	McGrath	Seger
Boykin	Gambrill	McGroarty	Shanley
Boylan	Gasque	McKeough	Shannon
Brewster	Gavagan	McLean	Short
Brown, Ga.	Gearhart	McLeod	Sirovich
Brown, Mich.	Gehrmann	McMillan	Smith, Conn.
Buckler, Minn.	Gifford	Maas	Smith, Wash.
Buckley, N. Y.	Gilchrist	Main	Smith, W. Va.
Burdick	Gildea	Mansfield	Snell
Burnham	Gingery	Mapes	Snyder, Pa.
Caldwell	Goldsborough	Marcantonio	Spence
Carlson	Goodwin	Marshall	Stack
Carmichael	Granfield	Martin, Colo.	Stefan
Carpenter	Gray, Ind.	Mason	Stubbs
Carter	Gray, Pa.	Massingale	Sullivan
Cartwright	Green	May	Sutphin
Cavicchia	Greever	Mead	Sweeney
Chapman	Griswold	Meeks	Taber
Christianson	Gwynne	Merritt, Conn.	Taylor, Colo.
Church	Haines	Merritt, N. Y.	Taylor, S. C.
Citron	Halleck	Michener	Taylor, Tenn.
Cochran	Hancock, N. Y.	Millard	Thompson
Coffee	Harlan	Mitchell, Ill.	Thurston
Cole, Md.	Hart	Mitchell, Tenn.	Tinkham
Connery	Harter	Moritz	Tobey
Cooper, Ohio	Hartley	Mott	Tonry
Costello	Healey	Murdock	Treadway
Cravens	Hennings	Norton	Turner
Crawford	Hess	O'Brien	Turpin
Crosser, Ohio	Hildebrandt	O'Day	Vinson, Ga.
Crowe	Hill, Knute	O'Leary	Wadsworth
Crowther	Hoffman	O'Malley	Wallgren
Culkin	Holmes	O'Neal	Welch
Cullen	Hope	Owen	Werner
Cummings	Houston	Palmisano	West
Curley	Huddleston	Parsons	Whelchel
Daly	Hull	Patterson	White
Darrow	Imhoff	Pearson	Wigglesworth
Delaney	Jacobsen	Peterson, Fla.	Williams
Dempsey	Jenckes, Ind.	Peterson, Ga.	Wilson, Pa.
Dickstein	Jenkins, Ohio	Peyser	Withrow
Dietrich	Johnson, W. Va.	Pfeifer	Wolcott
Dingell	Kahn	Pierce	Wolfenden
Dirksen	Keller	Pittenger	Wolverton
Dockweiler	Kelly	Plumley	Wood
Dondero	Kennedy, Md.	Polk	Woodruff
Dorsey	Kennedy, N. Y.	Quinn	Woodrum
Doutrich	Kenney	Rabaut	Young
Duncan	Kinzer	Ramspeck	
Dunn, Pa.	Kloeb	Ransley	
Eaton	Knutson	Reece	

NOT VOTING—81

Andrews	Ditter	Kniffin	Robsion, Ky.
Ayers	Drewry	Lanham	Ryan
Berlin	Duffey, Ohio	Larrabee	Sabath
Binderup	Dunn, Miss.	Lee, Okla.	Sadowski
Bolton	Eagle	Lemke	Sanders, La.
Brennan	Ellenbogen	Lewis, Md.	Sandlin
Brooks	Engel	McClellan	Sauthoff
Bulwinkle	Ferguson	McFarlane	Schuetz
Burch	Fernandez	McSwain	Scrugham
Cannon, Wis.	Flesinger	Maloney	Sisson
Cary	Gasaway	Martin, Mass.	Somers, N. Y.
Casey	Greenway	Maverick	Stewart
Claiborne	Hamlin	Monaghan	Sumners, Tex.
Collins	Hancock, N. C.	Montague	Terry
Corning	Higgins, Conn.	Montet	Tolan
Crosby	Higgins, Mass.	Nelson	Weaver
Darden	Hoeppel	Nichols	Wilson, La.
Dear	Hollister	O'Connell	Zioncheck
Deen	Johnson, Okla.	Parks	
Dies	Kee	Rayburn	
Disney	Kleberg	Reed, N. Y.	

So the conference report was rejected.

The Clerk announced the following pairs:

On the vote:

Mr. Dunn of Mississippi (for) with Mr. Lemke (against).

General pairs:

Mr. Corning with Mr. Martin of Massachusetts.
Mr. Lanham with Mr. Hollister.
Mr. Sumners of Texas with Mr. Bolton.
Mr. Weaver with Mr. Stewart.
Mr. Rayburn with Mr. Reed of New York.
Mr. McFarlane with Mr. Engle.
Mr. Hancock of North Carolina with Mr. Ditter.
Mr. Kleberg with Mr. Andrews.
Mr. McClellan with Mr. Collins.
Mr. Fernandez with Mr. Higgins of Connecticut.
Mr. Drewry with Mr. Robsion of Kentucky.
Mr. Maloney with Mr. Sauthoff.
Mr. Dies with Mr. Higgins of Massachusetts.
Mr. O'Connell with Mr. Claiborne.
Mr. Gassaway with Mr. Binderup.
Mr. Johnson of Oklahoma with Mr. Crosby.
Mr. Schuetz with Mr. Darden.
Mr. Scrugham with Mr. Disney.
Mr. Montague with Mr. Terry.
Mr. Maverick with Mr. Farley.
Mr. Tolan with Mr. Nelson.
Mr. Ferguson with Mr. Lewis of Maryland.
Mr. Dear with Mr. Sisson.
Mr. Ryan with Mr. Sandlin.
Mr. Cary with Mr. Lee of Oklahoma.
Mr. Nichols with Mr. Montet.
Mr. Deen with Mr. Larrabee.
Mr. Somers of New York with Mr. Kee.
Mr. Sadowski with Mr. Bulwinkle.
Mr. Casey with Mr. Sanders of Texas.
Mr. Burch with Mr. Wilson of Louisiana.
Mr. Cannon of Wisconsin with Mr. Brooks.
Mr. Monaghan with Mr. Piesinger.
Mr. Ellenbogen with Mr. McSwain.
Mr. Duffey of Ohio with Mr. Sanders of Louisiana.
Mr. Ayers with Mr. Parks.
Mrs. Greenway with Mr. Berlin.
Mr. Hamlin with Mr. Kniffin.
Mr. Eagle with Mr. Brennan.

Mr. BOEHNE, Mr. WHELCHEL, Mr. ROMJUE, Mr. CROWE, changed their vote from "yea" to "nay."

Mr. DUFFY of New York and Mr. RANKIN changed their vote from "nay" to "yea."

Mr. WIGGLESWORTH. Mr. Speaker, my colleague from Massachusetts, Mr. MARTIN, is unavoidably absent. If present, he would vote "no."

Mr. O'MALLEY. Mr. Speaker, my colleague, Mr. CANNON of Wisconsin, advises me that he is unavoidably absent and if present he would vote "no."

Mr. JOHNSON of West Virginia. Mr. Speaker, my colleague, Mr. KEE, is unavoidably absent. Had he been here and voting, he would have voted "no."

Mr. McCORMACK. Mr. Speaker, the gentleman from Massachusetts, Mr. HIGGINS, is absent on account of illness. If present, he would have voted "no."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That any person who shall engage himself for pay, or for any consideration, to attempt to influence legislation, or to prevent legislation, by the National Congress, or to influence any Federal bureau, agency, or Government official, or Government employee, to make, modify, alter, or cancel any contract with the United States Government, or any United States bureau, agency, or official, as such official, or to influence any such bureau, agency, or official in the administration of any governmental duty, so as to give any benefit or advantage to any private corporation or individual, shall before entering into and engaging in such practice with reference to legislation as herein set out register with the Clerk of the House of Representatives and the Secretary of the Senate, and shall give to those officers his name, address, the person, association, or corporation, one or more, by whom he is employed, and in whose interest he appears or works as aforesaid. He shall likewise state how much he has been paid, and is to receive, and by whom he is paid, or is to be paid, and how much he is to be paid for expenses, and what expenses are to be included, and set out his contract in full.

"SEC. 2. Any person, before he shall enter into and engage in such practices as heretofore set forth, in connection with Federal bureaus, agencies, governmental officials, or employees, shall register with the Federal Trade Commission giving to the Federal Trade Commission the same information as that required to be given to the Clerk of the House and Secretary of the Senate in section 1 of this act.

"SEC. 3. At the end of each 3-month period, each person engaged in such practices as aforesaid shall file, either with the Federal Trade Commission or the Clerk of the House or the Secretary of the Senate, as required herein, a detailed report of all moneys received and expended by him during such 3-month period in carrying on his work as aforesaid, to whom paid, and for what purpose, and the names of any papers, periodicals, or magazines in which he has caused any articles or editorials to be published.

"SEC. 4. All reports required under this bill shall be made under oath, before an officer authorized by law to administer oaths.

"SEC. 5. Any person who may engage in the practices heretofore set out without first complying with the provisions of this act shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than $5,000 or imprisonment for not more than 12 months, or by both such fine and imprisonment.

"SEC. 6. Any person who shall make a false affidavit, where an affidavit is required in this act, shall be guilty of perjury and upon conviction shall be punished by imprisonment for not more than 2 years.

"SEC. 7. A new registration shall be required each calendar year on or before January 15."

Mr. MICHENER. Mr. Speaker, I move that the Senate amendment be laid on the table.

Mr. O'CONNOR. Mr. Speaker, I offer a preferential motion, that the conference report and the Senate amendment be recommitted to the Committee on the Judiciary.

Mr. MICHENER. Mr. Speaker, my understanding of the rule is that the motion suggested by the gentleman from New York is not preferential.

The SPEAKER. The Chair is of opinion that the motion made by the gentleman from Michigan has priority. The question is on the motion of the gentleman from Michigan to lay the Senate amendment on the table.

The motion was agreed to.

Mr. CONNERY. Mr. Speaker, I move to reconsider the vote by which the Senate amendment was laid on the table and to lay that on the table.

The motion was agreed to.

ORDER OF BUSINESS—MOTIONS TO SUSPEND THE RULES

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that during the remainder of the second session of the Seventy-fourth Congress it shall be in order for the Speaker to entertain motions to suspend the rules and pass bills and resolutions.

The SPEAKER. The gentleman from New York asks unanimous consent that during the remainder of the present session the Speaker may have the right to entertain motions to suspend the rules and pass bills and resolutions. Is there objection?

Mr. MAPES. Mr. Speaker, I reserve the right to object. Has the gentleman from New York consulted with the minority leader about that request?

Mr. O'CONNOR. I have. Of course, under the rules during the last 6 days of the Congress that can be done. We have never known for some sessions when those last 6 days occur. We could bring in a resolution to that effect. I talked to the minority leader this morning and it was agreeable to him. He did say to me, however, that he would appreciate it if he could know, as far in advance as possible, what suspensions would be taken up.

The SPEAKER. Is there objection?

Mr. MAPES. Further reserving the right to object, Mr. Speaker, we adopted by unanimous consent about 10 days ago an order which allows the Rules Committee to make a report and call up its report at once, and we still are quite uncertain as to the final adjournment of the House. I wish the gentleman from New York would withdraw his request at this time. I think before we adopt any such order as that we ought to know a little more definitely than we know now when we are likely to get through.

Mr. O'CONNOR. Of course, I might say to the gentleman from Michigan [Mr. MAPES], we are striving our utmost to get through at the end of this week.

Mr. MAPES. I understand that; but my information is that our strife is quite likely to be in vain.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MAPES. Mr. Speaker, for the present I object.

AMENDMENT OF REVENUE ACT OF 1932

Mr. BUCK. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a conference report from the Committee on Ways and Means on the bill (H. R. 12324) to amend section 723 (a) of the Revenue Act of 1932, as amended.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SWAMPLANDS IN THE STATE OF WISCONSIN

Mr. CHRISTIANSON. Mr. Speaker, I ask unanimous consent that the bill (S. 3405) for the relief of Capt. James W. Darr be recalled from the Committee on Military Affairs. I make that request with the approval and consent of the chairman of the committee.

The SPEAKER. The Chair will propound a question to the gentleman. What does the gentleman propose to do with the bill when it is recalled?

Mr. CHRISTIANSON. Lay it on the table.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GUYER. Mr. Speaker, I ask unanimous consent that after disposition of business on the Speaker's table and the reading of the Journal I may be permitted to address the House for 10 minutes on Friday next.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. O'CONNOR. Mr. Speaker, I regret to do so, but at this stage of the session we cannot permit these speeches. I object.

THE TOWNSEND PLAN

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection?

There was no objection.

THE ANSWER TO THE TOWNSENDITES

Mr. HOFFMAN. Mr. Speaker, the Republican national platform gives the answer sought by those who believe in old-age security.

It calls for a pay-as-you-go policy, requiring of each generation the support of the aged and the determination of what is just and adequate, and it provides for assistance by the Federal Government in proportion to the amount contributed by the States.

It offers the opportunity for all of those who really believe in old-age security to get behind a plan which is sensible, practicable, and which will not impose undue burdens upon the people as a whole. It offers something which can be attained. It does not propose to take from one class of citizens a disproportionate amount of their savings or their earnings and to give it to another class.

If enacted into law and properly administered, it will protect against want and privation, but it will not enable one group to live in idleness and enjoy benefits not attainable by their neighbors who are working or conducting their own businesses.

It will not provide $200 a month to everyone who has reached a certain age, regardless of his other income, of his needs, as advocated by Dr. Townsend. No longer is there excuse for any woman or man who is earnestly seeking adequate old-age security to advocate the Townsend plan.

The insincerity of Dr. Townsend has been disclosed by his own followers and by his recent conduct.

June 2, 1936, Hon. JOHN S. MCGROARTY, Congressman from California and father of the McGroarty bill, called attention of his fellow Congressmen to the fact that, for many, many months there has been a feeling on the part of Congressmen favorable to the movement that Dr. Townsend "was not sincerely working in the interest of the movement." Mr. MCGROARTY said:

> I wonder if Dr. Townsend's refusal to come to Washington and work with the Congress here for the passage of the McGroarty bill could possibly mean that for one reason or another it was not his sincere desire that the McGroarty bill be enacted into law at this session of Congress.

The charge has frequently been made that Dr. Townsend did not sincerely desire the enactment of his plan into law, for the reason that if it was enacted his source of revenue—that is, his collections from club members—would end. Mr. MCGROARTY has evidently now reached the same conclusion that many others entertained months ago.

Mr. MCGROARTY also cites the fact that Dr. Townsend, in his foreword to a book written by his now right-hand man, Sheridan Downey, is abandoning the transaction tax and is advocating a $10,000,000 bond issue to finance the Townsend plan.

Mr. MCGROARTY also calls attention to the fact that in this same foreword, signed by Dr. Townsend, he suggests that the age limit start at 75 instead of 60, and he continues:

> The fact that Townsend has done nothing to promote the passage or increase the interest in Congress of the McGroarty bill at this session should prove to any thinking person that Townsend has abandoned the McGroarty bill and is subverting the approved official legislative effort of the entire Townsend movement to the ideas and personal political ambitions of one man.

He then states that the true reason back of the breach between himself and Dr. Townsend was the doctor's insistence that a third party be organized.

Of his own efforts to promote this legislation and of the lack of cooperation on the part of Dr. Townsend, Mr. MCGROARTY further says:

> Dr. Townsend's frantic opposition to my well-meant intentions came without so much as a note of inquiry, much less a conference with him as to my purposes. I could not understand his attitude at the time, but I have since learned that my announcement came only a few days prior to a long-planned announcement by him declaring himself for the Presidency of the United States. When I learned these facts, I well understood that Townsend's opposition was caused by the jealousy that is born of thwarted desire. Unlike Dr. Townsend, I have no political ambitions, and never did have, and I have never deserted the Townsend movement, but he did when he went over to the Downey plan.

In this same connection it will be recalled that within the last week Dr. Townsend has announced that a President could not be elected without the Townsend votes, and at the same interview he declared that Townsendites would support neither Candidate Landon nor Candidate Roosevelt. Evidently the doctor thinks that he will be drafted as a candidate for President of the United States. This is in line with the letter written by him on September 4, 1935, to Mr. Clements, in which, among other things, he said:

> The cry everywhere I go is, "Why don't we have our own party?" Now, that is just the thing I believe we should begin to do, talk about the Townsend party, not wait in the foolish hope that one of the old groups will adopt us. * * * To hell with them.

The doctor has advocated a third party several times. He has as often changed his mind. But now, surrounded as he is by the new advisers, he may go through with the idea.

Mr. MCGROARTY makes further disclosures which indicate that the doctor is not conserving the resources of the organization. Mr. MCGROARTY said:

> At the time of Clements' resignation, April 1, 1936, there was $130,000 in the treasury of the O. A. R. P. and no debts. Dr. Townsend testified on May 20, 1936, that there was only about $60,000 of that amount left. In other words, this "great national board", when once given access to the cash, not only spent all receipts taken in during the period but spent over half the total cash reserve within 6 weeks. * * * The spending of the money is bad enough within itself, but the condemning charge against this national board and its mismanagement is that all during this time when over $100,000 was being spent by them not a finger was being lifted toward assisting the enactment of our legislation. Not a single member of this new board nor a representative of the O. A. R. P. have made even the slightest effort in this direction.

Apparently Dr. Townsend has now joined forces with Rev. Gerald Smith, of share-the-wealth notoriety, and it is stated that these two groups, the Townsendites, the share-the-wealth group, and a third organization, will join forces and advocate the adoption of their program and the election of a President, in accordance with Dr. Townsend's desires. Certainly such a movement will clarify the issue, and it is at

least an honest way of obtaining an expression of what the people really desire.

In years gone by the Republican Party has given expression in legislation to those principles which have brought this country to the forefront among the nations of the world. About that statement there can be no argument. Its truth may be determined from the history of our country.

Notwithstanding all that has been said about the wickedness, the selfishness, of the members of that party, of all that has been uttered about the depression we are in, the suffering, the want, and the lack of opportunity of our people, the indisputable fact remains that today the average citizen in America is beyond comparison the best fed, housed, and clothed individual in the whole wide world; that he enjoys advantages as to living conditions, the attainment of knowledge, and what is commonly called culture undreamed of in other countries; that he has and uses as common necessities those things which in other countries are termed luxuries and to nine-tenths of the population of those countries unattainable.

Advocacy of $200 a month may be the bait to use to catch unthinking voters, but most Americans think and have common sense, and practically all realize that looking for the rainbow's end gets us nowhere.

It would seem that we have had enough of wild talk, enough of promises, which are not only insincere but impossible of performance, enough of shouting and wild accusations, and that all those who really and sincerely desire the enactment of an old-age-security plan which will give something other than promises have no longer any excuse for failing to get behind the Republican candidates, who stand upon the Republican platform and who can be relied upon to work in accordance with the principles of that great party, which will produce results rather than false hopes.

The SPEAKER. The time of the gentleman from Michigan has expired.

THE TOWNSEND PLAN—ITS ORIGIN—THE AVOWED PURPOSE—THE REAL PURPOSE FOR WHICH THE MOVEMENT HAS BEEN USED—METHOD OF PROCEDURE OF ITS ADVOCATES—ITS COST—BY WHOM IT WOULD BE FINANCED—ITS BENEFITS AND THE RESULT OF ITS OPERATION

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that a short summary of the testimony so far taken by the special committee investigating old-age-pension plans may be placed in the RECORD either today or tomorrow.

The SPEAKER. Is there objection?

There was no objection.

(Any statement on so controversial an issue should quote facts from authoritative sources, hence frequent reference will be made to, and quotations taken from, the testimony of the persons above named, as well as others, and, that such references may be verified, pages of the record, preceded by letter, will indicate the source. Figures preceded by S., indicate Senate hearings before the Finance Committee; preceded by H., indicate House hearings before the Ways and Means Committee, in February of 1935; preceded by S. C., indicates Select Committee hearings. Where page numbers are not given in parentheses it is because the testimony has not yet been printed.)

ORIGIN OF THE PLAN

Mr. HOFFMAN. Mr. Speaker, it is currently reported that as Dr. Townsend, a physician, who had lost his position about October 2, 1933, as health officer in his local city because of a reorganization in that department, was standing by his window, he saw two aged women poking in a garbage can, and straightway there came to him the idea of a pension for the aged; that this was the origin of the Townsend plan, to the development of which he says he has unselfishly devoted his time.

Others, however, point to the existence of a similar idea many years ago, and, as late as August of 1931, C. Stewart McCord copyrighted (entry C, no. 5595) a plan entitled "Mercy Death for Surplus Labor", which contained the idea of an annuity of from $50 to $80 per month and provided for the elimination from the field of competitive labor by retirement of those between the ages of 50 and 55 years, the exact age to be determined by the amount of labor required in industry. Under the McCord plan, the old-age insurance was to be financed by a sales tax.

It will be noted in passing that the Townsend plan provides for a pension of $200 per month (Townsend Weekly, Dec. 30, 1935) for those over 60, although the doctor once testified (S. C. 1036) that the age limit would be reduced to between 40 and 50; again, to between 45 or 50 (H. 751); again, 55, then 50 (S. C. 1064); while, in his foreword to the recent book of his present adviser, Sheridan Downey, Dr. Townsend suggests that the pension begin at the age of 75, instead of 60; financed by a pyramided sales tax (S. C. 1018) (the term "transaction tax" being used to avoid the feeling against a sales tax—that is, 2 percent each time a dollar's worth of commodities changes hands), while the McCord plan provided a pension of from $50 to $80 for those who had reached the age of 50 or 55, and was to be financed by a straight sales tax.

Still more recently Dr. Townsend announced, in his foreword to Downey's book, that he was "not entirely committed to the transaction tax" and makes reference to a $10,000,000,000 bond issue to finance social dividends of not less than $200 per month.

There are other points of similarity between the two plans, sufficient, in fact, to lead to the conclusion that if the Townsend plan is not simply a restatement of the McCord plan, it is but another version of the essential features of previous plans.

THE AVOWED PURPOSE OF THE PLAN

As stated by the Townsend publications, the purposes of the plan are, briefly:

(a) To "restore prosperity", and

(b) To "provide security for all persons who have reached the age of 60 years."

For the plan it is claimed that its operation will afford work for all employables, provide a constant purchasing power for American products, maintain a balance between consumption and production, stimulate ambition, reduce crime, furnish opportunity to the young, reduce the burden of taxation, and render unnecessary the maintenance of many public institutions; in short, that it provides a remedy for all our economic and social ills.

There has been, and it is obvious there can be, no criticism of the purposes so stated.

Whether the accomplishment of these purposes is practical is quite another matter. Its desirability is so evident that no sane person would hesitate to adopt and advocate it if there appeared to be a reasonable chance of bringing it to successful accomplishment.

THE REAL PURPOSE FOR WHICH THE MOVEMENT HAS BEEN USED

The testimony of JOHN S. MCGROARTY, Congressman from California, author of the McGroarty bill and former leader of the Townsend movement in Congress, and who testified in substance and to the effect that Townsend himself had made no effort to have his theory—i. e., $200 per month to everyone over 60, and so forth—enacted into law; of Jack Leasia, former State manager for Michigan (S. C. 426–445); of Juanita H. Jackson (S. C. 571–580, 749–769) and Rev. David B. Moore (S. C. 565–571), formerly active Townsend organizers and workers in Michigan; of Otto Moore (S. C. 451–464, 467–471) and others formerly on the congressional action committee of the organization; of Edward E. Gordon, State area manager of southern California (S. C. 485–491, 495–502); of Frank L. McWade, churchman and resigned member of a Rochester, N. Y., club, and who said of the Townsend movement, "The leaders are racketeers and have turned the pension movement into a racket"; of Rev. Alfred J. Wright, of Cleveland, Ohio, a member of the Townsend board of directors until he was ordered by Dr. Townsend not to testify before the committee; of Charles M. Hawks, who resigned as Massachusetts manager of the O. A. R. P., Ltd., when ordered by Townsend not to appear, shows conclusively that the movement has been used by Francis E. Townsend, Robert E. Clements, Edward Margett, and certain others who were parties to the collection of upward of a million dollars as a "racket" to enrich themselves and to advance the political fortunes of certain hangers-on, some of whom are no more, no less, than professional organizers.

Dr. Townsend, when upon the stand, stated, in substance, that organizers and so-called managers had received sums which he considered to be excessive and of the payment of which he was not cognizant.

It was further established that, while Dr. Townsend and Mr. Clements had testified in previous hearings that they were receiving but $50 per week and expenses for their services in connection with the movement, Mr. Clements had received upward of $69,000 in a period of a little more than 2½ years, and, in addition, his living expenses, and he stated that Dr. Townsend had received a like amount.

The doctor testified that, in addition to his living expenses, he had received between $68,000 and $69,000.

Further evidence that the collection of funds, rather than the enactment of legislation, was the purpose is found in the statement of Hon. JOHN S. MCGROARTY.

M'GROARTY SAYS TOWNSEND DESERTED THE MOVEMENT

Congressman MCGROARTY, Dr. Townsend's one-time floor leader in the House, in a speech delivered June 2, 1936, said:

I wonder if Dr. Townsend's refusal to come to Washington and work with the Congress here for the passage of the McGroarty bill could possibly mean that for one reason or another it was not his sincere desire that the McGroarty bill be enacted into law at this session of Congress.

And, further answering Dr. Townsend's charge that he, MCGROARTY, had political ambitions, said:

I have since learned that my announcement (to run as a Presidential candidate in the California primaries) came only a few days prior to a long-planned announcement by him declaring himself (Dr. Townsend) for the Presidency of the United States. When I learned these facts, I well understood that Townsend's opposition was caused by the jealousy that is born of thwarted desire. Unlike Dr. Townsend, I have no political ambitions and never did have, and I have never deserted the Townsend movement, but he did when he went over to the Downey plan.

THE MOVEMENT HAS A POLITICAL SIGNIFICANCE

In this same connection it will be recalled that, within the last week, Dr. Townsend has announced that a President could not be elected without the Townsend votes, and at the same interview he declared that Townsendites would support neither Candidate Landon nor Candidate Roosevelt. Evidently the doctor thinks that he will be drafted as a candidate for President of the United States. This is in line with the letter written by him on September 4, 1935, to Mr. Clements, in which, among other things, he said:

The cry everywhere I go is, "Why don't we have our own party?" Now, that is just the thing I believe we should begin to do, talk about the Townsend party, not wait in the foolish hope that one of the old groups will adopt us. * * * To hell with them.

The doctor has advocated a third party several times. He has as often changed his mind. But now, surrounded as he is by the new advisers, he may go through with the idea.

In many congressional districts and in some States, candidates for Congress and for the Senate are using the Townsend movement as a means to provide themselves with the necessary votes to attain office, although privately many of these men will acknowledge the impracticability of the Townsend plan.

Mr. MCGROARTY makes further disclosures which indicate that the Doctor is not conserving the resources of the organization. Mr. MCGROARTY said:

At the time of Clements' resignation, April 1, 1936, there was $130,000 in the treasury of the O. A. R. P. and no debts. Dr. Townsend testified on May 20, 1936, that there was only about $60,000 of that amount left. In other words, this "great national board", when once given access to the cash, not only spent all receipts taken in during the period but spent over half the total cash reserve within 6 weeks. * * * The spending of the money is bad enough within itself, but the condemning charge against this national board and its mismanagement is that all during this time when over $100,000 was being spent by them not a finger was being lifted toward assisting the enactment of our legislation. Not a single member of this new board nor a representative of the O. A. R. P. have made even the slightest effort in this direction.

Moreover, Dr. Townsend recently issued an appeal to the members of the Townsend clubs for a $75,000 fund, alleging that the investigating committee intended to impound the funds of the O. A. R. P. Upon the witness stand he said that he had no foundation for such intimation, but, nevertheless, the appeal went out.

METHOD OF PROCEDURE OF ITS ADVOCATES THROUGH AN ORGANIZATION (O. A. R. P., LTD.)—THE PURPOSE OF THE ORGANIZATION, ITS FORM, AND ITS REVENUES

The only justification for any organization working under the auspices of the Townsend old-age-pension organization is an honest purpose to enact into law the essential features of that plan, as stated by its author and cofounders; hence it becomes material to glance at the form of the organization, its activities, and any subsidiary depending upon the parent organization to ascertain whether it lends itself merely to the collection of revenue, the advancement of the political fortunes of its founders and organizers, or is devised to make the Townsend idea a legislative enactment.

The Townsend organization may roughly be divided into three parts. The Old Age Revolving Pensions, Ltd., is a so-called nonprofit corporation, organized on January 24, 1934, under a statute peculiar to the State of California, by Dr. Townsend, Walter Townsend, and R. E. Clements (S. C. 308).

No money or other assets were put into the corporation except $100, which was contributed by Dr. Townsend (S. 1047).

These three—Dr. Townsend as president, Walter Townsend as vice president, and R. E. Clements as secretary and treasurer—were the sole owners of the O. A. R. P. until June of 1935, when Walter Townsend, the doctor's brother, was succeeded as a director and vice president by Judge Tyrrell (S. C. 309), who was succeeded as director and vice president by Gomer Smith, candidate for Senator in Oklahoma, early in 1936, although, as a matter of fact, the organization's records being what they are, legally speaking, it may be stated that Dr. Townsend and his brother Walter are still the controlling factors in the O. A. R. P.

Nor should it be forgotten that the directors are the creators of the incorporators. They may be removed or replaced at will; hence Dr. Townsend and Walter Townsend still remain in sole control.

Dr. Townsend and R. E. Clements were the only two salaried directors (S. C. 310).

R. E. Clements submitted his resignation as secretary-treasurer and director, to become effective April 1, 1936.

The directors of the corporation, on April 22, 1936, were Dr. Townsend, Gomer Smith, Gilmore Young, Dr. Clinton Wunder, Jack Kiefer, Dr. A. J. Wright (since resigned), Nathan Roberts, Frank A. Arbuckle, and Baxter Rankine (S. C. 324), but the incorporators, hence the owners, are Dr. Townsend and Walter Townsend, and, upon dissolution of the corporation, they are entitled to its assets (S. C. 324–325).

The stated purpose of the organization was to obtain, through Congress, the enactment of legislation embodying the essential features of the Townsend plan. To influence Congress to pass such legislation Dr. Townsend, Glen J. Hudson, and Dr. Robert R. Doane, the latter two economists, called by Dr. Townsend, appeared in February of 1935 before the House Ways and Means Committee, and Dr. Townsend, Mr. Clements, and Dr. Doane before the Senate Finance Committee, which were then considering the Social Security Act, the two former advocating the passage of a bill which had been introduced at their solicitation.

To induce Congressmen to vote for the legislation desired by Dr. Townsend and Mr. Clements, they conceived the plan of organizing throughout the country local "Townsend clubs", from which they could obtain the necessary funds to carry on their campaign and whose members might be induced to wire and write their Congressmen, urging them to support the plan.

As to these local clubs, Mr. Clements testified (S. 1056):

They are entirely independent organizations. We exercise no control over their finances whatever. * * * We do not exact a list or roster of their membership at all.

Notwithstanding this statement by Mr. Clements that the national organization exercised no control over the finances of the local clubs, the contrary is true, for in the Weekly and in their bulletins they insisted that all money, dues, quotas, or that received by way of contributions, be forwarded immediately, through State area headquarters, to the national organization (bulletins nos. 16, 30, and 47, issued by O. A. R. P., Townsend Weekly of May 11, 1936).

As proof that Dr. Townsend and Mr. Clements intended at all hazards to retain absolute control of the financial transactions of all of these organizations, one need but to read the permit issued by the O. A. R. P. to all local organizations. It reads as follows:

Date ——.
Club no. ——. City ——. State ——. District ——. No. ——.

PERMIT OF THE OLD AGE REVOLVING PENSIONS, LTD.

Permission is hereby given the above-described Townsend club of the old-age revolving pension movement to organize and operate in accordance with the rules and regulations now existing or as may be changed by the parent organization located at Los Angeles, Los Angeles County, Calif.

The duly elected officers of the above-described Townsend club hereby pledge themselves to well and faithfully serve their organization in all honorable ways and to adhere strictly to the tenets and rules of procedure as issued from the parent organization above mentioned.

The following duly elected officers of the above-described club hereby accept their duties and agree to serve in their respective capacities until their successors are elected.

Permittor:

OLD AGE REVOLVING PENSIONS, LTD.,
F. E. TOWNSEND, M. D., *President.*
R. E. CLEMENTS, *Secretary.*

Permittee:

TOWNSEND CLUB,
——— ———, *Club President.*
——— ———, *Club Secretary.*

Thousands of these permits were issued, thousands of clubs were formed, and many members—just how many it has been impossible to ascertain—joined the clubs. The number of members is variously estimated at from five to thirty million, but the investigation has disclosed that nowhere, either within the Townsend organization or elsewhere, so far as the committee has been able to learn, is there in existence even a purported list of all members.

Strenuous efforts were made, through local clubs, to obtain signatures to petitions requesting Senators and Congressmen to vote for a $200-a-month pension, and millions of such signatures were undoubtedly obtained, but these petitions were stored away in a warehouse in California and were never presented to individual Senators or Congressmen, nor to the Senate or House, and it was not until the investigation was well under way that the petitions were brought to Washington. The real purpose in obtaining them is still a mystery, for they were never used for the announced purpose for which the signatures were secured.

Revenue was to be obtained by a membership fee of 25 cents; a monthly quota of 10 cents per member, which, however, was not obligatory; dues of $1 a month obtained from legionnaires, an auxiliary organization; the sale of literature, buttons, and various other items; contributions, donations, and various funds raised by suppers, dances, and other forms of social activities, the funds from the latter source being usually retained by the local organizations.

The national organization insisted that all funds received from legionnaires be paid direct to that organization; that funds received from the 25 cents membership fee and from the 10 cents per month contribution, which was designated a "quota", while paid to the local organizations, should, in all instances, be forwarded in their entirety to the national organization, which later returned to the regional, area, and local, for operating expenses and the payment of organizers, 15 cents out of each 25-cent membership fee and 40 percent of the 10-cent fee.

Organizers were paid 5 cents per member. Local, area, and regional organizers, managers, and directors were paid various sums, ranging from $25 per week upward; Margett, a State area manager, wiring from California, in answer to the charge that his commissions were from $1,800 to $2,000 per month, that he was receiving from $500 to $600 per month more than that, but also claiming that he was "thousands of dollars out of pocket" (S. C. 97–98).

Figures taken from the regional office at Chicago (S. C. 398) show that from July 1, 1935, to November 11, 1935, 4 months and 10 days, E. J. Walker, State manager for Michigan, received $2,597.49, while from November 19, 1935, to February 7, 1936, 2 months and 19 days, F. N. Goldsberry, as State manager for Michigan, located at Detroit, received a salary of $812, with commissions of $3,386.82, or a total of $4,198.82.

Through the Townsend Weekly and so-called bulletins, containing instructions and news items issued by the national organization to the local clubs, those organizations were continuously reminded of the necessity of organizing new clubs, writing their Congressmen and Senators, and paying to the national organization their quota.

Demands for funds were so incessant and clubs responded to such an extent that, in a period covering 3 months, approximately $350,000 was collected (S. C. 65, 73) and, from January 1934 to December 31, 1935, a total of $771,964.09 (S. C. 81), and a grand total, since the inception of the movement to March 27, 1936, of all revenues from all sources, of approximately $951,946.09 (S. C. 82). Dr. Townsend admits that more than a million dollars has been collected, while others insist that over a million and a half has been received by the organization. He further testified (S. C. 600):

We are endeavoring to raise millions of dollars in this campaign. We must have it and we are going to get it.

Over the funds so collected and in their expenditure the local clubs had no voice whatever, except as to the portion which was refunded to them by the national organization. All moneys sent to the national organization during the period above referred to were either disbursed or retained by Dr. Townsend and R. E. Clements, except those items referred to above, which were returned to the local organizations.

There was no way by which the local clubs or the members of the local clubs could possibly receive any material, practical benefit unless and until the Townsend plan was enacted into legislation, and their part in the plan was solely that of collecting and transmitting funds and exerting pressure upon Congressmen and Senators by means of telegrams, letters, and personal solicitation.

The third unit in the organization was the Prosperity Publishing Co., a corporation organized under the laws of California in September of 1934, by Dr. Townsend, R. E. Clements, and an attorney, Claud Doyle, who merely acted as a third necessary director (S. C. 163, 313–314). There were 25,000 shares of stock of no par value, 10 of which were issued to Dr. Townsend and 10 to R. E. Clements (S. C. 164), thus making the two the owners of the corporation and of all of its assets.

For 3 or 4 months prior to the incorporation of the Prosperity Publishing Co., a weekly newspaper, known as the Modern Crusader, published by Chester McDonald, had been advocating the Townsend plan. Dr. Townsend and Clements secured the subscription lists of the Modern Crusader and published the Townsend Weekly, which made its first appearance on January 21, 1935.

Official Bulletin No. 17 contained the announcement—

First issue of the Townsend Weekly, only official organ of the Townsend plan, will be out January 21, 1935.

The revenue derived from this publication was obtained principally from its sale to local Townsend clubs and their members and from advertising, although, later, other official publications were issued, which were sold to members, an illustration being a booklet costing a cent and six mills which sold at 25 cents (S. 1057).

Neither Dr. Townsend nor R. E. Clements put any money into the Prosperity Publishing Co., other than the incorporation expenses (S. C. 165), which did not exceed $250 (S. C. 167–168). After that paper became known as the "official" publication, it sold so rapidly that, by March 13, 1935 (S. C. 166), Dr. Townsend and Clements stated that it had a paid circulation of over 100,000 copies, and they transferred it to

the Prosperity Publishing Co., the corporation owned by them.

The money to build up this paid circulation of over 100,000 copies and to publish this paper came, prior to March 13, 1935, from Townsend clubs and their members.

The Prosperity Publishing Co. continued to issue the Townsend Weekly, various bulletins, and some other literature.

Early in 1936 the Prosperity Publishing Co. declared a dividend of $50,000, $25,000 of which was paid to Clements and $25,000 to Dr. Townsend. About this dividend Mr. Clements testified (S. C. 317):

Mr. HOLLISTER. $2,500-a-share dividend?
Mr. CLEMENTS. Yes, sir.
Mr. HOLLISTER. On stock which cost neither of you—Clements or Townsend—anything?
Mr. CLEMENTS. Yes, sir.

Dr. Townsend thereafter purchased Clements' interest in the Prosperity Publishing Co. for $25,000 (S. C. 316), so that for his interest in the Prosperity Publishing Co., into which he and Dr. Townsend had put no money whatever, except about $250, and which issued its first publication of the Townsend Weekly on January 21, 1935, and which had an existence of about 15 months, Robert E. Clements received $50,000 in addition to a previous dividend of $6,650 (S. C. 84).

From the foregoing it will be seen that the organization consisted of three units:

First. The O. A. R. P., Ltd., originally owned by Dr. Townsend, a "dummy", and R. E. Clements. Apparently it is now owned by Dr. Townsend and his brother.

Second. The Prosperity Publishing Co., which publishes the Townsend Weekly and other official publications which sell principally to members of local clubs.

Third. Local clubs, possessing no legal entity, consisting of members who purchase the publications of the Prosperity Publishing Co. and contribute dues to the O. A. R. P.

METHOD OF PROCEDURE OF ITS ADVOCATES—THE ACTIVITIES OF THE ORGANIZATION

Dr. Townsend's stated purpose of restoring prosperity and giving security against want to the aged was to be accomplished by the enactment into law of his theory of giving to those over 60 who met certain qualifications a pension of $200 per month, obtained by the imposition of a pyramided 2-percent sales tax and the collection of certain other inheritance, gift, and income taxes.

It has been pointed out that through the formation of the O. A. R. P., Ltd., corporation, the Prosperity Publishing Co., and the organization of local clubs, over a million dollars was collected on the theory that such sums were necessary to obtain the enactment of this legislation, although it also appears that the major portion of this money was used for the benefit of the author, the cofounder, and certain organizers and managers.

One of the usual methods of getting an idea enacted into law is to maintain in Washington a lobby which will inform Congressmen of the merits of the plan and solicit their support.

For this purpose the Townsend organization collected $23,490 (S. C. 715–716), and $1,804.96 was spent by this lobby (S. C. 716). The lobby was then dissolved and its members returned to their homes, but, notwithstanding this fact, an urgent appeal for further funds, intimating that the amount first collected had been exhausted—although but $1,804.96 had been spent—was made, and upward of $11,000 additional was collected to promote the passage of this legislation. But none of that sum was used for that purpose here in Washington.

While the Townsend Weekly, the bulletin issued by the O. A. R. P., Ltd., the organizers and the lecturers and Dr. Townsend himself were insisting upon a pension of not less than $200 per month, the only bill pending before Congress was H. R. 7154, the so-called McGroarty bill, which, briefly, provides for the levying of a 2-percent transaction tax upon practically all financial transactions, for increases in the gift, inheritance, and income taxes, and for the distribution, after deduction of administration expense, of the proceeds among those persons 60 years of age or upward who have net incomes of $2,400 per year or less, who are American citizens, not habitual criminals, who refrain from gainful occupations and who spend the amount so received within the confines of the United States during the month in which it is received.

No hearings have been held upon this bill; no committee has reported upon its merit or lack of merit; there is no information before the House as to the amount of revenue which might be raised by the taxes imposed by it, the amounts required for administrative expenses, or of the amount which would be paid to the beneficiaries.

Nevertheless, the Townsend organization, with its claimed millions of members, has been demanding that Congressmen bring it upon the floor of the House and enact it into law. The Townsend Weekly, which is the official organ of the Townsend movement, and the bulletins issued from time to time by that organization, and the organizers and speakers sponsored by it, while demanding that Congress pass the McGroarty bill, have, at the same time, persistently and insistently demanded of us that we vote for a bill which will guarantee to the beneficiary $200 per month. Yet everyone knows there is no such bill before this House. A typical illustration of this propaganda is seen in the issue of December 30, 1935, of the Townsend Weekly, in which it is stated that the demand of the Townsend organization is for a pension of $200 per month, and where Congressmen are told:

That there has never been, nor will be, any compromise on the $200-per-month provisions in the Townsend demands. Now you can take our orders or—get out.

This uncompromising demand is continued each week in the Townsend Weekly and in the last issue of that official publication it still stands, and Dr. Townsend, upon the witness stand, on May 19, 1936, stated that the amount of the pension called for by his plan was $200 per month. (S. C. 649–650.)

A further statement of Dr. Townsend, oft repeated, was that men like Henry Ford, Rockefeller, and Morgan should receive the benefits of this pension. The McGroarty bill contains no such provision. One of the limitations imposed upon the pensioners is that no one with an income of more than $2,400 can participate.

The Townsend leader on the floor of Congress, as has been stated, was John Steven McGroarty and, under oath, before the committee he stated that he never knew of Dr. Townsend visiting Congressmen or making any effort to get his bill pushed in Congress or passed. He testified:

The CHAIRMAN. You got your understanding of their impression by the general conversations that you heard among the men who were here actually working for the bill?
Mr. MCGROARTY. Yes, sir.
The CHAIRMAN. That they knew that Dr. Townsend did not want the bill passed, but wanted it prolonged in order to keep revenue coming into his organization? That was the general, common knowledge among the people who actually came down to work for the bill, was it not?
Mr. MCGROARTY. It was certainly the impression that the men you mentioned had.
The CHAIRMAN. Is it not a fact that the real reason why these men left the movement was because they learned that Dr. Townsend and his close associates who were getting rich out of the movement were opposed to the passage of the bill and would not cooperate with them in helping to push the bill in Congress? That is a fact, is it not?
Mr. MCGROARTY. It was their impression. I am not making that as my statement, but that was my impression.
Mr. LUCAS. Mr. McGroarty, that impression was obtained from the experience they had had with Dr. Townsend and Mr. Clements here in Washington in their attempt to get H. R. 7154 passed?
Mr. MCGROARTY. Yes; that was their impression, probably gained from that; but now, if you mention Mr. Clements, I want in all justice to him to say that he was very diligent, very industrious, and very active in trying to force a vote on H. R. 7154.

In his speech of June 2, 1936, Mr. MCGROARTY said:

I have never deserted the Townsend plan, but he (Dr. Townsend) did when he went over to the Downey plan.

METHOD OF PROCEDURE OF ITS ADVOCATES—OBTAINING FUNDS BY FRAUDULENT STATEMENTS

Each reader may determine for himself whether or not the methods used to induce individuals to pay a 25-cent membership fee, a 10-cent-per-month quota fee, $1 per

month as a legionnaire, and to purchase literature, are fraudulent.

In a leaflet entitled "This Way to Victory", by Dr. Francis E. Townsend, a statement of the various purposes for which money was needed was given. These covered the usual organization and operating expenses of a movement of this character. Among other things, Dr. Townsend stated:

> The fact that we propose building a national organization with a quota of 10 cents per member per month, or $1.20 a year, is causing astonishment everywhere. * * * We ourselves know that thousands of people in our movement cheerfully give their time and energy without thought of compensation. * * * Ours is mostly a labor of love. And to this labor of love we will add the club quota. * * *
>
> We found some months ago that we could not enact the Townsend plan into law with a financial structure based on 25-cent membership dues.

Accompanying this statement, when it was sent out, was another leaflet, which contained the following statements:

TOWNSEND PLAN VICTORY CHART

(Chart based on Townsend plan becoming law of the land)

THE MIRACLE OF 10 CENTS

(In action for annuitants)

Quota investment on monthly basis: Original investment 10 cents, returns on investment (after first few months), $199.90; life returns on investment (after first few months), $200.

Quota investment on yearly basis: Original investment, $1.20; returns on investment (after first year), $2,398.80; life returns on investment (after first year), $2,400.

THE MIRACLE OF 10 CENTS

(In action for nonannuitants)

A permanent well-paid job or position until 60, then $200 monthly, $2,400 yearly for life.

A circular sent out in February 1936 from the Chicago office and addressed to all area managers, contained the following:

> If every member will pay his or her 10-cent quota promptly each month during 1936, and we win the next Congress, that means the 12 monthly quotas plus the 25 cents membership fee, a total of $1.45, is all it costs to win an annuity of $2,400 a year—$200 per month and assured employment at living wages for every worker. Do you know of any investment, anywhere, that will yield such value that costs so little? No matter what any club member's circumstances may be, it would seem the part of wisdom to make a real sacrifice to pay this small monthly quota of 10 cents.

Questioned about the latter statement, Floyd R. Moody, area manager for 37 counties in Michigan, testified at Battle Creek, Mich., on a hearing there that, in his opinion, the statement would create the impression that, by the payment of $1.45, an individual would get the annuity of $2,400 per year and so be induced to contribute, and that he knew that such a proposition could not work out, that there was no possibility of it (S. C. 546), and that he personally would not hold out such an inducement because his conscience would not let him. He was asked (S. C. 546):

> Question. And your judgment would be that inducing a member to join, pay 25 cents and then 10 cents a month, on any such statement or promise as that, would just be a misrepresentation or fraud?
>
> Answer. It would seem that way to me.

However, this was the inducement, as is shown by the literature sent out by the Townsend organization, which was used to obtain members and to cause members to pay a 25-cent membership fee and monthly dues of 10 cents.

Dr. Townsend testified, in May of 1926, that the organization needed millions and further said that they were going to get them (S. C. 600).

The phenomenal growth in membership and resources of this movement is easily explainable, if it be remembered that statements like the foregoing, holding out to people in distress the thought that upon payment of $1.45 per year an annuity of $200 per month could be obtained, were broadcast throughout the land.

The interest and support of those under 60 was obtained by the statement in the article The Miracle of Ten Cents that the enactment of the plan would bring "a permanent well-paid job or position until 60, then $200 monthly, $2,400 yearly, for life."

METHOD OF PROCEDURE OF ITS ADVOCATES—OBTAINING SUPPORT BY DEIFYING DR. TOWNSEND

Almost from the beginning of the organization, there has been a studied and persistent effort to "build up" Dr. Townsend. A typical illustration is found in his Speakers' Manual of 1935, wherein, on the first page on the inside, his picture appears as one of the three great emancipators of history, where he, the publisher of this manual, ranks himself with Washington and Lincoln, modestly placing his picture at the bottom of the three. His followers have said of him—and the statement has been printed in his official publication, the Townsend Weekly, of which he is co-owner—that he was "ordained of God" to carry on this plan.

In the Townsend Weekly of December 30, 1935, this statement is made:

> But God has built a higher platform of human rights by sending Dr. Francis E. Townsend and his plan. We ask that preachers and priests and church officials give the inspired Townsend plan careful consideration and study.

It is also stated in the same issue (p. 2):

> Since its inception the Townsend plan has been recognized as a direct plan from God for the welfare of His children.
>
> Always in the time of need has our God selected a leader to show us the way and the leader of this age is our Dr. Townsend. Because of his preparation and fitness, God answered his prayer and showed him a plan.

The truth is, as stated, that the essential elements of his plan appear in a publication, copyrighted in August of 1931, by C. Stewart McCord, entitled "Mercy Death for Surplus Labor." (S. C. 758–764.)

In a letter written to him in December 1935, by the secretary of a Michigan club, he was informed (S. C. 605):

> So many of our citizens have gone so far in their faith in you as to declare, "Dr. Townsend is the embodiment of Jesus Christ."

He approved of the picture appearing in the Speaker's Manuals where he was depicted as the equal of Washington and Lincoln. He made no reply to the woman who stated that many of their people believe he is the embodiment of Christ. He makes no protest at being thus, by his own publication, exalted to a high position in history. He does not suggest to his worshipful followers that it may be sacrilegious to intimate that he should be ranked with the Deity. He does not refuse the crown extended toward him.

His solicitation of funds, his acceptance, and use of those funds, and the fact that, notwithstanding his testimony that he now had but $500, he is still, practically, with his brother, the owner of the O. A. R. P., which, he said, has upward of $60,000 in its treasury, and of the Prosperity Publishing Co., which, he said, if it continues to live and develop and grow as he anticipated, is "worth millions of dollars" (S. C. 616), indicates to the man upon the street that, instead of possessing all the virtues of a saint, he "is of the earth, earthy."

Coming from an atmosphere where he was regarded as one of the great men of our country, where he had linked himself with Washington and with Lincoln, where he was referred to as inspired by and ordained of God, it is not surprising that, when called before the committee and confined to actualities, to things as they are, when required to explain and to give the details of his plan, when confronted by the realization that the committee, instead of blindly accepting his hopes as statements of fact, were insisting that he take his plan apart, show its mechanism, put it together and give a demonstration as to how it would operate, he became impatient and angry.

Being unable to explain away the injustice of his plan and confronted with his own contradictory statements of essential features of his plan, as given at previous hearings, and having admitted to the committee (S. C. 673–674) that he had given false testimony before this committee, he finally concluded to, and did, refuse longer to testify, and left the committee room.

Just prior to this action on his part he had heard read into the record the facts and the figures showing the solicitation of the $11,000 for further lobbying on the theory that the

lobbying fund had been exhausted, and from the record he had learned that such fund had not been exhausted.

Two of his recently appointed directors, Rev. Dr. Clinton Wunder and Jack Kiefer, men who are at present acting in that organization, were under subpena to appear. Correspondence between these two men, one a minister of the Gospel, in the hands of the committee, contained statements which were too vile and indecent to be read before a mixed audience or to be printed in the record. If these men were called, they would be confronted with this correspondence and from them would be stripped that mantle of piety which they had used to cloak their hypocrisy, to cover their vileness, when appearing in churches, before audiences, where they opened their meetings with prayer and religious songs. Small wonder he did not desire to remain with the committee and see these, his lieutenants, confronted with their letters.

Dr. Townsend had learned from the testimony read into the record, if he did not know it before, that money had been collected by fraud. He knew that the religious atmosphere which had been built up around and about him was about to be dispelled. He was aware, if he had read the record, that one of his most eloquent orators, Edward Trefz, was guilty of a breach of faith, when he wrote Herbert Hoover, seeking an interview for R. E. Clements and told the former President that, if the interview was not granted, no one would be the wiser, as no one knew of the letter, and, at the same time, on the same day, enclosed a copy of that letter written to the former President with a communication to Mr. Clements; that another brilliant orator, Rev. Dr. Clinton Wunder, who had used the cloak of the ministry to bring converts to this plan, would, by his own correspondence, be disclosed as a man of a vile and filthy mind. The reason for Dr. Townsend's refusal to give further testimony or to attend the hearings and submit to further examination must be apparent to all.

The charge of unfairness, of persecution, falls when we remember that R. E. Clements when upon the stand (S. C. 11), McWade, and Wright, all officers high in the organization, before the committee testified, in substance, that they found no fault with the methods of the committee nor the manner in which they were examined, nor with the questions asked.

A typical illustration of how those who actually knew the methods of the committee regarded the investigation is that gathered from the statement of the organization's Detroit attorney, made at the investigation in Michigan, where the following occurred (S. C. 396):

Mr. HOFFMAN. As a matter of fact, I gave you an opportunity, because we want to be more than fair in this thing.
Mr. GULLEN. I believe that is true.

Two strong supporters of Dr. Townsend, Congressman TOLAN and Congressman COLLINS, were upon the committee. They were at liberty to ask any of the witnesses any questions they desired, or to file any protest against the committee's action. None of significance were made or filed.

THE RESTORATION OF PROSPERITY AND OLD-AGE SECURITY—METHOD OF ACCOMPLISHMENT—LEVYING OF A TAX AND ITS DISTRIBUTION

Assuming that the avowed purposes of this organization; that is, the restoration of prosperity and security for old age, are its real purposes, it is asserted that these will be accomplished by the imposition of a 2-percent transaction tax—referred to by Dr. Townsend as a pyramided sales tax—upon practically all financial transactions and the imposition of certain inheritance, gift, and income taxes, and that, out of the funds so collected, there will be made, quoting from the Townsend Weekly of April 27, 1936, the "payment each month to all men and women of 60 years and older of $200 a month to be spent inside the United States."

While it is broadly stated that all the men and women over 60 years of age are to receive $200 per month, there are, nevertheless, certain limitations. Only American citizens residing in the United States and its Territories whose net income is $2,400 per year or less, who are not occupants of prisons or hospitals for the mentally incompetent, are eligible, although both husband and wife, if otherwise qualified, may receive the pension.

Engaging in a gainful occupation, the violation of any provision of law enacted for the establishment of the pension, the unreasonable and unnecessary maintenance of any able-bodied person in idleness, the unreasonable or unnecessary employment of any person, or payment to any person, as services or salary, in amounts disproportionate to the services rendered, the willful refusal to pay a just obligation or to obey any regulation established for the enforcement of the law, works a forfeiture of the right to receive the pension. (Current Townsend Weekly.)

The first bill introduced in Congress to place upon the statute books the Townsend plan has been abandoned, and the only bill now (June 17, 1936) pending before Congress, looking toward the enactment of certain provisions of the so-called Townsend plan is the McGroarty bill, known as H. R. 7154, which does not provide for a pension of $200 per month, but does provide for the distribution of the amount collected by a 2-percent transaction and certain inheritance, gift, and income taxes, after the payment of administrative expenses, among those eligible, and one of the qualifications of the McGroarty bill is that no person receiving a net income of more than $2,400 annually shall be eligible.

The amount which might possibly be raised under the provisions of the McGroarty bill, according to Dr. Doane, was approximately $33.33 per month per pensioner. (S. C. 288–9.)

Dr. Doane gave certain figures as to the amount which might, upon a theoretical basis, be raised by a 2-percent transaction tax, but he also stated (H. C. 1112) that at present levels the maximum which could be expected under a 2-percent tax would be $4,000,000,000, and that if all possible producer and consumer expenditures were included then we might expect approximately $6,000,000,000.

Mr. HILL. That is per year?
Dr. DOANE. Per year.

This is in line with his subsequent testimony that the tax would raise approximately one-third enough to pay the pension without taking into consideration administrative expenses.

Glen Hudson expressly stated that he would not vote for the bill as then before the committee (H. C. 738).

In his foreword, dated January 1936, to a somewhat recent publication by Sheridan Downey, Dr. Townsend's right-hand man, Dr. Townsend declares himself "not entirely committed to the transaction tax" and he mentions a $10,000,000,000 bond issue to finance "social dividends", which he apparently, at the suggestion of Downey, terms "annuities" or "pensions." And he also suggests that it may be necessary to start the pensions at the age of 75, instead of at 60 years of age.

His more recent association with Rev. Gerald Smith, of "share the wealth" notoriety, would seem to indicate that he has abandoned the Townsend plan, as originally proposed, and intends to become a candidate for the Presidency on a share-the-wealth platform, although he refused to support Congressman MCGROARTY's slate for delegates to the Democratic National Convention, notwithstanding the fact that it was the only one pledged to the Townsend plan and practically the only means by which that plan could be brought to the attention of the Democratic National Convention.

WHY $200 A MONTH?

There has been more or less speculation as to why Dr. Townsend should insist that the pension given to the aged should be $200 a month—no more, no less, and as to why he has stated that this could not be changed (H. 754) and that "I know we should never agree to any reduction" (H. 757).

Some have experienced difficulty in understanding why, in view of the country's financial condition, in view of the fact that, according to the United States Department of Labor, the average income of the mining, manufacturing,

construction, and transportation employees for 1929 was $1,986, and for 1932 but $1,567, and that, according to the American Farm Bureau Federation's figures, the average income of a factory worker for 1934 was but $988, while the per capita income for those on farms for 1934 was but $222, the pensioners, under the Townsend plan, should receive, for not working, $2,400 per year.

Referring to his plan, Dr. Townsend testified (S. 1036):

Under this, $200 a month, or $2,400 a year, is required. It has been actuarily proven that it requires about $2,500 permanently invested in business to create and maintain a job at good pay for one individual. That is the reason for $200 per month, that is one of the main reasons.

Asked if he did not think the $400 a month payable to a married couple living together might be cut $100 per month, the doctor replied (S. 1033):

I do not. I think it would be suicidal for us to do so.

On another occasion Dr. Townsend testified (H. C. 754):

Mr. COOPER. You insist that the $200 a month to everybody over 60 years of age could not be changed?
Dr. TOWNSEND. Yes, sir.

The Townsend Weekly of December 30, 1935, on the front page, carried this statement:

TWO HUNDRED DOLLARS PER MONTH STANDS

There has never been, nor will be, any compromise on the $200-per-month provision in the Townsend demands. All statements to the contrary are false.

In subsequent issues of the Townsend Weekly it has been consistently stated that the basic foundation of the plan is the payment to all men and women of 60 years and older of $200 each month.

In May 1936, when upon the stand before the House investigating committee, the doctor testified without any equivocation and in no uncertain terms that his plan called for a pension of $200 per month.

It necessarily follows that, if Dr. Townsend was correct in February 1935, and if he be correct in May of 1936, in his assumption that the essential feature of the plan is the payment of a $200-per-month pension and that the plan is not feasible without the payment of that amount, to be spent each month, then the McGroarty bill, which does not provide for a pension of $200 per month, is not his plan, and does not include an essential element of his plan and is not feasible and should not receive the support of his followers.

It is equally true that his organization has not, up to the present time, June 17, 1936, presented any bill to Congress, and there is not now a bill before this Congress, embodying this, one of the essential features of the Townsend plan.

According to the doctor's testimony, and certainly he should know more than anyone else about the workability of his plan, its success depends upon the imposition of a tax which will net to all eligible persons $200 a month, and which pension must be spent within the current month within the confines of the United States, this to create the "revolving pension fund."

THE COST OF THE PLAN

Due to the fact that Dr. Townsend walked out of the committee room and refused to give further testimony, although in Bulletin No. 74, he had announced that, "fair or foul", they courted the investigation and that he and his supporters demanded an opportunity to be heard, we are without information as to what the doctor now, in this month of June 1936, thinks his plan would cost.

When he was before the Ways and Means Committee of the House, in February of 1935, testifying on this subject, he gave the information that, based upon the census figures of 1930, showing a total population of 122,775,046, there would be about 10,000,000 persons eligible for the pension and that 8,000,000 of those eligible would apply, and that the cost of paying the pensions, disregarding the expense of collection and administration, would be approximately $19,200,000,000.

Apparently, no one knows, nor has anyone computed, the cost of the administrative feature of the plan, but experience along similar lines indicates that the expense of collecting the tax, enrolling the pensioners, investigating the eligibility of each and ascertaining that each received his pension, in accordance with the terms of the law, would be enormous and could not possibly be less than one-quarter of the amount of the pensions, probably $5,000,000,000.

Assuming that the population was 122,775,046, as stated by the 1930 census, and that but 8,000,000 pensioners of the age of 60 and over would apply, as estimated by Dr. Townsend, and that each person in the United States, including children, and those in hospitals and penitentiaries, paid his per-capita share of the tax, it would cost each individual $156.38 per year to raise the sum necessary to pay the pension alone, or, if the average family consisted of five persons, a family charge of $781.90 per year if the cost was paid equally by each.

Using the above figures given by Dr. Townsend, it is apparent that 1 out of every 15.3 persons would be required to contribute to the sixteenth person a pension of $200 per month.

By taking the population of township, village, city, county, or State and dividing that figure by 15.3 (an approximate figure), the number of pensioners in any one district can be ascertained, and, if the number so obtained is multiplied by $200, the monthly cost will be found; multiplied again by 12, the annual cost will be arrived at.

A township with a population of 1,000 would have 65.3 pensioners, who would receive a total of $13,060 per month, of $156,720 per year.

The burden of paying this pension falls, as Dr. Townsend said, most heavily upon the wage earner and the farmer, and it is collected through the pyramided sales tax, paid by the purchaser in proportion to the amount he buys.

The cost to the taxpayers of the township will, at a glance, be seen to be prohibitive, for the thousand people, in the instance just cited, will be required to add to their tax roll the $156,720 necessary to pay the pension, plus the administrative expenses involved in its collection and disbursement. These figures at once disclose the burdensomeness and the impossibility of the plan's successful operation.

To avoid this inevitable conclusion, Dr. Townsend and his organizers and lecturers glibly state that they propose to make the millionaires and the stock gamblers pay the tax, but, in the history of the world, no one yet has devised a scheme which will make taxes fall elsewhere than upon the shoulders of the worker, the man of moderate means and the poor.

The 1930 census gives the total number of workers as 40,000,000 and, with 8,000,000 pensioners, this means that every five workers will be required, if this plan is enacted into law, to, out of their earnings, keep in idleness one pensioner and give him an unearned income of $2,400 per year, or to a man and his wife, both pensioners, $4,800 per year, while, as just pointed out, the average wage of a factory worker in 1934 was but $988.

UPON WHOM DOES THE COST FALL?

Although it is apparent that Dr. Townsend greatly underestimates the cost of his plan, if we assume that his figures are correct, it follows that at least $19,200,000,000 must, by taxation imposed upon the people of the country, be raised for the purpose of giving to a specified class an income of $2,400 per year and this does not take into consideration administrative expenses.

Organizers and lecturers for the Townsend plan state that this vast sum will be obtained from various sources, favorite terms being the "idle rich", the "Wall Street gamblers", the "international bankers."

A moment's reflection will convince the average thinking person that, if a 2-percent tax is imposed upon each financial transaction, the stock market will either cease to exist or its place of business be transferred to a Canadian or Cuban city. We all recall how, when the city of New York threatened to impose a special tax upon the New York Stock Exchange, that group promptly informed the authorities that it would remove to New Jersey, and the whole matter was forgotten.

Inasmuch as gambling transactions are, in most States, illegal the difficulty of collecting a tax from that source is apparent. There is, however, no need to speculate as to those upon whom the cost of this plan would fall. While it is absolutely true that the tax will be imposed in accordance with the purchases made by a person and that the millionaires and the wealthy will be taxed in accordance with their purchases, it is equally true and apparent that the total transactions made by this class is but a comparatively small percentage of the total and that, there being so many more in the middle and poorer classes, their purchases are in the aggregate, of far greater volume than those made by the wealthy.

Let us accept the testimony of Dr. Townsend himself. In February of 1935, when he was testifying before the Senate Finance Committee, the following occurred (S. C. 1035):

Senator BLACK. If it is your idea, Doctor, to help the poor people, why do you propose to put the tax on the poor people in the main? Everybody that knows anything about the sales tax knows it is paid by the poor people who have the least.
Dr. TOWNSEND. Let me ask you, why do you permit the tax to be placed on the poor people, anyway? The poor people pay the tax today, anyway.
Senator BLACK. The tax should be placed on those who have the ability to pay it. I am opposed to any sales tax to pension Rockefeller, Morgan, or anybody else in that class.
Dr. TOWNSEND. You cannot conceive of a tax that does not fall on the poor today.
Senator BLACK. Yes; you can.
Dr. TOWNSEND. No; you cannot. The poor always carry the burden.

Later in the same hearing the following occurred (S. C. 1065):

Senator CONNALLY. Doctor, you say the plan will cost from $18,000,000,000 to $20,000,000,000 a year?
Dr. TOWNSEND. There will be that amount put in circulation.
Senator CONNALLY. I suppose that money has got to be taken from somebody else in the way of taxes and turned over to the aged?
Dr. TOWNSEND. It has got to be produced.
Senator CONNALLY. In other words, that money has got to come out of those that are working, those that have jobs?
Dr. TOWNSEND. Yes.

Then, on May 20, 1936, Dr. Townsend testified (S. C. 673):

Mr. HOFFMAN. You testified that the burden of this sales tax, peculiar to your pension, would fall on the poor, did you not?
Dr. TOWNSEND. Certainly, because the poor are so numerous.
Mr. HOFFMAN. And you also testified that it would fall on the wage earner and the farmer, did you not?
Dr. TOWNSEND. Certainly.

Dr. Robert R. Doane, an economist originally called by Dr. Townsend, testified before the special committee (S. C. 256) that the cost of the pension would fall most heavily upon the consumers and those in the lower income brackets, upon the farmers, the unskilled laborers, upon school teachers, and those with fixed incomes.

Another class upon whom the transaction tax would fall heavily, so heavily that it would probably crowd the most of them out of business, is the independent merchants who come in competition with the chain stores, which are enabled, because of their vast organization, to reduce the number of transactions from the original producer to the ultimate consumer.

The manner in which the tax would affect the cost of the necessities of life was told by Mr. Hudson, Dr. Townsend's expert, sitting by the doctor's side at the House hearing in February of 1935 (H. C. 731), when he said that the tax would add 10.22 cents against every 48-pound sack of flour.

Dr. Doane, a reputable economist originally called by Dr. Townsend, testified before the special committee (S. C. 251) that the increase of the cost of a pound loaf of bread would be something above 10 cents per loaf, and that the cost of other necessities used by the average man would rise in proportion.

The increase in the cost of such common necessities as bread, meat, flour, and the clothing one wears can be easily figured by adding 2 cents every time a dollar's worth of commodities is transferred or sold from the time it comes from the ground, field, or mine in its original form, through all the transactions of transportation and manufacture, until it reaches the hands of the ultimate consumer.

Experts naturally differ as to the number of times a 2-cent tax will be added in the production or manufacture of any particular article and it all depends upon the number of times there is a transaction with, for instance, a bushel of wheat.

First, naturally, would be the purchase of the seed, although some go back to the taxes paid upon the land. Then would follow the harvesting, the transportation, and manufacture into flour, and so on down the list, until the loaf of bread reaches the housewife's hands. In any event, the total added cost would average somewhere around 10 percent, and this is conceded by practically everyone.

THE BENEFITS OF THE PLAN

It is the contention of its proponents that this plan, by taxing practically every financial transaction 2 percent, and by the addition of certain inheritance, gift, and income taxes to those now in existence, and the payment of that sum to persons 60 years of age and over meeting certain qualification, business would be so stimulated that prosperity would result and the aged would be secure from the hardships of life.

When first before the House Ways and Means Committee Dr. Townsend testified as to the pension (H. C. 685):

Mr. HILL. In other words, it would apply to John D. Rockefeller, Sr., to Henry Ford, to J. P. Morgan, as well as to a man who has no means or income at all?
Dr. TOWNSEND. If they wish to acquire the pension under the provisions of the act.
Mr. HILL. That is, they would be eligible?
Dr. TOWNSEND. Yes.

Again, his expert, Mr. Hudson, testified (H. C. 733):

Mr. VINSON. Would you not include Mr. Andrew Mellon as a beneficiary under this bill, he being past the 60 years of age?
Mr. HUDSON. Absolutely.

Later, organizers and lecturers for the Townsend plan throughout the country repeatedly made the statement that the claim of the opponents of this plan that these wealthy men could receive the pension was absurd; that they were misquoting the doctor; and that such was not the purpose of the plan.

However, the matter is no longer open to argument, for on May 20, 1936, testifying before the House special committee, Dr. Townsend was interrogated about that provision of the McGroarty bill which provides that no one having a net income of more than $2,400 per year shall be eligible to receive the pensions, and he said (S. C. 689–690) that he was not friendly with that bill because the $2,400 per year provision did not seem just to him and he would like to see it revised (S. C. 690).

Mr. GAVAGAN. In what respect?
Dr. TOWNSEND. So as to make everybody who reaches the age of 60 eligible, if they agree to the requirements.
Mr. GAVAGAN. Even J. P. Morgan you would make eligible?
Dr. TOWNSEND. Surely.
Mr. GAVAGAN. John D. Rockefeller?
Dr. TOWNSEND. Certainly.
Mr. HOFFMAN. (S. C. 692.) Doctor, you are in favor, in addition to the men you mention, of Mellon, Ford, Du Pont, and Hearst coming under the provisions of this bill?
Dr. TOWNSEND. I am. I am in favor of anybody coming under the provisions.

Dr. Townsend also testified on this same occasion (S. C. 690):

Mr. GAVAGAN. So your present theory is to pay the $200 a month——
Dr. TOWNSEND. To everybody.

The following concrete illustration was put to Dr. Townsend (S. C. 693–694):

Mr. HOFFMAN. Doctor, you said something to me about justice. Let us assume this case: I am 61. Perhaps I have mortgages that bring me in $1,500.
Dr. TOWNSEND. Perhaps what?
Mr. HOFFMAN. I have mortgages or bonds that bring me in $1,500 without work. Just assume, if you can, without too violent a strain on your imagination, that these young gentlemen here are working and that they earn $1,500 a year. Do you think it would be just that they should contribute out of their $1,500 a year to make $900 more to make my income $2,400 a year?
Dr. TOWNSEND. Mr. Hoffman, you——
Mr. HOFFMAN. No, no; answer that, if you will, please. Would that be just?

Dr. TOWNSEND. Yes; I think that ought to be done.
Mr. HOFFMAN. You think that ought to be done?
Dr. TOWNSEND. Yes.
Mr. HOFFMAN. They should also contribute out of their earnings of $1,500 each enough more that my wife, if she chances to be 60, should have $2,400 a year?
Dr. TOWNSEND. Not necessarily out of their $1,500.
Mr. HOFFMAN. Suppose that is all they are earning?
Dr. TOWNSEND. Well——
Mr. HOFFMAN. Then they should give to me my $900 and to my wife $2,400; is that right? Is that just?
Dr. TOWNSEND. Do you realize why we are——
Mr. HOFFMAN. I do not know anything about the why or the wherefore; I am asking you for the result. Do you think that would be just?
Dr. TOWNSEND. Yes; I do.
Mr. HOFFMAN. You do?
Dr. TOWNSEND. In its ultimate outcome.
Mr. HOFFMAN. So my wife and I might sit down and live in idleness, and these other folks work and contribute the $900 and the $2,400 to us, too?
Dr. TOWNSEND. Yes.

Dr. Townsend, as we have seen, testified that men with the wealth of a Morgan, Rockefeller, or Ford, if otherwise eligible, may receive the pension. Nor are the indolent to be excluded.

Mr. Floyd R. Moody, area manager for the Townsend organization for 37 counties in Michigan, testified (S. C. 532):

Mr. HOFFMAN. Well, this plan does not exclude those, if there be such, who have loafed all their lives, does it?
Mr. MOODY. Not exclusion.
Mr. HOFFMAN. So the loafer gets it just the same?
Mr. MOODY. Yes, sir.
Mr. HOFFMAN. And when the loafer gets it, he has not earned it, has he?
Mr. MOODY. He probably has not.
Mr. HOFFMAN. But the loafing gentleman gets it just as much as the man who worked all his life?
Mr. MOODY. Yes.
Mr. HOFFMAN. Of course, you consider that plan an equitable one?
Mr. MOODY. I do.

THE PRACTICABILITY OF THE PLAN

No economist of national standing has given his opinion that the Townsend plan is at all practicable or that it is even possible to make it work.

Dr. Townsend, when he appeared before congressional committees in 1935, produced as expert witnesses Glen Hudson and Dr. Robert R. Doane. Mr. Hudson then testified that he would not, were he a Congressman, vote for the bill as drafted. Dr. Doane testified in substance that the bill would not produce the needed revenue, and he later testified that it was unworkable, would increase unemployment, would produce but a third of the amount required to pay the pension, and would prove disastrous to the country.

Dr. Albert G. Hart, who with a group of 21 other economists had made a study of the plan, declared in substance that it was not feasible, merely fantastic, and that its effect upon the country would be disastrous.

All this testimony stands uncontradicted, except by the statement of Dr. Townsend, who produces no figures, shows no experience in dealing with questions of this character, and who in effect merely expresses a hope that it will work.

THE DOCTOR'S UNRELIABILITY OR LACK OF KNOWLEDGE OF THE ESSENTIALS OF HIS PLAN

There are many contradictions in the statements, published and oral, made by Dr. Townsend. But a few illustrations will be cited. They are typical of others. They tend to illustrate his lack of accurate information and fixity of purpose as to basic elements of his plan, and thus are pertinent in forming a judgment as to the extent to which his testimony should be relied upon.

AGE LIMIT

Listening to organizers and lecturers and to Dr. Townsend when upon the platform, reading the Weekly and the bulletins, one gets the idea that only those over 60 would receive the pension.

As a matter of fact, under oath, the doctor was asked (S. C. 670):

Mr. HOFFMAN. Do you know about the Townsend plan?
Dr. TOWNSEND. I think I do.
Mr. HOFFMAN. All right. Does it apply to people under 60? Is the pension going to be paid to them?
Dr. TOWNSEND. No.
Mr. HOFFMAN. Did you ever contemplate that?
Dr. TOWNSEND. No.

However, the year before he testified (S. C. 1036) (S. C. 670):

Dr. TOWNSEND. Because 60 years old is merely a starting point. We do not know definitely how soon we shall have to reduce that to 40 or 50.

On another occasion he testified (S. C. 676–677):

Mr. HOFFMAN. The whole idea is to hold out to the public at large that if they vote for your plan, this 50 and 55 plan, that they will get on the pension roll, is it not?
Dr. TOWNSEND. That may be their assumption.
Mr. HOFFMAN. That is your idea, is it not?
Dr. TOWNSEND. No, not necessarily.
Mr. HOFFMAN. That is your theory, is it not?
Dr. TOWNSEND. That is my theory.
Mr. HOFFMAN. And you conveyed that theory to them, did you not?
Dr. TOWNSEND. Certainly.
Mr. HOFFMAN. So that, in line with that idea, is it not a fact that if the Townsend plan becomes the law people of 50 and 55 will be getting that $200 a month? Is that right?
Dr. TOWNSEND. And that is the reason for it.
Mr. HOFFMAN. No. Is that right?
Dr. TOWNSEND. That is right, and that is the reason for it.

In his foreword, dated January 1936, to the book on the Townsend plan written by his counsel, Sheridan Downey, Dr. Townsend suggests that the age limit for pensions might start at 75 instead of 60.

It seems to be impossible to learn from the doctor's testimony whether he contemplates the eligibility age to be 45, 55, 60, or 75.

And does Dr. Townsend expect the pension money to be used to provide necessities, security, to protect the aged?

Let him answer. When before the House Ways and Means Committee, he was asked and he answered (H. 687):

Mr. HILL. I take it, of course, he would have to spend it in good faith, even though he spent it for luxuries. He could not go out and squander it in order to get rid of it, so that he may be eligible to receive $200 the next month?
Dr. TOWNSEND. Why not? We do not care what he does with it. That is immaterial. Let him have carte blanche. Let him buy whisky with it if he wants to kill himself off as quickly as he chooses. That is immaterial. It is commerce—business—that we want in this country. We are not going to regulate people's morals in the least when we give them this money to expend.

A LICENSE FOR EVERY FARMER

On the present hearing (S. C. 672, 673) he testified that he had not told the people generally when advocating his plan that every farmer would have to have a license in order to sell his produce, although he said (S. C. 673) that the plan did contemplate that; and he testified (H. C. 688) that before he could sell a cow or pig, or before his wife could sell a pound of butter, every farmer in the Nation would be required to take out a license to sell what he produced; and, when he was asked (S. C. 672)—

Why not give the people all the information about the Townsend plan?

He replied—

God bless you, that is not the Townsend plan!

The truthfulness of Dr. Townsend's testimony may be arrived at by considering the following excerpts from his testimony:

(S. C. 673–674)
Mr. HOFFMAN. Have you at any time ever figured out the cost of issuing the license and supervision to check?
Dr. TOWNSEND. Yes; certainly.
* * * * * * *
Mr. HOFFMAN. Have you figured it?
Dr. TOWNSEND. No.
Mr. HOFFMAN. Why did you say a minute ago, "Certainly I have"?
Dr. TOWNSEND. It depends upon the price for the license.
Mr. HOFFMAN. A minute ago you said that you had figured the license. Did you or did you not?
Dr. TOWNSEND. Why all this nonsense?
* * * * * * *
Mr. HOFFFMAN. You never figured it at all, did you?
Dr. TOWNSEND. No; I think not.
* * * * * * *
Mr. HOFFMAN. Doctor, you never figured it at all, did you?
Dr. TOWNSEND. What if I did not?

Mr. HOFFMAN. Only this: That a moment ago you said that you had, and I want to know whether under oath you are telling the truth; that is all.

Dr. TOWNSEND. I meant this: That I have calculated on what method this tax should be collected.

Mr. HOFFMAN. But you never figured the cost of putting your plan into effect by the issuing of licenses, did you?

Dr. TOWNSEND. Not in dollars and cents; no.

Mr. HOFFMAN. So that when you said a moment ago that you had figured it, that was not true, was it?

Dr. TOWNSEND. Perhaps not.

SOME OF THE RESULTS OF THE ORGANIZATION'S OPERATION—ITS EFFECT UPON MEMBERS OF LOCAL CLUBS

The results of Dr. Townsend's and Mr. Clements' efforts have been profound and far-reaching. It is not too much to assert that millions of aged, unfortunate persons in want and distress, lacking the necessities of life, have been induced to believe that Dr. Townsend, through the operation of his plan, upon the payment by them of a 25-cent membership fee and a monthly quota, could secure for them a pension of $200 per month, and that the operation of this scheme would restore prosperity to the country.

Believing this, it has followed quite naturally that they have been extremely critical and bitter toward all those who saw fit to question the workability of the plan.

The O. A. R. P. organization, through its bulletins, forbade debates upon the merits of the plan. The club members accepted without question statements of the Townsend Weekly and the organization's bulletins and other publications.

They denounced as false and untrue all arguments and statements which questioned any assertion made by their organizers, Dr. Townsend or Mr. Clements. They branded as unkind, lacking in charity and humanity, those who did not in every particular agree with them.

So far, club members have received nothing in return for their efforts or their contributions, and in the wake of the movement has followed a wave of intolerance for, and a desire to wreak vengeance upon, all those who did not agree with Dr. Townsend.

THE REAL BENEFICIARIES

Dr. Townsend testified (S. C. 615) in May of 1936 that since the inception of the Townsend plan he had accumulated in money and property but $300 and his wife $200, and that that was the entire result of his 2½ year's work. He further said that the statement in certain letters that there were "millions in it" referred to the organization, and not to himself personally (S. C. 615).

This testimony, unfortunately, does not square with the other testimony of the doctor, for he said (S. C. 616) that he still, as an individual, owned more than 50 percent of the Prosperity Publishing Co., and that that publication was worth millions, although he insisted that nine-tenths of its profits "are to go to the O. A. R. P.", and then admitted that he and his brother were the owners of the O. A. R. P., Ltd., corporation, which he controlled. The record also shows that that organization had in April of 1936 upward of $110,000 in cash and of at least half of this the doctor was the sole owner, as he was of a like share of the Prosperity Publishing Co., and that his brother, a figure-head, a porter in a hotel, owned the balance.

This brother, so far as is known, has never taken an active part in either of the organizations, and apparently is merely an employee, while Dr. Townsend is the actual, beneficial, sole owner of both of these corporations and their assets.

In addition to this, the doctor received certain cash payments. Dr. Townsend testified (S. C. 606):

Mr. HOFFMAN. He (Mr. Clements) said that you got about $68,000 or $69,000. Is that true?

Dr. TOWNSEND. That would have been true, if I had retained the money that I paid him (the $25,000 for Clements' interest in the Townsend Weekly).

Mr. HOFFMAN. You spent it, but you got it, did you not?

Dr. TOWNSEND. Yes; I got it.

Mr. HOFFMAN. And you have had your living expenses in addition?

Dr. TOWNSEND. But I can tell you what I have done with it.

Mr. HOFFMAN. Yes. I say and you have had your living expenses in addition?

Dr. TOWNSEND. Certainly.

From the testimony of Mr. Clements it appeared that, while he testified in the hearings in 1935 and while it was reported at the Chicago convention that he and Dr. Townsend received but $50 per week and their expenses, he received:

In 1934, for salary and expenses (S. C. 333)	$1,915.26
In 1935:	
Salary from the O. A. R. P. amounting to (S. C. 84, 85, 334)	5,200.00
From the Townsend Weekly (S. C. 84, 335, 339)	350.00
And as dividends from the Townsend Weekly (S. C. 84)	6,650.00
And other income from the Townsend Weekly (S. C. 84, 336)	385.00
Or from the O. A. R. P. and the Prosperity Publishing Co. a total of at least (S. C. 85)	12,585.00

He also received for expenses for himself and for living expenses for himself and Dr. Townsend $7,940.95.

Up to the time of his testimony in April of 1936 Mr. Clements had received, in 1936, in addition to certain expenses—

As salary from the O. A. R. P., at the rate of $100 per week to Jan. 18, and from Jan. 18, $250 per week (S. C. 335)	$2,750.00
From the Prosperity Publishing Co., a salary of $100 per week, 13 weeks (S. C. 336, 339)	1,300.00
Dividends from the Prosperity Publishing Co. (S. C. 336, 343)	25,000.00
Sale of his interest in the Prosperity Publishing Co. to Dr. Townsend on Apr. 1 (S. C. 336, 343)	25,000.00
Or a total for 1936 of	54,050.00
Balance forward for 1935	12,585.00
Balance forward for 1934	1,915.26
Total	68,550.26

And, in addition to this, $7,940.95 for living expenses for himself and Dr. Townsend.

A critical examination of Mr. Clements' testimony shows some discrepancy in his figures, the figures here given showing the smallest amount indicated.

It is apparent that, so far at least, the benefits derived from this organization have gone to its promoters, not to those who expected to receive old-age pensions, or to bring about a return of prosperity.

We have seen how, by repeated requests through the weekly, the bulletins, and by personal appeals, club members and others were pressed to contribute; how even those on relief were urged to, and did, give of their meager funds to support what they believed a humanitarian movement.

Contrast their attitude with that of Dr. Townsend, who, so far as the record shows, has yet to contribute of his cash; who, on the contrary, for the first time in his life, has received thousands of dollars, as well as his expenses, for the time he has devoted to the cause.

What has Robert E. Clements given to the movement, which he says is in aid of the unfortunate, the needy, the suffering aged?

Mr. Clements testified (S. C. 355) that he had received, from the Prosperity Publishing Co. and the O. A. R. P., $68,535, which he regarded as his individual funds (S. C. 326), and that, in addition to that sum, for expenses of himself and Dr. Townsend, he had received $3,043.62 (S. C. 355). He was asked (S. C. 356):

Mr. LUCAS. All right. Regardless of what the slight disagreement may be upon the question of figures—the record speaks for itself—let me ask you one more question, Do you feel any moral responsibility to make any contribution out of the amount that you have received during the last 2 years to the Old Age Revolving Pensions, Ltd., or to the followers of the Townsend plan, to help advance the movement that you founded in the name of humanity, and which you claim to be one of the greatest humanitarian movements in all history?

Mr. CLEMENTS. The question is, Do I feel morally bound to make any contribution out of what I have received as salaries from the Old Age Revolving Pensions or dividends and salary from the Prosperity Publishing Co. to the advancement of this movement?

Mr. LUCAS. Yes, sir.

Mr. CLEMENTS. Any money contribution?

Mr. LUCAS. Any money contribution.

Mr. CLEMENTS. No, sir.

CONCLUSION

The record discloses beyond argument:

That the so-called Townsend plan did not originate with Dr. Townsend but followed a copyrighted article of C. Stewart McCord, merely changing the amount of the pension, the age of the pensioners, and the name of the sales tax.

That the plan had been used by Dr. Townsend's organizations, the Prosperity Publishing Co. and the O. A. R. P., Ltd., to collect more than a million dollars from members of local clubs, and that this sum has been used in large part for the enrichment of Dr. Townsend, Mr. Clements, and their associates, who in turn have inspired false hopes in the hearts of millions of elderly, needy people.

That by his recent actions in combining forces with some who advocate a share-the-wealth program, a social-credit theory, and his statement that neither the Republican nor the Democratic nominee is deserving of his political support, coupled with his previous statement in his letter of September 4, 1935, when of the old parties he said, "To hell with them", Dr. Townsend has delusions of grandeur and on this 17th day of June 1936 sees himself as a Presidential candidate.

The record further discloses that the so-called Townsend plan is an economic impossibility, but the history of the movement indicates that some sound, adequate provision should be made for those who, because of age and inability, are unable to care for themselves.

To this end Congress should, under the general-welfare clause of the Constitution, give the necessary assistance to the States in solving the problem. Legislation should be enacted requiring the Federal Government to give to each State, if the States cannot make completely adequate provision from their own funds, an amount equal to that appropriated by the States for the relief of the citizens of the State. All relief funds should be administered through local agencies to those who are in need and in accordance with their need.

Such legislation should at all times have in mind the fact that workers are to be protected in their earnings; that home owners and laborers are not to have their property or their earnings taken from them except as the general welfare may require that they contribute a portion of their income to relieve actual distress and want; that no one should be permitted to go hungry or cold or without suitable clothing; but that, on the other hand, no one physically able to work should be permitted to loaf, to live in idleness at the expense of the thrifty and the industrious.

To this end we may all bend our energies, for it is an objective which may be attained and the issue is not, and it should not be made, a political one. Under no circumstances should want, suffering, or hardship, dependent old age, be exploited to obtain political support.

The holding out of the hope of relief in the form of a pension or otherwise to the aged needy who are fearful of what a day may bring forth and uncertain as to where they are to obtain food, clothing, or shelter, in return for political support, when it is known that the proposed relief or pension is impossible of attainment, is so reprehensible that no self-respecting, honest candidate will even consider it.

The acceptance of compensation from the aged unfortunate for rendering a service which it is the duty of every conscientious, humane person to render, is but the unjustifiable acceptance of a fee for the rendition of a service long overdue.

ENROLLMENT OF FIRST DEFICIENCY APPROPRIATION BILL, 1936

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of a House concurrent resolution, which I send to the desk.

The Clerk read as follows:

House Concurrent Resolution 58

Concurrent resolution affecting the enrollment of H. R. 12624, the first deficiency appropriation bill, fiscal year 1936

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill H. R. 12624, the first deficiency appropriation bill, fiscal year 1936, the Clerk of the House of Representatives is hereby authorized and directed to include in said bill, on page 2, after line 13, a new paragraph, as follows:

"For payment to the widow of Joseph W. Byrns, late a Representative from the State of Tennessee, $10,000, to be disbursed by the Sergeant at Arms of the House."

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The House concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

FIRST DEFICIENCY APPROPRIATION BILL, 1936—CONFERENCE REPORT

Mr. BUCHANAN, chairman of the Committee on Appropriations, submitted the following conference report and statement on the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, providing supplemental appropriations for the fiscal years ending June 30, 1936 and 1937, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 22, 25, 38, 51, 64, 67, 68, 69, 70, 71, 72, 78, 80, 81, 89, 90, 91, 93, 94, 98, 99, 105, 107, 111, 121, 123, 124, 126, and 153.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 17, 21, 27, 28, 32, 34, 35, 36, 44, 46, 47, 48, 50, 53, 54, 56, 57, 58, 59, 60, 61, 62, 63, 65, 76, 77, 79, 82, 83, 84, 85, 86, 87, 92, 95, 96, 97, 100, 101, 102, 103, 106, 109, 110, 112, 113, 114, 116, 117, 118, 119, 120, 125, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, and 150; and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In line 1 of the matter inserted by said amendment, strike out the word "contestant," and insert in lieu thereof "contestee."; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: Strike out the word "expended" and insert in lieu thereof "June 30, 1938"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Senate Office Building: For repairing and painting four hundred thirty-five corridor doors, for painting all outside window frames, and painting one hundred and four rooms, $44,180, to remain available during the fiscal year 1937."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: Strike out the sum of "$51,180" and insert in lieu thereof the sum of "$7,000"; and in line 1 strike out the following: "Senate Office Building:"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Study of Executive Agencies: The President of the United States is hereby authorized to allocate, out of funds appropriated by the Emergency Relief Appropriation Act of 1935 (49 Stat., 115), not to exceed $100,000 for the expenses of a committee designated by him to make a study of the emergency and regular agencies of the executive branch of the Government for the purpose of making recommendations to secure the most efficient organization and management of that branch of the public service. Such committee shall ascertain whether the activities of any such agency conflict with or overlap the activities of any other such agency and whether, in the interest of simplification, efficiency, and economy, any of such agencies should be coordinated with other agencies or abolished, or the personnel thereof reduced, and make recommendations with respect thereto. Copies of the report or reports of such studies and recommendations, together with the essential facts in connection therewith, shall be transmitted to the President and to Congress."

And the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In line 7 of the matter inserted by said amendment, after the word "approved", insert the following: "June 5"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"ARKANSAS CENTENNIAL COMMISSION

"To provide for the contribution of the United States to the commemoration of the admission of the State of Arkansas into the Federal Union, to be paid to the Arkansas Centennial Commission

of the State of Arkansas, to be expended by said Commission for such purposes as it may deem appropriate in connection with such commemoration, $75,000."

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In line 4 of the matter inserted by said amendment after the word "or" insert "other positions" and in line 5 strike out the words "or hereafter"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lines 11 and 12 of the matter inserted by said amendment, strike out the following: "special counsel fees, consulting engineering fees, and"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "not to exceed $250,000 for the employment of persons or organizations by contract or otherwise in the District of Columbia and elsewhere for special accounting, statistical, and mechanical services determined necessary by the Board, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) and the provisions of laws applicable to the employment and compensation of officers and employees of the United States, but such sum of $250,000 shall not be available for any contract for a period of service exceeding six months;"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment, insert: "$1,500"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"This title may be cited as the Emergency Relief Appropriation Act of 1936.

"To continue to provide relief, and work relief on useful projects, in the United States and its Territories and possessions (including projects heretofore approved for the Works Progress Administration which projects shall not be subject to the limitations hereinafter specified in this paragraph), $1,425,000,000, to be used in the discretion and under the direction of the President, together with such unexpended balances of funds appropriated and made available by the Emergency Relief Appropriation Act of 1935 as the President may determine, which are hereby reappropriated and made available for the purposes of this paragraph, to remain available until June 30, 1937 (except as herein otherwise authorized.)"

And the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: Strike out the word "Title" from said amendment and insert in lieu thereof the word "paragraph"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"The departments, agencies, or establishments having supervision of projects for which funds from the foregoing appropriation are made available shall not knowingly employ aliens illegally within the limits of the Continental United States on such projects and they shall make every reasonable effort consistent with prompt employment of the destitute unemployed to see that such aliens are not employed, and if employed and their status as such alien is disclosed they shall thereupon be discharged."

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"No Federal project shall be undertaken or prosecuted under the foregoing appropriation unless and until an amount sufficient for its completion has been allocated and irrevocably set aside for its completion."

And the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Appointments to Federal positions of an administrative or advisory capacity under the foregoing appropriation in any State shall be made from among the bona-fide residents of that State so far as not inconsistent with efficient administration."

And the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "Works Progress Administration with the approval of the President"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter stricken out by said amendment, insert a comma; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"No part of the foregoing appropriation shall be used to pay the salary or expenses of any person who is a candidate for any State, District, County or Municipal office (such office requiring full time of such person and to which office a salary attaches), in any primary, general or special election, or who is serving as a campaign manager or assistant thereto for any such candidate."

And the Senate agree to the same.

Amendment numbered 54½: That the House recede from its disagreement to the amendment of the Senate numbered 54½, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"The Federal Emergency Relief Administrator is hereby authorized and directed to liquidate and wind up the affairs of the Federal Emergency Relief Administration under the act of May 12, 1933, as amended, and funds available to it shall be available for expenditure for such purpose until June 30, 1937."

And the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "by the President"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment, insert: "$35,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum of "$402,000" named in said amendment, insert: "$227,000"; and in lieu of the figures "1938", insert: "1937"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In line 6 of the matter inserted by said amendment strike out the word "to be immediately available and" and in line 7 strike out the word "expended" and insert in lieu thereof "June 30, 1937"; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"War Minerals Relief Commission: For payment of awards made by the Secretary of the Interior in accordance with the Act of Congress approved May 18, 1936 (Public, Numbered 602, Seventy-fourth Congress), amending section 5 of the War Minerals Relief Act of March 2, 1919, as amended, February 13, 1929, fiscal year 1936, to remain available during the fiscal year 1937, $500,000: *Provided*, That all awards made by the Secretary of the Interior for payment under this appropriation shall be certified to the General Accounting Office for settlement through that office."

And the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Central Valley Project, California: for continuation. $6,900,000, to remain available until June 30, 1937, of which $6,000,000 shall be available for construction of Friant Reservoir and irrigation facilities therefrom in the San Joaquin Basin and $250,000 for administrative expenses (including personal services in the District of Columbia and elsewhere), to be available for the same purposes as those specified for projects included in the Interior Department Appropriation Act for the fiscal year 1937 under the caption 'Bureau of Reclamation' and to be reimbursable under the Reclamation Law: *Provided*, That not to exceed $25,000 may be expended for personal services in the District of Columbia."

And the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Marine Band: To carry into effect the provisions of the Act entitled "An Act to authorize the attendance of the Marine Band at the Arkansas Centennial Celebration, at Little Rock, Arkansas, the Texas Centennial, at Dallas, Texas, and the National Confederate Reunion, at Shreveport, Louisiana, between the dates from June 6 to June 16, 1936, inclusive", approved June 3, 1936, $11,500."

And the Senate agree to the same.

Amendment numbered 108: That the House recede from its disagreement to the amendment of the Senate numbered 108, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"International Boundary Commission, United States and Mexico, United States Section—Rio Grande Diversion Dam: For beginning

the construction of a diversion dam in the Rio Grande wholly in the United States, with appurtenant connections to existing irrigation systems, as authorized by law, fiscal year 1937, $1,000,000, under a total estimated cost not to exceed $1,400,000, to be immediately available and to be available also for the same objects of expenditure and under the same authority specified for other projects of the Commission in the second paragraph under the caption 'International Boundary Commission, United States and Mexico' contained in the Department of State Appropriation Act, 1937."

And the Senate agree to the same.

Amendment numbered 115: That the House recede from its disagreement to the amendment of the Senate numbered 115, and agree to the same with an amendment, as follows: In line 5 of the matter inserted by said amendment, strike out "1939" and insert in lieu thereof "1937"; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: ", and he is hereby authorized, when deemed by him desirable and advantageous, to employ, by contract or otherwise, the personal services of temporary professional, technical, or nontechnical employees to such extent as may be required to carry out the purposes of this paragraph, without reference to civil service laws, rules, regulations, or to the Classification Act of 1923, as amended"; and the Senate agree to the same.

Amendment numbered 151: That the House recede from its disagreement to the amendment of the Senate numbered 151, and agree to the same with an amendment, as follows: In lines 7 and 8 of the matter inserted by said amendment, strike out the words "its creation shall have been specifically authorized by Congress", and insert in lieu thereof "established by or pursuant to law"; and the Senate agree to the same.

Amendment numbered 152: That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "(c) The appropriation made by section 2 of the Independent Offices Appropriation Act, 1937, for carrying out sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act is hereby made available to the Department of Agriculture for the purposes of carrying out such Act with respect to land devoted to growing trees for the production of gum turpentine and gum rosin"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 29, 30, 41, and 49.

J. P. BUCHANAN,
EDWARD T. TAYLOR,
W. B. OLIVER,
C. A. WOODRUM,
JNO. J. BOYLAN,
CLARENCE CANNON,
JOHN TABER,
ROBERT L. BACON,
Managers on the part of the House.

ALVA B. ADAMS,
CARTER GLASS,
KENNETH MCKELLAR,
FREDERICK HALE,
HENRY W. KEYES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended as to each of such amendments in the accompanying conference report, namely:

LEGISLATIVE

On amendments nos. 1 to 6, inclusive, relating to the Senate: Appropriates $10,000 for payment to widow of the late Senator Trammell; increases the compensation of the assistant clerk, Committee on Appropriations, from $4,200 to $4,800, effective July 1, 1936; appropriates $50,000 for miscellaneous items, fiscal year 1936; appropriates $75,000 for expenses of inquiries and investigations, fiscal year 1936, and makes the unobligated balance of the appropriation for such purpose for the fiscal year 1936 available for the fiscal year 1937; all as proposed by the Senate.

On amendments nos. 7 to 12, inclusive, relating to the House of Representatives: Appropriates $20,000 for payments to widows of deceased Members; appropriates $2,000 for payment to the contestant and $2,000 for payment to the contestee in a contested-election case; makes a textual change, and appropriates $20,000 for expenses of the select committee to act in pursuance of House Resolution 460, adopted April 29, 1936; all as proposed by the Senate.

On amendment no. 13: Appropriates $35,000 for expenses of the inaugural ceremonies of the President of the United States, January 20, 1937, as proposed by the Senate.

On amendment no. 14: Appropriates $200,000 on account of the United States Constitution Sesquicentennial Commission, as proposed by the Senate, amended to limit the availability thereof to June 30, 1938, instead of "until expended", as the Senate proposed.

On amendments no. 15 and 16, relating to the Architect of the Capitol: Appropriates $51,180 for repairs and painting and for electrical work and supplies in the Senate Office Building, as proposed by the Senate, amended as to form and period of availability.

On amendment no. 17: Appropriates $1,200, under the Library of Congress, for printing and binding a compilation of Federal laws held unconstitutional by the Supreme Court of the United States, as proposed by the Senate.

EXECUTIVE OFFICE AND INDEPENDENT OFFICES

On amendment no. 18: Authorizes, as proposed by the Senate, the allocation by the President of not to exceed $100,000 of the Emergency Relief Appropriation, 1935, for expenses of a study of emergency and regular agencies of the executive branch of the Government looking to better organization and management, amended by separating such study from the National Emergency Council, by prescribing a certain line of inquiry, and by requiring report and recommendation to be made to the President and to Congress.

On amendment no. 19: Appropriates $10,000, as proposed by the Senate, to aid in defraying the expenses for the celebration of the bicentennial of the birth of Patrick Henry.

On amendment no. 20: Appropriates $75,000, instead of $150,000, as proposed by the Senate, as a contribution by the United States toward the commemoration of the admission of the State of Arkansas to the Federal Union.

On amendment no. 21: Continues available during the fiscal year 1937 to the District of Columbia Alley Dwelling Authority the unexpended balance of the "Conversion of inhabited alley's fund", together with receipts from certain sources during such fiscal year, as proposed by the Senate.

On amendments nos. 22 and 23, relating to emergency-conservation work: Restores the House proposal, stricken out by the Senate, to except personal services under the paragraph from the provisions of the Classification Act of 1923, as amended; and inserts the language, proposed by the Senate, providing that the authority in the paragraph to permit employment of personal services without regard to civil-service laws and regulations shall not affect the status, under the civil-service laws, of positions created under the Soil Conservation Act of 1935, or brought under such laws by Executive order heretofore issued. The intent of the Senate in this respect is clarified and the provision in the language relating to Executive orders "hereafter issued" is eliminated.

On amendment no. 24: Appropriates $1,000,000 for salaries and expenses of the Rural Electrification Administration, fiscal year 1937, as proposed by the Senate, amended to eliminate provision for special counsel fees and consulting engineering fees.

On amendment no. 25: Strikes out the appropriation of $200,000, inserted by the Senate, for establishment and maintenance of solar observation stations under the direction of the Smithsonian Institution.

On amendment no. 26: Restores to the appropriation, "Wage records, Social Security Board", the authority, proposed by the House and stricken out by the Senate, for the engagement by contract or otherwise, without advertisement, of persons or organizations for special accounting, statistical, and mechanical services modified so as to fix a limit thereon of $250,000 and to limit contract services to a period not exceeding 6 months.

On amendment no. 27: Appropriates $4,000, as proposed by the Senate, for printing and binding for the Tariff Commission.

On amendment no. 28, relating to the Tennessee Valley Authority: Strikes out, as proposed by the Senate, the language of the House bill changing the name of the Chickamauga Dam.

On amendment no. 31: Appropriates $1,500, instead of $3,000, as proposed by the Senate, for expenses of the Commission to represent the Government of the United States in the observance of the three-hundredth anniversary of the founding of Harvard College.

RELIEF AND WORK RELIEF

On amendments nos. 32 to 40, 42 to 48, and 50 to 55, relating to relief and work relief: Inserts a new title; transfers control from the Works Progress Administration to the President, as proposed by the Senate, and in addition to the appropriation proposed by the House, reappropriates unexpended balances of funds appropriated and made available by the Emergency Relief Appropriation Act of 1935, as proposed by the Senate, and inserts a clause making the appropriation applicable to projects heretofore approved by the Works Progress Administration, such projects to be exempt from the limitations in the paragraph upon expenditures upon various classes of projects; changes the designation of the allocation proposed by the House for "white collar" projects to "assistance for educational, professional, and clerical persons", as proposed by the Senate; makes the allocation proposed by the House for rural rehabilitation and relief to farmers available also for loans to farmers and for loans and relief to livestock growers, as proposed by the Senate; provides for augmentation of the amounts proposed by the House for application to certain classes of projects proportionately by the unexpended balances of funds appropriated and made available by the Emergency Relief Appropriation Act of 1935, which the Senate proposes shall be reappropriated, but strikes out the proposal of the Senate that such amounts thus augmented might be increased by transfer from one class to another, by not to exceed 15 percent in any case; inserts a substitute in lieu of the House and Senate provisions with respect

to the employment of aliens illegally within the United States, placing the responsibility for their employment upon the employing executive agencies, requiring the exercise by such agencies of every reasonable effort, consistent with prompt employment of the destitute unemployed, to guard against such employment, and requiring the discharge of such aliens found to be employed; inserts the paragraph, proposed by the Senate, providing that no Federal project shall be undertaken under the relief appropriation unless and until an amount sufficient for its completion has been allocated and irrevocably set aside for its completion, but eliminates from the paragraph that part thereof which authorizes the restoration by the President to the Public Works Administration of sums not exceeding $50,000,000 of funds of such Administration which were impounded or transferred after December 28, 1934; the Senate inserted a paragraph providing that not more than one-half of 1 percent of the total number of persons appointed or employed in an administrative or supervisory capacity within a State could be nonresidents of the State and providing that not more than 1 percent of the total amount allocated out of the relief appropriation for expenditure within any State could be paid as compensation to persons in an administrative or supervisory capacity who were not bona-fide residents of such State; the House agrees to the Senate provision with a substitute which provides that appointments to Federal positions of an administrative or supervisory capacity under the relief appropriation in any State shall be made from among the bona-fide residents of that State, so far as not inconsistent with efficient administration; the House bill provided that rates of pay should not be less than the prevailing rates as determined by the Works Progress Administrator, and the Senate bill changed the determination to the President; the bill as agreed upon leaves the determination to the Works Progress Administration with the approval of the President; provides, as proposed by the Senate, that the entitlement or receipt of adjusted-service bonds or a Treasury check in payment of an adjusted-service certificate shall not be considered in determining the actual need of any person of employment; inserts the paragraph, proposed by the Senate, authorizing the President to utilize agencies of the Federal Government to effectuate the purposes of the relief appropriation and authorizing the delegation by him to such agencies of authority to prescribe rules and regulations to carry out the functions so delegated; broadens the penal provision with respect to improper acts associated with administration and participation in relief funds; strikes out the language, inserted by the Senate, with respect to political contributions from persons for whom relief or work relief is intended; inserts the paragraph, proposed by the Senate, prohibiting any candidate for State, county, municipal, or district offices (offices requiring full time of such person and to which a salary attaches) or any campaign manager or assistant campaign manager of any such candidate from being paid salary or expenses from the relief appropriation modified to eliminate from operation of the prohibition members of campaign committees; authorizes and requires the Federal Emergency Relief Administrator to liquidate and wind up the affairs of the Federal Emergency Relief Administration, and extends for such purpose the availability of present funds until June 30, 1937, as proposed by the Senate, and requires, as proposed by the House, a report of operations under the appropriation to be submitted by the President to Congress before the 10th day of January in each of the next two regular sessions of Congress.

DISTRICT OF COLUMBIA

On amendments nos. 56 to 62, inclusive, relating to the District of Columbia: Inserts a title; appropriates $2,240, fiscal year 1936, for pay of bailiffs, etc.; continues available until June 30, 1937, the appropriation of $123,000, fiscal year 1936, for pumping units at the Bryant Street pumping station; appropriates an additional amount of $1,708.77 for the payment of claims, an additional amount of $1,150 for the payment of final judgments, and an additional amount of $747.99 for the payment of audited claims; all as proposed by the Senate.

DEPARTMENT OF AGRICULTURE

On amendments nos. 63 to 65, inclusive, relating to the Department of Agriculture: Appropriates $12,000 additional, fiscal year 1937, on account of Weather Bureau station, Lynchburg, Va., as proposed by the Senate; strikes out the appropriation of $100,000 proposed by the Senate on account of sugarcane investigations, Bureau of Plant Industry; and continues available during the fiscal year 1937 not to exceed $15,000 of funds appropriated by the Agricultural Adjustment Act, as amended, for completion of the soil survey of the Hawaiian Islands, as proposed by the Senate.

DEPARTMENT OF COMMERCE

On amendments nos. 66 to 74, inclusive, relating to the Department of Commerce: Appropriates $35,000, instead of $50,000, as proposed by the Senate, for salaries and expenses of the General Committee of the Accident Prevention Conference, fiscal year 1937; strikes out the additional appropriation of $247,000, fiscal year 1937, proposed by the Senate, for air navigation facilities; strikes out the appropriation of $10,000 proposed by the Senate for the acquisition of a site for a fish hatchery at Jessup's Mill, near Glacier National Park, Mont.; strikes out the additional appropriations proposed by the Senate for the fiscal year 1937 under the Bureau of Foreign and Domestic Commerce, as follows: District and cooperative office service, $15,000; domestic commerce and raw materials investigations, $15,000; list of foreign buyers, $2,860; appropriates an additional amount of $227,000, instead of $402,000, as proposed by the Senate, for special projects under the Bureau of Lighthouses, including a new lighthouse tender, at a cost of $125,000, the life of the appropriation being limited to June 30, 1937, instead of June 30, 1938, as proposed by the Senate; and appropriates under such Bureau $91,500 to remedy flood damage to aids to navigation along and contiguous to the Atlantic seaboard and in the Mississippi River Basin, as proposed by the Senate, amended by making the appropriation available until June 30, 1937, instead of immediately and until expended, as proposed by the Senate.

DEPARTMENT OF THE INTERIOR

On amendments nos. 75 to 95, inclusive, relating to the Interior Department: Provides $500,000 instead of $900,000, as proposed by the Senate, for payment of awards made by the Secretary of the Interior in accordance with Public, No. 602, Seventy-fourth Congress, amending the War Minerals Relief Act, as amended; appropriates $1,291.39 under the General Land Office, fiscal year 1936, for payment as provided by law to the several States of the percent of the net proceeds of sales of public lands lying within their limits, for the purpose of education, or of making public roads and improvements; appropriates an additional amount of $85,000 on account of Indian agency buildings, fiscal year 1937, as proposed by the Senate; strikes out the appropriation of $161,400, proposed by the Senate, for payment of the claim of the Confederated Bands of Ute Indians for land in western Colorado set aside as a naval oil reserve; reappropriates unexpended balances of appropriations for construction, operation, and maintenance of Indian irrigation systems, repealed by the Permanent Appropriation Repeal Act, to meet obligations incurred prior to the fiscal year 1936, and to augment, with any surplus remaining, receipts accruing from each project during the fiscal year 1936, as proposed by the Senate; strikes out the appropriation of $125,000 proposed by the Senate for cooperation in construction and equipment and improvement of public-school buildings for Indian pupils in the States of Washington and Montana; strikes out the proposal of the Senate making $40,000 of the appropriation of $100,000 for cooperation with public-school districts in Glacier County, Mont., available for improvement and extension of elementary school buildings in the public-school districts in said county; appropriates an additional amount of $11,500, fiscal year 1937, for general support of Indians and administration of Indian property, as proposed by the Senate; makes appropriations for the fiscal years 1935, 1936, and 1937 from tribal funds of the Menominee Indians of Wisconsin for general support and administration of the Keshena Agency available for hospitalization of Indians under contract for such service for such fiscal years, as proposed by the Senate; appropriates $10,000, fiscal year 1937, for dairy barn, hay shed, and milk house, Jones Academy, Oklahoma, as proposed by the Senate; authorizes the expenditure of not exceeding $3,000 from the tribal funds of the Confederated Bands of Ute Indians of the Uintah and Ouray Agency, Utah, for payment for services rendered by general counsel under a contract approved by the Commissioner of Indian Affairs and the Secretary of the Interior, as proposed by the Senate; appropriates $504.41 for payment to Mrs. Earl H. Smith, as proposed by the Senate; reappropriates the unexpended balance of the appropriation "Annette Islands, Reserve, Alaska, fund from leases", repealed by the Permanent Appropriation Repeal Act, 1934, to meet obligations incurred against such appropriation prior to July 1, 1935, any amount remaining to be added to and become a part of receipts accruing during the fiscal year 1936, as proposed by the Senate; strikes out the appropriation of $57,610,000 proposed by the Senate, to be reimbursable under the reclamation law, for continuing the prosecution of certain reclamation projects, including incidental administrative expenses, and inserts in lieu thereof an appropriation of $6,900,000 for continuing the Central Valley project, California, $6,000,000 to be available for construction of Friant reservoir and irrigation facilities therefrom in the San Joaquin Basin and $250,000 for administrative expenses, including personal services, to be available for the same purposes as those specified for projects included in the Interior Department Appropriation Act, fiscal year 1937, under the caption "Bureau of Reclamation", and to be reimbursable under the reclamation law; strikes out the appropriation of $40,000 proposed by the Senate for studies, investigations, and experiments with respect to sub-bituminous and lignite coal; strikes out the appropriations, inserted by the Senate, as follows: $25,000 for the Homestead National Monument, Nebr.; $1,000 for a marker at Columbus, Ga.; $187,500 for the Colonial National Monument, Va., and $50,000 for the Andrew Johnson Homestead National Monument, Tenn.; and inserts the paragraph proposed by the Senate carrying forward the unexpended balance of the appropriation heretofore made for the Ackia National Memorial Commission and Battleground National Monument, Miss.; and appropriates an additional amount of $1,250, fiscal year 1936, on account of insane of Alaska, as proposed by the Senate.

DEPARTMENT OF JUSTICE AND JUDICIAL

On amendments nos. 96 to 99, inclusive, relating to the Department of Justice: Appropriates $34.27 for payment of damage claims, as proposed by the Senate, instead of $30.25, as proposed by the House, and strikes out the additional appropriation for 1937 of $87,500 proposed by the Senate for miscellaneous expenses, United States courts.

DEPARTMENT OF LABOR

On amendment no. 100: Repeals appropriations for the Bituminous Coal Labor Board, Department of Labor, for the fiscal year 1937, as proposed by the Senate.

NAVY DEPARTMENT

On amendments nos. 101 to 104, inclusive, relating to the Navy Department: Appropriates $5,000 for expenses consequent upon acceptance of the bequest of Henry H. Rogers of a collection of ship models to the Naval Academy, as proposed by the Senate; appropriates $150,000 to replace assembly and repair-shop facilities destroyed by fire at Naval Air Station, Norfolk, Va., as proposed by the Senate, and appropriates $11,500 on account of expenses of the Marine Band, as proposed by the Senate, amended to make the appropriation accord with the provisions of the authorization act of June 3, 1936, providing for the attendance of the band at the Texas and Arkansas Centennial Celebrations, and the Confederate Veterans' Reunion, at Shreveport, La.

POST OFFICE DEPARTMENT

On amendment no. 105: Strikes out the additional appropriation, inserted by the Senate, of $200,000 for foreign-mail transportion, fiscal year 1937.

DEPARTMENT OF STATE

On amendments nos. 106 to 115, inclusive, relating to the State Department: Appropriates $4,100 for payment to widow of McCeney Werlich, late a Foreign Service officer of the United States, as proposed by the Senate; strikes out the appropriation of $20,647.25 proposed by the Senate for the relief of certain officers and employees of the Foreign Service of the United States who suffered personal property losses; appropriates $1,000,000 for beginning the construction of the Rio Grande diversion dam, proposed by the Senate, amended to limit availability to the close of the fiscal year 1937, fixing a cost limit of $1,400,000, and making the appropriation available for the same objects of expenditure and under the same authority specified for other projects of the International Boundary Commission, United States and Mexico, United States section in the second paragraph under the caption "International Boundary Commission, United States and Mexico", contained in the Department of State Appropriation Act, 1937; appropriates $7,500, fiscal years 1936 and 1937, for the expenses of participation by the United States in the conference to revise the convention for the protection of literary and artistic works, Brussels, Belgium, as proposed by the Senate; appropriates $11,500, fiscal years 1937 and 1938, for the expenses of participation by the United States in the Ninth International Congress of Military Medicine and Pharmacy to be held in Rumania in 1937, as proposed by the Senate; strikes out the appropriation of $4,039.68 proposed by the Senate for the annual share of the United States as an adhering member of the International Council of Scientific Unions and associated unions; appropriates $308.80, fiscal year 1936, for the contribution of the United States to the International Hydrographic Bureau; appropriates $2,500, as proposed by the Senate, for expenses of participation by the United States in the meeting of the International Telegraph Consulting Committee in Warsaw, Poland, in 1936; provides $10,000, as proposed by the Senate, for aid in defraying expenses of the Sixteenth Triennial Convention of the World's Woman's Christian Temperance Union to be held in the United States in 1937; and inserts the paragraph, proposed by the Senate, continuing the availability of the appropriation heretofore made for the Commission to study the subject of Hernando De Soto's expedition, modified to extend such fund until June 30, 1937, instead of June 30, 1939, as proposed by the Senate.

TREASURY DEPARTMENT

On amendments nos. 116 to 124, inclusive, relating to the Treasury Department: Inserts the paragraph, proposed by the Senate, making appropriations available for the fiscal year 1937 for payments to Federal land banks on account of reduction in interest rates on farm mortgages available to make such payments during the fiscal year 1937 in accordance with the provisions of paragraph 12 of section 12 of the Federal Farm Loan Act, as amended; inserts the appropriation of $51.25, proposed by the Senate, for a refund to Edgar M. Barber as authorized by law; appropriates $2,782.45, as proposed by the Senate, for payment of judgments against internal-revenue collectors; strikes out the language, inserted by the Senate, to provide for a post-office and courthouse building at Shawnee, Okla., out of the fund for construction of public buildings, such fund in the House bill being available to select such place for a post-office building; restores the language, stricken out by the Senate, authorizing the employment, by contract or otherwise, by the Procurement Division of temporary employees, modified so as to eliminate the employment of "firms or corporations" and to eliminate authority for such employment "without reference to section 3709 of the Revised Statutes"; strikes out the appropriation of $1,363,000, inserted by the Senate, for buildings for the National Institute of Health, such project being eligible for selection under the general appropriation for public-building construction in the bill; and strikes out the appropriation of $2,500, inserted by the Senate, for a memorial to persons killed in the wreck of the Navy dirigible *Shenandoah*.

WAR DEPARTMENT

On amendments nos. 125, 126, and 127, relating to the War Department: Inserts the appropriation of $100,000, proposed by the Senate, for the National Board for Promotion of Rifle Practice; strikes out the paragraph, inserted by the Senate, to provide active duty pay and allowances for certain retired officers on active duty at the United States Soldiers' Home; and appropriates $250,000, as proposed by the Senate, for acquisition and improvement of additional land in New York City for national cemetery purposes.

JUDGMENTS AND AUTHORIZED CLAIMS

On amendments nos. 128 to 150, inclusive: Appropriates for the payment of property damage claims, judgments, and audited claims certified to Congress in accordance with law after the bill had passed the House.

MISCELLANEOUS

On amendment no. 151: The Senate modified section 7 of the House bill by adding thereto provision that no agency specified in such section should continue to function after June 30, 1937, unless "its creation shall have been specifically authorized by Congress." The House agrees to the Senate amendment with a substitution providing that none of such agencies should continue to function after June 30, 1937, unless "established by or pursuant to law."

On amendment no. 152: Inserts the paragraph, proposed by the Senate, making the appropriation for carrying into effect the Soil Conservation and Domestic Allotment Act available for the purposes of such act with respect to land devoted to growing trees for the production of gum turpentine and gum rosin modified so as to eliminate therefrom any reference to a specific sum of such appropriation for such purpose.

On amendment no. 153: Strikes out the language, inserted by the Senate, providing that transfer of appropriations under the provisions of title VI, part II, of the Legislative Appropriation Act for the fiscal year 1933 "shall be accomplished by transfer appropriation warrant."

DISAGREEMENTS

The committee of conference report in disagreement the following amendments of the Senate:

Nos. 29 and 30, relating to the Gilbertsville and Watts Bar Dams on the Tennessee River under the Tennessee Valley Authority.

No. 41, relating to the continuation of the Atlantic-Gulf ship canal in Florida.

No. 49, authorizing the use by the Federal Emergency Administration of Public Works of $300,000,000 from the sale of securities for the purpose of making grants for Public Works projects.

J. P. BUCHANAN,
EDWARD T. TAYLOR,
W. B. OLIVER,
CLIFTON A. WOODRUM,
JOHN J. BOYLAN,
CLARENCE CANNON,
JOHN TABER,
ROBERT L. BACON,
Managers on the part of the House.

Mr. BUCHANAN. Mr. Speaker, I call up the conference report on the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, providing supplemental appropriations for the fiscal years ending June 30, 1936 and 1937, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

Mr. BUCHANAN. Mr. Speaker, I move the adoption of the conference report.

Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill as it left the House carried, according to the figures that I have, $2,364,000,000 plus. The amendments that have been agreed upon in conference add $11,281,000, according to my figures, making a total of the bill as it is now in the conference report $2,375,000,000 plus.

Mr. PETTENGILL. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. PETTENGILL. Does amendment no. 5 make available to the Senate money to pay to the counsel of the Black committee, money which the House refused to make available for that purpose?

Mr. TABER. Amendment no. 5 makes available for any committees of the Senate $75,000. It is, however, subject to the limitation adopted several years ago, which is still in effect, prohibiting payment of more than $3,600 per year to any person who is employed there.

Mr. PETTENGILL. So that limitation will not be discontinued by the adoption of Senate amendment no. 5?

Mr. TABER. It will not. That is correct, is it not, Mr. Chairman?

Mr. BUCHANAN. Yes.

Mr. TABER. As I understand it, there are in disagreement three amendments. The adoption of the Tennessee Valley amendment would add $1,200,000 to the bill. The adoption of the fund for Secretary Ickes would add $300,000,000 to the bill, payable, however, really out of R. F. C. funds, but it is just the same thing as appropriating this much more money out of the Treasury. Then there is the Florida canal proposition that we are to be called upon to vote on separately which would add $10,000,000 to the bill.

Frankly, I was opposed to the bill when it passed the House. I am more opposed to the conference report. I am opposed to all the amendments that are in disagreement, and I hope the House will vote them down.

The changes in the bill as the result of the conference report with reference to relief or so-called relief simply throws the control of the situation more fully into the hands of the President than they were before. It makes the bill a little bit more under the thumb of absolute political control than it was when it left the House. It will restore, if the $300,000,000 is added for Ickes under amendment 49, the trio of Hopkins, Tugwell, and Ickes—the three most incompetent spenders we have had in the Government of the United States. It will continue the policy of spending funds which are appropriated for relief for purposes which are entirely foreign to relief and for which Congress would not appropriate money if the items themselves were brought to it for consideration. Under the guise of relief we have had allocated to the Coast Guard $247,520 to build a Coast Guard boat which has been transferred to the Navy. Relief money! And this boat has been converted by the Navy, at an additional cost of $118,000, into a private yacht for the President of the United States.

Mr. WHITE. Mr. Speaker, will the gentleman yield at that point?

Mr. TABER. No; I decline to yield at this time. Frankly, I believe the Congress of the United States ought to get to the point where if it is going to appropriate money for relief the money should be appropriated for relief and not for the promotion of projects that in times like these we would not countenance. [Applause.] For this reason I myself shall vote against the conference report.

This so-called relief bill was bad when it left the House. And just like every other so-called relief bill it was worse when it passed the Senate; and just like all the rest of them, when it came back from conference it was worse than when it left the House—a continuous, steady record of getting worse all the time. Is it not time that the Members of this House made whatever appropriations are necessary for relief but stopped this turning over of funds to the Executive that can be used for almost any purpose he wants to use them for? Mr. Speaker, I cannot let this occasion go by without saying at least this about this bill.

With reference to a very large multitude of items which are involved here I have no quarrel, they are necessary for the maintenance of the regular operations of the Government; but to that kind of relief which is wasteful, extravagant, and largely extraneous, I object. [Applause.]

Mr. RICH and Mr. FISH rose.

Mr. BUCHANAN. I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH]. Then I will yield to the gentleman from New York.

Mr. RICH. Mr. Speaker, this bill comes back from conference carrying $2,375,281,000. I call the attention of the Members to the United States Treasury statement of June 15 last. If the Members will look at this statement, they should be almost paralyzed when they realize the true significance of the statement. Receipts this year are $3,807,533,801.43, whereas expenditures to June 15 have been $8,492,474,029.40. We are in the red $4,684,940,227.97, and our national debt on the 15th day of June was $34,331,355,867.48, the largest debt statement this Nation has ever published; yet you are now bringing in here a bill adding to that debt $2,375,000,000 more. Is it not appalling to you?

This Democratic Congress is responsible for putting the Federal Government in this position. If this is not the time for sober thought and judgment on the part of Members of Congress, there never was such a time in the history of this Nation. The Nation's future is at stake. What will happen to the Nation nobody knows. What may happen to this country in the future, and the position it is being put in, will be and is due entirely to the action of the Members of this Congress. I have never known or heard of a Congress that was so ruthless in its expenditure of funds as this Congress. To me it does not seem as if we had any real common financial sense.

The President of the United States made the statement on the 3d day of January last that we were approaching a balanced Budget. I should think he would faint when he reads this Treasury statement of June 15; yet he comes in here at this time and asks you rubber-stamp Congressmen to pass a bill putting in his hands $1,500,000,000 more. What are the American people going to say to a request of this kind and to your action in turning over to him full authority for the expenditure of this $1,500,000,000? Does he know what he is doing? And do you know what you are doing? I do not believe you do.

During this session we heard Members of this Congress condemning the method of the expenditure of the $4,880,000,000 given the President last year, yet today by your action on this conference report you are approving the very things you condemned ever since January of this year.

Now, you again approve the very things that you have been condemning in the past. What respect are your people at home going to have for you when you go back?

Mr. Speaker, if the people of my district wanted me to vote for a thing like this I could not approve it, because it is wrong. The people have delegated the power to Congress to use your prerogative, and to use your brain and your initiative in the handling and expenditure of these funds, but you have turned over all of the authority to the President of the United States. Have you no responsibility of your own? For 3 long years you have spent money ruthlessly. For 3 long years you have been putting this country in the worst financial condition it has ever been. For 3 long years you have been fooling the people of this country. You will not do it much longer. In 3 long months we will elect Landon President, and then, and only then, can America be saved. We will land Landon in the White House in January. [Applause.]

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, there are 10 pages in this bill calling for the appropriation of money for international congresses, commissions, bureaus, and so forth, including an International Joint Commission between the United States and Great Britain, the Mixed Claims Commission between the United States and Germany, and nine amendments put in by the Senate having to do with appropriations for international conferences of one kind or the other.

I do not see a single penny appropriated in this bill to make any attempt, nor the slightest endeavor, to collect the war debt. As Al Smith stated, "Let us look at the record."

On November 12, 1932, President Hoover sent a special letter to Governor Roosevelt at Albany, N. Y., asking for Mr. Roosevelt's cooperation in settling the war-debt situation. The President-elect, at that time the then Governor of the great State of New York, flatly refused to cooperate in any way with the then President of the United States, Mr. Hoover, intimating he would settle it himself just as soon as he got into power. He stated that would be one of the first objectives of the new incoming Democratic administration. Up to that time under Republican administration, until the moratorium was declared by President Hoover with the consent of the Congress, the various foreign nations were paying to us every year approximately $200,000,000. In the 3 years of the present administration we have not received a single dollar from any of these nations except the little Republic of Finland. Yet here we are, the Congress of the United States, about to adjourn, with the last deficiency bill now before us, and not a single attempt is made by anybody in this administration, from the President down, to live up to his promise or to attempt to collect the money that these foreign nations

have failed to pay. These foreign nations have repudiated their debts. They have welshed on their obligations, and the President says nothing and does nothing. Why this inaction on his part? I would remind the Democrats that this will be an issue in the coming campaign. Thank God, the Republicans put in their platform a specific declaration and propose to discuss this pledge and carry it out when in power.

They stated:

We shall use every effort to collect the war debts due us from foreign governments, amounting to $12,000,000,000, one-third of our national debt. No effort has been made by the present administration even to reopen the negotiations.

A leading British statesman only a few days ago made the statement that Great Britain did not propose to pay any of these war debts. If they do not propose to pay the war debt to us, let me suggest to my Republican friends when they come into power—and, of course, they will, by an overwhelming majority—if these foreign nations continue to repudiate and welsh on their debts, let us ask them to relinquish their possessions in the Caribbean Sea, which should be ours geographically anyway, and are within our sphere of influence commercially and politically.

What we need in the White House is another Andrew Jackson, who would soon secure a proper adjustment and payment of the war debts. There are too many internationalists in the New Deal administration to expect or hope for any proper and adequate adjustment of the war debts. However, President Roosevelt, because of his refusal to cooperate with President Hoover in November 1932, owes it to the country to explain his failure to secure any war-debt payments in the last 3 years.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 29: Page 26, line 3, strike out the words "and the continuation of preliminary investigations as to the appropriate location and type of a dam on the lower Tennessee River" and insert "a dam at or near Gilbertsville, Ky., and a dam at or near Watts Bar, Tenn."

Mr. BUCHANAN. Mr. Speaker, there are two amendments having to do with the T. V. A., amendments nos. 29 and 30. I ask unanimous consent that these two amendments be considered together, both of them providing for dams.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The Clerk will report amendment no. 30.

The Clerk read as follows:

Amendment no. 30: Page 26, line 17, strike out "$39,900,000" and insert "$41,100,000."

Mr. BUCHANAN. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendments nos. 29 and 30.

Mr. TAYLOR of Tennessee. Mr. Speaker, I offer a preferential motion that the House recede and concur in the Senate amendments.

Mr. BUCHANAN. Mr. Speaker, I demand a division of that question.

Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Speaker, I have been a consistent supporter of the development of the Tennessee River ever since the subject was first presented to the Congress. In addition to the program of flood control there is the additional item of navigation included in this program covering the development of this river, and in this proposition of navigation there is involved a 9-foot channel in the Tennessee River up to Knoxville, Tenn., affording slack-water navigation to Knoxville.

We have already spent a considerable sum of money in exploring the dam at Watts Bar, mentioned in the Senate amendment; in fact, work is now in progress in the way of exploration and survey of this project.

The Senate amendment only provides for $1,200,000, which is to be divided between Watts Bar and the dam in Kentucky. It is only a question of time when this development is sure to come. It is an inevitable development, and it seems to me that now of all times is the proper time to start this work, due to the fact that our people in this section have suffered tremendously from the depression—and right in the vicinity of Watts Bar is the town of Rockwood, which has been terribly stricken by the depression, with hundreds of people out of employment who need work. I hope the House conferees will reconsider their attitude with respect to this item and that the motion which I made a moment ago will be adopted by the House.

Mr. REECE. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield.

Mr. REECE. Under the policy which has been adopted by the Congress and under the program which has been set up by the T. V. A., these dams are going to be constructed in any event.

Mr. TAYLOR of Tennessee. There is no question about that.

Mr. REECE. The commencement of the construction of the dams will occur in a reasonable time and this amendment simply provides for the beginning of construction at this time when, in addition to obtaining the dams in accordance with the policy adopted by the Congress, we will derive the incidental benefit of giving work to the unemployed at the present time.

Mr. TAYLOR of Tennessee. That is exactly right. I have understood from some source that the officials of the T. V. A. have said that this is a premature development and I would like to ask the chairman of the committee if this is true.

Mr. BUCHANAN. They have not only intimated it, they have absolutely and unconditionally said so. Look at the chart before you where it is shown that construction is not proposed before the fiscal year 1940, and that is a T. V. A. chart.

Mr. TAYLOR of Tennessee. Did not Dr. Morgan, the chairman of the Board of the Tennessee Valley Authority, appear before the committee?

Mr. BUCHANAN. Yes; and stated he was not ready for Gilbertsville, if that is what the gentleman is talking about.

Mr. TAYLOR of Tennessee. But the last Congress provided for the preliminary development work.

Mr. BUCHANAN. No; the last Congress provided some money to investigate where he should put a dam, whether at Gilbertsville or Aurora.

Mr. TAYLOR of Tennessee. Watts Bar is several hundred miles upstream from Gilbertsville, and is an indispensable unit of the T. V. A. program, both as to navigation and flood control.

Mr. BUCHANAN. I am not referring to Watts Bar, but to Aurora.

Mr. TAYLOR of Tennessee. As I said a moment ago, having started the work in a preliminary way, I hope the House will support my motion to recede and concur in the Senate amendment.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MITCHELL of Tennessee. May I ask my colleague if this is not a part of the contemplated program?

Mr. TAYLOR of Tennessee. As I stated at the outset of my remarks, this is a vital part of the Tennessee River development.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield.

Mr. RICH. If we start the construction of additional dams that are not recommended by the T. V. A. authorities, where are you going to get the money to complete them? Did the gentleman see the statement of the United States Treasury to which I referred today? Something is going to break here very soon if we do not stop these expenditures.

Mr. TAYLOR of Tennessee. But this is a part of the system to which the Government is already committed.

Mr. RICH. Why ask for something that has not been recommended by the engineers until you can get the money?

Mr. TAYLOR of Tennessee. This is an essential part of the system, and now is the proper time to begin the development.

Mr. RICH. The trouble is our system is too big.

Mr. LUNDEEN. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield.

TAX WEALTH

Mr. LUNDEEN. I should like to say to the gentleman from Pennsylvania, who has just spoken, that we have salaries in this country that run over the million-dollar mark, and there are many thousands who get hundreds of thousands of dollars salary per year. We might tax the superrich a little to build some of these dams. Under the title "A Mirror of Wealth and Poverty" during the first session of the Seventy-fourth Congress I listed some of these huge incomes. I compiled much of the vast wealth of America that now escapes taxation. Lift the burden from the shoulders of the poor and place it upon the broad and strong shoulders of the rich. That is where it belongs. [Applause.]

Mr. TAYLOR of Tennessee. I think the gentleman is right about that, too. [Applause.]

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to my colleague on the committee, the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, I am supporting the chairman of my committee, the gentleman from Texas [Mr. BUCHANAN], in opposition to this Senate amendment.

The provision of the House bill provides for the money requested by the T. V. A. for the continuation of preliminary investigations as to the appropriate location and type of dam on the lower Tennessee River. In place of this language the Senate put in the bill a mandatory provision requiring a dam to be built at Gilbertsville, Ky., and a dam at Watts Bar, Tenn.

The testimony before your committee by the Tennessee Valley Authority was that they had not yet completed their preliminary investigations and that they had not yet completed the necessary borings to determine exactly where these dams should be built. All that the Tennessee Valley Authority has asked is something over $600,000 to continue these preliminary investigations, and your committee and the House gave them what they asked for and they were satisfied with the House provision.

A certain Senator now wishes to anticipate this orderly procedure by forcing the building of two dams before the investigations are completed, and before the engineers of the T. V. A. themselves are certain that they wish to build the dams at these two places. It seems to me that the Congress of the United States should not set itself up as an engineering body to override the engineers employed by the T. V. A.

Mr. TAYLOR of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BACON. I have only 5 minutes. One of the new matters that has come up, and one of the matters that the engineers of the T. V. A. want to study further, is the question of flood control. If we are going to build these dams, it seems entirely reasonable to expect that the question of flood control should be taken into consideration throughout the entire Mississippi River Basin, so that the work that is to be done may fit into an orderly program of flood control. The disastrous floods on the Ohio and in the upper Mississippi last spring warrant and urge the policy that the projected preliminary investigations for a dam site on the lower Tennessee should consider the question of orderly flood control. It seems to me that the proponents of the Tennessee Valley Authority, those who are so eager for this work to go on, would do very well to allow the Tennessee Valley Authority to consider flood control which will benefit the entire Nation, and not narrow the funds simply to a local improvement. From a practical point of view, we allow them to go along and make those investigations, having in mind the benefits to the whole country from the point of view of flood control, and it would seem that there would be more people in favor of this broader objective than merely the localized proposition. My plea is in support of the chairman of the committee, that the Senate amendment be defeated and that the House language, which meets with the approval of the Tennessee Valley Authority, be adopted as the recommendation of the House.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. GREGORY].

Mr. GREGORY. Mr. Speaker, the gentleman from New York [Mr. BACON] has brought to the attention of the House the possibility of flood control on the Ohio River. That is the bugaboo which they are using now to defeat this proposition on the Tennessee River. He knows and every member of the committee knows and every Member of this House knows that the Tennessee Valley Authority has no authority now to expend one single dime on the Ohio River, the Cumberland River, or any other river in the United States, except the Tennessee River and its tributaries. So this talk about the Ohio River is beside the question and does not meet it at all.

I am rising more particularly at this time to call attention to the fact that if this amendment of the Senate be adopted, it will fit in with the general plan provided by the Tennessee Valley Authority, and that it meets with the approval of the President of the United States. We are now building a dam at Pickwick Landing. That is probably 150 miles from the Ohio River. If you stop with that dam, you have all the territory in the upper reaches of the Tennessee with no way to get into it. It is like the neck of a bottle, with no provision for navigation up to Pickwick Dam, and you have a lot of inland lakes, so to speak, built in there. It is a part of the program to build a 9-foot channel all the way through. We have been making improvements all over the country, and while one of these proposed dams is in my own congressional district, I voted for Boulder Dam when you folks out west were crying for it, I voted for them all over the United States, for reclamation projects and things of that sort, and since this matter is one which is absolutely essential to the carrying out of the original purpose of the Tennessee Valley Authority, since it has been recommended by the Board of Army Engineers in the report of 1930 and was recommended in the Rivers and Harbors Act of that date, we are not anticipating or going ahead of the program at all by the adoption of the amendment which was passed by the Senate.

While on the floor I desire to ask the chairman of the committee a question. In the allocation made by the House bill was any provision made for a continuation of the work at Gilbertsville Dam and how much money?

Mr. BUCHANAN. There is $650,000 in the House bill for continuation of engineering and other investigations of the Gilbertsville Dam and Reservoir.

Mr. GREGORY. The bill itself does not disclose that fact.

Mr. BUCHANAN. The hearings abundantly disclose it.

Mr. GREGORY. I understand that I am taking the chairman's word for it. It was not disclosed in the bill. I wanted to be sure.

Mr. BUCHANAN. And the House report on the bill also shows it.

Mr. GREGORY. Of course, we have had no opportunity to see that. I wanted to get the chairman's confirmation of the report which I had heard that $650,000 is now available for continuation of studies.

Mr. BUCHANAN. It is available in the House bill. The one we are now considering.

Mr. GREGORY. That is what I wanted to know. Mr. Speaker, I hope very much that the motion of the gentleman from Tennessee [Mr. TAYLOR] will prevail, because it is meritorious, and it is simply carrying out the original plan.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. PEARSON].

Mr. PEARSON. Mr. Speaker, I call the attention of the House to the fact that when this bill was passed by the House a few weeks ago, I offered on the floor the identical amendment to the bill which has been placed in it by the Senate,

with the exception of the fact that there was no increase carried in the appropriation in the amendment which I offered.

At the time the amendment was offered I stated to the House that in my humble judgment if the amendment were adopted at that time it would mean a saving to the Government in the construction work which was to be carried on in the Tennessee River Valley. The House at that time did not see fit to adopt the amendment. Now we are confronted with the same amendment which has come to us by virtue of the amendment placed on in the Senate.

The gentleman from New York [Mr. BACON] says that it is an effort on the part of one Senator to anticipate the orderly procedure of the development on the Tennessee River. I take the liberty of disagreeing with the gentleman in that statement.

This amendment was placed here, not at the instance of any one Senator but at the instance of several Senators and after mature deliberation on the part of the entire Senate.

I stated to the House in good faith when this amendment was offered several weeks ago that, in my humble judgment, unless it was adopted, it was the intention of the directors of the Tennessee Valley Authority to eventually ask for authority to take into their program the Ohio River, and to construct a dam across both the Tennessee and the Ohio, at an expenditure of over $200,000,000, and advanced the thought that if construction could be started on a dam at Gilbertsville or Aurora that visionary scheme would be forestalled. I am still of that opinion, and I am firmly convinced that it is good judgment on the part of this House to adopt the amendment which has been offered by the gentleman from Tennessee [Mr. TAYLOR] in the interest of economy, and in the orderly completion of the program of the Tennessee Valley Authority. If we fail to take this step now, the chances are overwhelmingly in favor of our being confronted at a later date with an expenditure five times as great as the expenditure which would be required on the dam at Gilbertsville, Ky., or Aurora.

May I ask the chairman of the committee a question? The gentleman stated, in answer to my colleague from Kentucky, that $650,000 had been allocated by the committee in this program for the purpose of carrying on investigating work at Gilbertsville. May I ask whether or not it is in the contemplation of the committee or the managers of the Authority, if the chairman knows, that any part of that money is to be expended in actual construction work at Gilbertsville?

Mr. BUCHANAN. No part of that money was to be used to commence construction.

Mr. PEARSON. Is it not true that the Tennessee Valley Authority has already expended thousands of dollars in exploratory work at the dam site known as Aurora?

Mr. BUCHANAN. They have spent thousands of dollars at about 8 or 10 different dam sites on that river and are continuing to spend it. We are now specifying in the bill where they can make these investigations.

Mr. PEARSON. Have they not stated in their last annual report that in their judgment or in the judgment of the engineers of the Tennessee Valley Authority, a dam should be constructed at Gilbertsville, Ky.? In other words, has not the location of it already been determined, and is not the expenditure of $650,000 for that purpose rendered unnecessary?

Mr. BUCHANAN. In the program of the Tennessee Valley Authority, which they recommend to Congress, Gilbertsville is listed for the construction of a dam to be commenced in the fiscal year 1940. It is so shown in a plan presented to our committee at this session.

Mr. PEARSON. Mr. Speaker, I hope the House will vote for the amendment offered by the gentleman from Tennessee [Mr. TAYLOR].

The SPEAKER. The time of the gentleman from Tennessee [Mr. PEARSON] has expired.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this Tennessee Valley proposition that is before us today is not a question whether dams should be constructed in the neighborhood of Gilbertsville or somewhere around there. It is entirely a question of going ahead with orderly procedure. I want to read to you from the hearings on the subcommittee on the deficiency appropriation bill at page 115, where we took up this question, and where, as a result of those hearings, the committee reported out $650,000 to continue the investigation of this Gilbertsville site.

EXPLORING WORK FOR GILBERTSVILLE DAM

We have an item of about a half million dollars to continue exploration at Gilbertsville.

The CHAIRMAN. Did you find a foundation there?

Dr. A. E. MORGAN. Yes; we found a good foundation finally.

Mr. TABER. Did you get away from the cave situation at Aurora?

Dr. A. E. MORGAN. Yes.

Mr. TABER. You found it was not a good site.

Dr. A. E. MORGAN. It was not a good site, and we have gone down the river where we can provide much better flood control.

Mr. TABER. Have you made drillings, or are you not far enough along to tell us about that?

Dr. A. E. MORGAN. Yes; we have made drillings, but not as close together as we would like to for final plans. Every hole we have is a good hole.

The CHAIRMAN. How many holes did you have across the river?

Mr. PROKOP. Ten holes, all of which showed full cores, with good rock in all the cores. Some of them had a few small breaks, which is characteristic of the whole area, but the amount of that is comparatively small.

I want to tell you what the situation is, so that those of you who do not live in that territory may understand it. That territory is of a cave formation. Large portions of it do not provide a substantial foundation upon which a good dam can be built.

Mr. PEARSON. Will the gentleman yield?

Mr. TABER. When I have finished, if I have time, I will. The investigation of the Aurora site, after spending several hundred thousand dollars in borings, showed that the cave situation was so bad that it was not feasible to build a dam there.

The committee provided funds that the investigation might go on. At Gilbertsville, with 10 holes across the river, they have found only some breaks. It is not safe to go ahead and definitely establish that we shall build a dam at Gilbertsville until there have been further borings and further investigations. There are always situations in that territory where they have to pour tremendous quantities of concrete into these cavities down under the river bottom. It is not possible to do a good job on these things unless we are careful and proceed as good engineers would. Those engineers themselves, as you gathered from the testimony I have read, have told us that they have not made enough borings or enough studies to justify the definite determination on this dam. This is the reason we should only go ahead with exploration work and not appropriate the money for actual construction.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I occupy a very embarrassing position, a position wherein my duty as trustee of an expressed duty in this House compels me to deny and oppose my colleagues, when my own personal disposition would be to accommodate them if I could do so out of my own money; but I cannot bring myself to accommodate them out of taxpayers' money because I regard myself as a trustee for that. [Applause.]

First, let me say that this is one of the most premature, unheard-of propositions ever presented to a sensible body of men. You have organized the Tennessee Valley Authority; you have put men in charge of it, supposedly eminent engineers who know their jobs, supposedly businessmen who know their business. What do they recommend? Let me read you just one sentence before I explain the schedule on this blackboard. Dr. Morgan said, indicating the rate at which these dams should be built, just on the basis of good engineering progress, that he is not including in the coming fiscal year any construction on Watts Bar Dam, Coulter Shoals Dam, or Gilbertsville Dam. We already have approved one new dam to begin construction this next fiscal year.

What is the plan presented on this chart? Let me read it to you:

Dam construction program now under way and recommended by T. V. A. The execution of this program would require the appropriation for dam construction purposes of about $35,000,000 a year for about 7 years in addition to investments which may prove to be necessary for generating electric power at other than the Norris, Wheeler, and Pickwick Dams.

What are elements of the program? In the fiscal year 1934 there were commenced the Wheeler Dam and the Norris Dam, with their completion contemplated by the fiscal year 1937 at a cost of $32,000,000 and $35,000,000, respectively.

In the fiscal year 1935 they investigated and commenced the building of the Pickwick Dam, to be completed in the fiscal year 1939 at a cost of $32,500,000.

Investigation of Guntersville Dam: Began in the fiscal year 1936, with commencement of construction in the fiscal year 1937, to be completed in the fiscal year 1940, and to cost $29,500,000.

Chickamauga Dam: Investigations to start in the fiscal year 1936, construction to commence at the beginning of the fiscal year 1937, and to cost $31,650,000.

Hiwassee Dam: Investigations to be started in the latter part of the fiscal year 1936, construction to commence in the fiscal year 1937, and completion scheduled in the fiscal year 1940 at a total cost of $15,000,000.

All these dams are not only authorized but appropriations have been made toward their construction. The aggregate of the appropriations required for them is $176,000,000. Is not this enough for 3 years for one activity in one section of the United States? And Dr. A. E. Morgan says, and the Authority says, they should proceed in an orderly manner with about $35,000,000 of construction a year.

There is sense in a level program over a period of years. It provides an even employment program; it permits organization and plant equipment, when one dam is completed, to be shifted and utilized at another dam. It is economical. There is no sense in rushing a lot of dams at one time. You acquire a lot of plant equipment and a big organization, and it must be disbanded in a short time. The House bill proceeded along this sensible line of construction program—an even construction program for each year. The bill went to the Senate. Some people apparently are afraid that public sentiment, the psychology of the people of the United States, will change and make it hard to get appropriations hereafter. That is all; they fear a coming Congress may say, "We are going to put a stop to building these dams in this valley and everywhere else." Whether the Congress will say this or not I do not know. That is in the hands of the people. It is for them to say if they want a more rigid economy. What is the next project on this chart?

The Fontana Dam: No appropriation has been made. It is estimated to cost $32,000,000. It is supposed to be investigated in the fiscal year 1937, with construction to commence in the fiscal year 1938. That is a wonderful reservoir site. We provide no money for that.

Watts Bar Dam: The Tennessee Valley Authority wants to investigate this in the fiscal year 1938 and commence construction at the beginning of the fiscal year 1939. The estimated cost of this dam is $31,000,000.

Gilbertsville Dam, about which you have heard so much: They have been investigating it. They want to continue the investigation in the fiscal years 1938 and 1939 and commence construction in the fiscal year 1940. The cost of this is set at a total of $74,000,000. They are not ready. Why are they not ready? This brings me to my second reference to the hearing. Let me show you from page 227 of the hearings, the testimony of Dr. Morgan again, under questioning by me as to the $650,000 he said he wanted to investigate Gilbertsville Dam next fiscal year, 1937:

The CHAIRMAN. Where are you going to use it? Have you used all this $550,000 that you had this year, or are you going to have any of that left over?

Dr. MORGAN. No; I think there will be none of that left over. Of the $720,000, about $650,000 is for the lower river at the Gilbertsville site.

The CHAIRMAN. Do you mean just for investigations?

Dr. MORGAN. For borings, survey, and plans, primarily.

The CHAIRMAN. I thought you had already found your foundation.

Dr. MORGAN. We have. We have made borings about 300 feet apart across the river channel. We must make additional borings in between. Then we have to do these things: For instance, we must know the amount of land to be cleared and the amount of land to be purchased, and we must make our survey of the reservoir boundary line. That reservoir is 184 miles long, plus the extension up the branch streams. We must work out the land to be taken and determine what cities would be damaged and how to treat such damages.

You are called upon to vote for a project involving a reservoir 184 miles long, involving land which will be submerged, families to be relocated, towns moved, roads moved, bridges moved, perhaps railroads relocated, and so forth. A project estimated now to cost $74,000,000, and not all of the investigation of the elements of the cost yet ascertained.

Let us make these surveys and find out just what land will be submerged and what railroads will have to be moved in this 184 miles up that river. This involves the richest part of the valley. The land will be costly. Let us see what we are doing. We are the trustees for the taxpayers, and let us prove ourselves true to that trust. [Applause.]

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The gentleman from Texas [Mr. BUCHANAN] moves that the House insist on its disagreement to the Senate amendments.

The gentleman from Tennessee [Mr. TAYLOR] offered the preferential motion that the House recede from its disagreement to the Senate amendments and concur therein.

The gentleman from Texas [Mr. BUCHANAN] has asked for a division of the question.

The question is on the motion of the gentleman from Tennessee [Mr. TAYLOR] that the House recede from its disagreement to the Senate amendments nos. 29 and 30.

The question was taken; and on a division (demanded by Mr. TAYLOR of Tennessee) there were—ayes 10, noes 116.

So the motion was rejected.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. BUCHANAN] that the House insist on its disagreement to amendments 29 and 30.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 41: Page 32, after line 5, insert:

"That the President of the United States is authorized to appoint a board of three members, to be known as the Florida Canal Board (hereinafter called the "Board"), the members of which shall be qualified members of the engineering profession who are not employees of the United States, or of the State of Florida, and who have in no manner been connected with or have any financial interest, present or prospective, in what is known as the Atlantic-Gulf Ship Canal project, Florida.

"The Board shall review the reports heretofore rendered in connection with the project for a sea-level ship canal across the State of Florida, with particular reference to the questions of (a) whether the construction of such a canal across the State of Florida between the St. Johns River and the Withlacoochee River would create any consequential or irremediable disturbance of the ground water levels of the State of Florida; (b) the estimated costs of constructing, maintaining, and operating such a canal; and (c) the justification for the expenditure of the Federal funds estimated to be required. The Board shall make such further study of these and other pertinent questions relating to this project as it may deem necessary.

"The Board shall report its findings and recommendations to the President on or before July 20, 1936. Should its conclusions be favorable to the continuance by the Federal Government of the project hereinbefore mentioned, the President is hereby authorized to make allotments for carrying forward such project during the fiscal year ending June 30, 1937, from any funds now or hereafter available for relief and work relief on useful projects, as follows:

"For a ship canal across the State of Florida, not to exceed $10,000,000: *Provided*, That the total estimated capital cost of such canal shall not exceed $150,000,000, including all funds previously allotted thereto.

"The members of the Board herein authorized to be appointed shall receive compensation at the rate of $50 per day for each day of service, including Sundays and holidays, together with their necessary traveling expenses, and the Board is authorized to employ and fix the compensation of such personnel as it may find necessary to assist in the performance of its functions, without regard to civil-service laws and regulations or the Classification Act of 1923, as amended, and to pay their necessary traveling expenses. The expenditures authorized by this section shall be paid from funds heretofore or hereafter appropriated for examinations, surveys, and contingencies of rivers and harbors.

"The Secretary of War and the Administrator of the Federal Emergency Administration of Public Works shall make available to the Board herein authorized all reports, records, plans, estimates, or other data and information in their possession which in any manner relate to the project hereinbefore mentioned and shall render such aid and assistance as said Board may request in connection with the duties imposed upon it hereunder."

Mr. BUCHANAN. Mr. Speaker, I move that the House further insist on its disagreement to Senate amendment no. 41.

Mr. O'CONNOR. Mr. Speaker, I offer a preferential motion that the House recede in its disagreement to Senate amendment no. 41 and concur therein.

Mr. BUCHANAN. Mr. Speaker, I demand a division of the question.

Mr. LAMNECK. Mr. Speaker, I think we ought to have a quorum present to hear this important discussion, and I make the point of order there is not a quorum present.

The SPEAKER pro tempore. The Chair will count.

Mr. LAMNECK. Mr. Speaker, I withdraw my point of order.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, I think it will be helpful if I describe briefly the present status of the Florida canal project and just how this Senate amendment relates to it. The Florida canal is a regular river and harbor project originating in the river and harbor bill of 1927, which included a provision for a survey for this project. In the ordinary course of procedure the Board of Engineers for Rivers and Harbors and the Chief of Engineers would report the project to the Committee on Rivers and Harbors of the House, and I understand that this will be done in the near future. Because of the magnitude of the project and the large amount of ground to be covered, the board of survey of the Corps of Engineers was approximately 6 years in making a most exhaustive survey and study. Before they had made their report but after they had completed the actual work and had collected all necessary data, Congress had enacted certain relief legislation which empowered the President, and indeed laid upon him the responsibility to select and designate public works of all kinds which could be used for the relief of unemployment. With the advice and recommendation of the appropriate agencies of the Government, the President designated a large number of such projects, and among these, the Florida canal. In the case of this particular project he not only took the advice and recommendation of the Chief of Engineers but caused it to be further examined by the engineers of the Public Works Administration and by a special board consisting of Army Engineers, engineers of the Public Works Administration, and an engineer selected by these from civil life. I do not propose to attempt to go into the mass of detail with regard to these examinations and reports.

It is sufficient to say that they appeared to the President and the appropriate agencies of the Government to amply justify the project and therefore make it available for the work-relief program. And so it was authorized by the President under the provisions of the Emergency Relief Appropriation Act of 1935, and $5,400,000 was allotted to initiate the work. I understand that something like 17,000,000 cubic yards of earth have been removed, and that 6,000 men are at the present moment employed on this job, and that it is admirably serving to relieve unemployment and stimulate trade and industry.

Critics of the administration and opponents of the project itself have claimed that it should not have been started because either it is unsound or because its construction might do certain damage to the water supply of a portion of the State of Florida. It is not my purpose to argue here the merits of these questions which have been raised. I desire to point out, however, that years of careful and most exhaustive study by the Army engineers and other agencies of the Government were given to these very questions; and unless the Army engineers and these other authorities are entirely mistaken, the objections to the project cannot be well founded. In any event, it is self-evident that the President insisted upon careful examination and was entirely satisfied before he authorized this project.

However, all of these questions will be duly considered by the Committee on Rivers and Harbors when they have received the final report of the Army engineers. The House will have ample opportunity to discuss and decide these questions at the next or succeeding sessions, for, of course, this project will continue to follow the routine prescribed for river and harbor projects. Any regular appropriations for this project, when and if they are made, will come before Congress for decision in the future.

The present amendment does not relate to these questions. It is an entirely different question which we have to decide at the present moment—that is, whether these 6,000 men shall be arbitrarily thrown out of work, the Government forced to find other work relief for them, millions of dollars wasted, and work on this particular project for the time being abandoned. This amendment provides for a special board of review to be constituted by the President. This board shall consist of competent engineers, no one of which shall be in the employment of the Federal Government or the State of Florida, no one of which shall have had any connection whatever with the project heretofore. This board is directed to reexamine this entire project, and specifically it is directed to examine the questions of whether it will have a harmful effect on the water supply of Florida and whether the project itself justifies the expenditure of Federal funds for its construction. If the report of the board is favorable, the President would be authorized to utilize the project for work relief by expending on it not more than $10,000,000 of the work-relief funds appropriated in this bill—funds which must be expended for work relief in Florida in any event. That is the sum and substance of this amendment. It is the President's view that it will be informative and helpful to have the study and advice of a board whose judgment may be relied upon as unbiased and unprejudiced in determining these fundamental questions. The President was undoubtedly fully satisfied on these points before he authorized the project, but his critics have continued to insist that he has erred in this matter. This amendment provides for just that further examination and study of the project which they demand before additional funds are expended. I think, Mr. Speaker, that the amendment is therefore not only eminently fair but is the most reasonable way of meeting this very serious situation. It is one which I believe any sincere opponent of the project should welcome, because it insures that no further funds would be expended until additional investigations of the questions raised have been made. The great number who favor the project should be willing to have this further study made. A vote in favor of this amendment is simply a vote to require more study of this project before it can be utilized for work relief, reserving to Congress the decision at some future time as to whether this project shall be prosecuted to completion.

Mr. Speaker, I do not see how this request of the President can be reasonably refused by his opponents, and I feel certain that it will not be refused by his supporters. It is so sensible and so fair that I am confident that the House will vote to adopt it.

Mr. BACON. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from New York.

Mr. BACON. The gentleman stated that the Army engineers had approved the project. My understanding is that the Board of Engineers for Rivers and Harbors have not made any report either for or against it.

Mr. O'CONNOR. That is correct. They have not reported officially. I meant the Army engineers who had studied the project heretofore.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. TABER. On page 42 of the hearings on nonmilitary projects of the War Department this question was asked General Pillsbury:

Was that approved by the same type of board that the Passamaquoddy project was approved by?

General Pillsbury replied:

No; to the best of my recollection that was not recommended by any board.

Mr. O'CONNOR. I can only say I am informed it was recommended by a special board of Army engineers, including P. W. A. and other engineers. I have not any more time at the moment to yield.

Mr. BUCHANAN. Mr. Speaker, I yield such time to my colleague the gentleman from Florida [Mr. GREEN] as he may desire to use.

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a short statement of facts of about one page.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker, I have on several former occasions discussed this project in detail and at length. It is not now my purpose to anything more than very briefly review the history and the present position of the Florida canal. This is a river and harbor project. In the ordinary course of events it would before now have reached the Committee on Rivers and Harbors and been subject to such action and recommendation as that body might have seen fit to make. It had its inception in the river and harbor bill of 1927, which provided for a survey for a waterway connecting the intracoastal system of the Atlantic seaboard with that of the Gulf of Mexico. I drew and introduced the survey bill. The River and Harbor Act of 1930 provided for further surveys. It was my lot to also introduce this survey bill. Pursuant to these provisions, the Corps of Engineers, over a period of more than 6 years, conducted what Maj. Gen. Lytle Brown, then Chief of Engineers, has described as the most exhaustive survey of any project ever made by the War Department. In the usual course of events the report of the board of survey of the Corps of Engineers would be made to the Board of Engineers for Rivers and Harbors, and that board would report to the Chief of Engineers, and the Chief of Engineers in turn would lay the matter before the Committee on Rivers and Harbors in accordance with the provisions of law governing river and harbor projects; and this course will undoubtedly be duly completed at the next regular session of Congress. In the meantime, however, between the time the surveys were ordered by Congress and the time of the completion of the report on the same by the board of survey of the Corps of Engineers, Congress enacted the laws creating the Reconstruction Finance Corporation and establishing the Administration of Public Works and other work-relief agencies. Under the provisions of these acts Congress made possible the financing of this project in whole or in part without direct specific appropriation. By enacting the Emergency Relief Appropriation Act of 1935 Congress went a step further and delegated to the President the power to authorize as well as to finance projects of this nature. Therefore, to understand the history of the Florida canal it is necessary to bear in mind that it is a river and harbor project, and it began as such in a regular river and harbor bill, and will undoubtedly continue as such as soon as it can be placed before the Committee on Rivers and Harbors in the course of orderly procedure. In the meantime, it has been selected by the President, after due examination and approval by the appropriate departments of the Government, and, pursuant to the Emergency Relief Appropriation Act of 1935, has been authorized and designated by him for the expenditure of certain work-relief funds.

The canal is now under construction on a large scale. Six thousand men are employed directly on the job. Seventeen million cubic yards of earth have been excavated. The people of that portion of the State of Florida traversed by the canal have bonded their property for nearly $2,000,000 and have purchased and contributed to the Federal Government the right-of-way, comprising many thousands of acres of land. An excavation has been opened across the central portion of the State nearly 16 miles long, 400 feet wide, and 30 feet deep. A great bridge, with its piers rising 40 feet into the air, is in course of construction. It is unanimously agreed that the project has given, and is continuing to give, dollar for dollar expended, a more diversified, widespread, effective, and satisfactory work relief than almost any other project in the President's program, thus proving the wisdom of his decision to begin this enterprise.

The construction of this canal is directly in line with the general policy of Congress as expressed in its river and harbor legislation over the past half century. I think no one will deny that that policy has been to steadily push forward the construction of the great intracoastal waterway system running along the Atlantic seaboard from the New England States on the north to the southern tip of Florida on the south; from the mouth of the Rio Grande River in Texas on the west, along the coast of the Gulf of Mexico to the southern Gulf coast of Florida; and finally to complete the system and thereby realize its full value to the Nation, a connecting waterway across the peninsula of Florida. The details of this policy—just how rapidly the development of this great system of intracoastal waterways should be developed, the dimensions and types of the several links which comprise it—have been, of course, questions which have been debated from time to time for a great many years, but I feel that all will agree that the history of the legislation enacted by Congress indicates clearly the general policy I have outlined. Therefore I say again that the construction of this waterway across Florida, so far from being something new and a departure from our long-established policy, is, on the contrary, an integral part of that policy. The appropriate time for beginning this enterprise and the speed with which its construction should be prosecuted are questions which, in the normal course of events, would be decided entirely by direct action of Congress. By the Emergency Relief Appropriation Act of 1935 the Congress not only empowered the President to answer the first of these questions—that is, whether the appropriate time to begin this project had arrived—but it laid upon him the responsibility of making this decision. He has accepted that responsibility and, after the most elaborate and painstaking examination of the subject, decided that the appropriate time for initiating the work had arrived, and, pursuant to his powers and duties under the law, he acted. Since that time he has clearly and unmistakably referred to Congress for its decision the second question as to the rate at which this work should proceed—that is, whether it should proceed slowly by moderate appropriations or rapidly by larger appropriations. These questions will undoubtedly be answered by Congress at the next regular session.

In the meantime a situation has arisen which requires action at the present time unless waste and want and much distress are to be created. There are those who believe that the project should not have been begun at the time it was initiated. There are those who honestly believe that it should never have been begun. I think these are a decided minority, but I recognize and respect the sincerity of their opinions. There are interests which seek, for selfish reasons, to prevent the construction of the canal regardless of its benefits to the public. There are those, and I believe them to be the great majority of the people of the United States, who are convinced that the President was right when he began the enterprise and who believe that not only as a work-relief project but as a great benefit to the Nation's commerce, agriculture, and industry, the canal should be pushed to completion. Because of the insistence of those who oppose the project on the grounds that it is unsound or that it will result in harmful effects incommensurate with its national benefits, the President now requests the Congress to authorize him to make

further and special investigation of the project, with special attention to the controversial points, and in the event that this additional investigation shall indicate the justification for the expenditure of certain of the relief funds appropriated in this bill, to make such expenditure for that purpose. That is the whole meaning of this amendment which we are now discussing. We are not now deciding whether or not the Florida canal shall be completed now or 20 years from now, or ever. These questions will come before Congress for its decision in due course. The only question which we have to answer today is whether we shall grant the request of the President for authority to further examine this project and, depending upon the result of that examination, to use the project as a vehicle for unemployment relief by using a limited portion of the funds which must in any event be expended for such relief in that region.

As I see it, Mr. Speaker, this is the most fair and the most rational method which could have been suggested for handling this most important problem. I know that some of our Members feel that Congress should not be committed to this project in its entirety without further opportunity to discuss and act upon it. Their acceptance of this amendment in no way precludes that. As I have pointed out, the question of appropriations for this project, if any, must come before us in due course at the next and succeeding regular sessions. On the other hand, a great number of us who believe that the project should be pushed to completion as rapidly as possible must be content to have it reexamined and to have any continuation of the work for the immediate present depend upon the results of that examination and upon such allotments of relief funds as the President may feel are justified by that examination. Rather than see the waste and the distress which will inevitably follow cessation of the work even for a short time, rather than see the President rebuked, rather than see the confidence of the people in the efforts of our Federal Government to grapple with the great problem of unemployment seriously shaken, we accept this amendment and very earnestly urge that it be concurred in by the House.

FLORIDA CANAL—OUTLINE OF BASIC INFORMATION AND DATA

(Furnished by the Ship Canal Authority of the State of Florida)

1. Basic data: All examining authorities of the Government including the Public Works Administration, the Corps of Engineers, and the Board of Review are in substantial agreement on the following:

A. The route of the canal: Entering the St. Johns River, thence up the St. Johns River to a point near Palatka; thence westerly across the central portion of the peninsula to the Withlacoochee River near Dunnellon; thence down the Withlacoochee River to the Gulf of Mexico, entering the Gulf of Mexico at a point due east of the mouth of the Mississippi.

B. That the canal should be constructed at sea level.

C. That its construction will have no deleterious effect upon the underground water supply of Florida.

D. That its cost will be approximately $142,700,000.

E. That its benefits to commerce are Nation-wide and will exceed $8,000,000 per year.

F. That the canal as planned and under construction is of proper alignment and dimensions to permit the safe navigation of ships night and day.

G. That upward of 10,000 ships per year will transit the canal.

H. That a relation of cost of the project to its benefits is more favorable than is the case with the average River and Harbor project.

2. Statistics: A. Length of the canal: Approximately 180 miles from sea buoy on the Atlantic to sea buoy on the Gulf.

B. Bottom width: Sea approaches, 1,000 feet. River sections, 400 feet. Central cut section (29 miles), 250 feet.

C. Depth: In earth, 30 feet plus 2 feet over depth. In rock, 30 feet plus 3 feet over depth.

D. Speed of vessels in canal: In all but central cut section, 10½ knots per hour. (This is average ocean speed.) In cut section (29 miles), 6⅔ knots per hour.

E. Time to transit: Sea buoy to sea buoy, 23 hours.

F. Time saved per round trip: New York to New Orleans, 2¼ days.

3. Contribution by the State of Florida: Formation of a special navigation district, including six counties which have bonded themselves for $1,800,000, the proceeds of which are being used to purchase and deed the right-of-way to the Federal Government.

4. Work done to date: A. Clearing of right-of-way: Substantially complete.

B. Bridges: Piers of first large bridge substantially complete.

C. Workmen's camps, etc.: Complete.

D. Excavation: Approximately 17,000,000 cubic yards to date. The excavation has made a ditch approximately 16 miles long, 400 feet wide, and 30 feet deep across the central portion of the State.

E. Men at present employed: Approximately 5,000.

5. History: A. Survey as a barge canal ordered by War Department under Rivers and Harbors Act of 1927. Further survey ordered as ship canal under Rivers and Harbors Act of 1930. Surveys in charge of Corps of Engineers.

B. Before completion of surveys by War Department, the National Gulf-Atlantic Ship Canal Association (a corporation not for profit), on behalf of a public corporation of the State of Florida to be constituted by the State, made a pro-forma application to the Reconstruction Finance Corporation (July 1932) for a loan to construct the canal as a self-liquidating project. Revenues to be obtained from tolls on shipping.

C. Early in 1933, by Executive order, this and all other applications to the R. F. C. were turned over to the Public Works Administration. No action whatever was taken by the R. F. C.

D. Early in 1933 the Legislature of the State of Florida constituted the Ship Canal Authority of the State of Florida, which took over the matter and became the applicant before the P. W. A.

E. In June 1933, by instructions of the President, the board of survey of the Corps of Engineers, although it had not entirely completed its work, made a preliminary report which included practically all the basic data necessary for estimating the cost of the canal and practically all economic data necessary for estimating the benefits. This report was made in order that the State authority might present the data to the P. W. A. The report was not made public. It finally and definitely determined the route and indicated a preference for a lock canal of ship-canal dimensions.

F. During the summer or fall of 1933 the engineering division of the P. W. A. and the legal and financial divisions of that establishment thoroughly investigated the project, using the basic physical data furnished by the Corps of Engineers but making their own economic and financial survey.

G. In October 1933 the engineering, legal, and financial divisions of the P. W. A. made a report to the Administrator to the effect that the project should be a ship canal along the route laid down by the Army Engineers (present route); that it should be a lock canal; that its cost would be $115,000,000; and that revenues could be expected from tolls on shipping sufficient to pay all maintenance and operating expense, together with interest charges (4 percent), and repay the loan in accordance with the regulations of the P. W. A. for such projects. Page 26, paragraph 8, of that report gives the following conclusions and recommendations:

"It is concluded that the project covered herein constitutes a public necessity and is of real social value. The project will afford much employment to many classes of skilled and unskilled labor; that the design is in accord with sound engineering practice; and that the project is economically sound.

"It is recommended that the loan, with or without the grant, be made."

The Administrator rejected these findings and did not approve the loan. He stated later to a subcommittee of the Senate Committee on Commerce that he had not rejected the project as a river and harbor project but merely because he did not agree that cash tolls could be collected enough to represent sufficient security for the loan under the regulation of the P. W. A. for self-liquidating projects, and that his action was without reference to the merits of the project as a regular river and harbor item.

H. In December 1933 the board of survey of the Corps of Engineers completed its work and made its report. In accordance with usual procedure, this report was not made public but was filed with the Board for Rivers and Harbors, which ordinarily would examine the same and make a report to the Chief of Engineers, who would in turn report to the Committee on Rivers and Harbors of the House. The project, however, had been, by order of the President, already placed in process in the P. W. A., which gave it a special status, and, until finally disposed of there, it was deemed inappropriate to continue processing the project through the Board for Rivers and Harbors. Pursuant to usual practice, the Chief of Engineers did not make public this report but permitted its examination by Members of the Congress.

I. The above-mentioned report of the board of survey of the Army Engineers indicated a preference for a lock canal along the same route called for in the preliminary survey, and estimated the cost of this lock canal at $190,000,000, with benefits to commerce of upward of $8,000,000 per year.

J. It should be noted the economic survey of the Army Engineers was based upon an independent survey made by themselves and supplemented by a statistical survey made at their request by the Department of Agriculture. The economic survey made by the P. W. A. was an independent survey. All of these surveys agreed substantially that the direct benefits to commerce would be something over $8,000,000 per year. The P. W. A. and the Army estimates as to the cost of the project were, however, $115,000,000 and $190,000,000, respectively. It developed that this was largely due to the fact that the Army was considering three locks and the P. W. A. two locks, and to certain other differences in unit construction-cost estimates.

K. Early in 1934 the President constituted a special board of review comprised of two Army Engineers, two engineers from the P. W. A., and a fifth engineer from civil life selected by the other four. This board was instructed to review the reports of the P. W. A. and the board of survey of the Army, and to make a report with recommendations to the President.

L. The board of review undertook to pass upon the project as a regular rivers and harbors project and not as a self-liquidating project for a loan. In June 1934 this board reported to the President that, in its opinion, a sea-level canal was feasible and preferable; that such a canal would have no serious effect upon the underground water supply of Florida; that it would cost $142,700,000, exclusive of interest during construction and land for right-of-way. The board recommended the construction of the canal to the President and stated that based upon the economic data gathered by the Army Engineers the project was justified on a 4-percent basis even up to a cost of $160,000,000.

M. Shortly after receipt of this report, the President instructed the board to examine the project with a view to determining whether, instead of being a regular river and harbor project, free from tolls, it could be made a self-liquidating project and used as a basis for a bond issue. On this particular point the board reported adversely in September 1934, basing its conclusion upon the assumption that a ship would not pay as cash toll more than 45 percent of the amount it would save. The board recognized, however, that the full amount saved by shipping would be ample justification for the construction of the canal as a river and harbor project.

N. In January 1935 the Administrator of Public Works, having up to that time withheld final action on the question of a loan for the construction of the canal as a self-liquidating project, overruled the recommendation of his engineering, financial, and legal divisions and disapproved the loan.

O. At this point the project stood approved by the board of review as a river and harbor project, justified by the benefits it would yield to commerce, but disapproved as a toll, self-liquidating project by the Administrator of Public Works.

P. On August 30, 1935, under the provisions of the Emergency Relief Appropriation Act of 1935, the President authorized the project and allocated to it $5,000,000.

Q. Two subsequent allocations of $200,000 each were made.

R. Work was begun on the project on September 3, 1935, and has been continuing ever since, with an average employment of about 6,000 men on the job.

6. Opposition of railroads and certain shipping lines: The Atlantic Coast Line, the Seaboard Airline, and the Southern Railway have opposed the project at public hearings held by the Army Engineers. Certain steamship lines have indicated opposition to the project. The question at issue is not whether the Government will build this canal for the benefit of certain ship-operating concerns but whether, when built, it will benefit the general public to an extent commensurable with its cost. That is the real question; and all attempts to divert the argument by citing opposition of ship operators are beside the point.

Ship operators realize that in the long run substantially all of the savings in the operation of ships made possible by the canal will have to be passed on to the general public in the form of lowered freight rates. They also realize that the canal will greatly stimulate shipping into and out of the Gulf of Mexico, and they fear that this will mean new competition.

The Corps of Engineers, the Department of Commerce, and the Public Works Administration have all found that the construction and operation of the canal will result in general public benefits to the greater part of the United States. These benefits are much more than sufficient to justify the cost.

The Corps of Engineers, which is the highest authority on the safety and practicability for navigation of improved waterways, has stated that the canal is safe and feasible for ships to use.

The Bureau of Navigation, which is the highest authority on questions of time and distance on given courses for ships, has stated that ships using the canal will definitely make certain savings in time and distance.

In view of these facts, it is impossible to conclude that ships will not use the canal when it is opened. Whether some ship-operating concerns wish to see the canal built is not the question we are discussing here; and all evidence of this kind only serves to prove that the canal will undoubtedly bring about vast economies to the general public.

Mr. BUCHANAN. Mr. Speaker, I yield such time as he may desire to use to my colleague the gentleman from Florida [Mr. PETERSON].

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to my colleague, the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Speaker, I do not like to take issue with my friend the gentleman from New York, the chairman of the Rules Committee, but I think the record will show that the engineers of the Public Works Administration have more than once reported against this canal, and I am assured that the Board of Engineers for Rivers and Harbors, who have given it preliminary study, have not yet made any report whatever.

I would have no objection to the Florida canal if it came up in an orderly way in a river and harbor bill. It is part of the inland waterways and it seems to me it should go through the same process as every other improvement of our inland waterways or our harbors. It seems to me that the Board of Engineers ought to thoroughly investigate it. It seems to me that the Board of Engineers ought to have a hearing and make a report, and then if it comes up in an orderly way so that the House can consider it as a definite proposition on its merits, we can then act intelligently in the matter. As it is, however, civilian engineers have made certain reports and most of them have been in conflict and it now comes up in the form of an item in the relief bill. Congress has never authorized it.

This canal will cost $142,000,000 or $160,000,000 with interest at 4 percent. The amount requested in this bill is only a beginning, and only a small beginning. This means that future Congresses, in the ordinary course of the regular appropriation bills, will be found to continue the building of this canal, and this will impose upon future Congresses a burden of well over $100,000,000 in the completion of the project.

I do not believe that it is a wise policy to start a project as a relief project unless you have allocated sufficient money at the time you start it to finish it. I do not believe that it is wise to start a project as a relief project to be continued eventually in the regular appropriation bills when the problem of relief is over. It seems to me a thoroughly bad policy and a thoroughly bad precedent to establish.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. BACON. Yes.

Mr. DONDERO. I have made an investigation of the Florida ship canal and I find that in 109 years there never has been a favorable report filed on this canal—not on this route primarily, because other routes have been proposed, but I cannot find a single favorable report upon it and I do not think there is any.

Mr. BACON. Who is going to benefit by this canal? Apparently commercial shipping, according to the proponents of the canal; but the testimony before our committee was to the effect that two-thirds of that commercial shipping which will benefit by it are the oil tankers of the large oil companies. Are we going to expend $142,000,000 for the ostensible purpose of benefiting the tankers of the large oil companies? They form two-thirds of all the traffic that goes around Florida today. Yet, if it is for the benefit of the freighters, tankers, and commercial liners, they do not want or request it. Let me read to you what the Department of Commerce has stated:

> The consensus of opinion of that part of the shipping industry with which contact has been established in the preparation of this study appears to be that the probable cost of building the projected waterway is not justified through any benefits which might thereby accrue to the cargo or the vessel. The significance of this is that it rests primarily upon the considered opinion of the principal and naturally most interested group, namely, the tanker trade.

It would thus appear that this canal will be little used and is not needed. There is no economic justification for the expenditure of $142,000,000.

Mr. OLIVER. What is the gentleman reading from?

Mr. BACON. A report from the Department of Commerce, which appears in the RECORD of May 30, 1936, at page 8394.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. OLIVER]. [Applause.]

Mr. OLIVER. Mr. Speaker, ladies and gentlemen of the House, I appreciate more than words can express the gracious and cordial welcome just extended me on my return to the House, and before the session closes, when the business before the House is not so exacting, I hope to ask your further indulgence that I may try to convey my deep and never-to-be-forgotten gratitude for the solicitude, affection, and interest which individually you have in so many ways expressed for me during my long illness. [Applause.]

Only a few moments ago did the request come that I make a talk on the subject now up for consideration. It is the first talk I have made in the House for more than a year. May I read two lines of a verse quoted by one who, in the Senate, opposed this appropriation some weeks ago:

> The waves that plunge along the shore
> Said only, "Dreamer, dream no more!"

I wonder, Mr. Speaker, if the distinguished Senator from Michigan, who quoted these words, has since felt how pertinent, how prophetic, they were. I would say to the Senator from Michigan that these words are clothed now with a broader, deeper, and more significant meaning.

That great soul which passed from among us this morning may have been a dreamer, but his dreams were worth while, and such dreams always come true, sooner or later. They were like the dreams of Theodore Roosevelt, of Wilson, of Lincoln, of Jefferson, and of Washington—in that, after the dreamer was called away, there always came, as there will now, others to carry to realization those visions of these our departed great.

My friend from New York [Mr. BACON], for whom I entertain the highest personal regard, is in error in concluding that the Corps of Engineers has made no study of this project. He is in error in concluding that the Department of Commerce has recommended that it is economically unsound. He is in error in concluding that the facts gathered in reference to this project by the Corps of Engineers and on which their final report will be predicated do not justify the building of the canal.

I invite the gentleman from New York to read, on page 3832 of the CONGRESSIONAL RECORD, the letter there set out from the Chief of Engineers—and then, fair as he is, I venture to predict he will rise of his own volition to say that he was in error. I invite the Members of the House to read that very remarkable and informing statement recently spoken, with deep feeling, on the floor of the Senate by that great man, now no longer with us, and which appears in the RECORD under date of May 30 of this year. It effectually answers much erroneous propaganda.

The SPEAKER pro tempore. The time of the gentleman from Alabama has expired.

Mr. BUCHANAN. Mr. Speaker, I yield the gentleman 5 minutes more.

Mr. OLIVER. The two recent speeches by Senator FLETCHER, full and complete, are the only statements in reference to this project I have read in the last 12 months. To me, they seem convincing, coming as they did from one of unimpeachable integrity, when nearing his fourscore years, after a distinguished service of 27 years in the United States Senate. No words of bitterness or unkind acrimony, no resentment against those who differed from him, will be found in these statements, but only a dignified, forceful, logical statement of the reasons for his faith and belief as to the practicability and public value of the canal. Senate amendment no. 41, which the House is now considering, simply undertakes to provide funds for furnishing to the President further advice with reference to the Florida canal, and while, in my opinion, the expert opinion now available is sufficient, yet cumulative evidence may well be considered.

May I here say that the Senator's speeches of March 17 and May 30, to which reference has been previously made, serve to set a high and proper standard for the discussion of public questions, if you please, that might well be followed on both sides of the aisle, while the House is in session and not in session, and especially during an election year, when too often we give utterance to unkind and bitter emotions.

When I read those beautiful memorial addresses which recently appeared in the CONGRESSIONAL RECORD, I could but feel how truly they represent the heart sentiments of the Members of this House, differences forgotten and only the beautiful things, characteristic of our departed colleagues and friends, remembered.

Thus does this great and beloved Senator from Florida, whose soul took its flight today, leave with us his last words, which will remain always as a memory to be cherished—yea, like the memory our beloved Speaker left with us—which will never die.

I will here diverge to ask, What are some of the memories that, of all the great things our Speaker did, will live on? Some may answer, "His great love for his fellows, forgetting classes and sections", because it can be truly said of him that it mattered not from where they came, whether from the East, North, West, or South, friends to him were the same. This is, indeed, a just tribute, for Joe Byrns never inquired from what section you came, and his handshake was cordial and warm, and his heartbeats true for men and women of worth and character, irrespective of domicile or class, whether high or low, rich or poor. What, though, again I ask, are the most enduring things our Speaker left with us? His successor, elected by the unanimous vote of the membership of the House, said this of him, that "For 35 years preceding his death he never failed at night, on his knees, to implore the help and guidance of Almighty God"; and to his family physician, Dr. Powell, of Nashville, just before he passed over the river, he said that our country was "drifting away from the principles of Christianity", and that what we most needed in America today was for America to "get back to God." This, my friends, was indeed a message of great import, coming as it did from the late Speaker of this House, a man of prayer. It was a message to us and every American, and may there be many to heed it and carry it on is my wish.

Now, my friends, while not regretting this divergence, let me in conclusion, before the vote is taken on the pending question, ask that those who have not done so, read over the statement put into the RECORD by the beloved Senator from Florida on May 30.

The SPEAKER pro tempore. The time of the gentleman from Alabama has again expired.

Mr. BUCHANAN. I yield the gentleman 2 additional minutes.

Mr. OLIVER. The statement is not long, and I call your attention to it because I feel you will be impressed with it. From an economic and engineering standpoint it is impressive and convincing. It took a creative mind to frame some of its word mapping. It is my firm conviction that, from an economic and engineering viewpoint, the building of this canal is sound and that it will serve a great public need.

The vision, the industry, and the work of the Senator from Florida, no longer with us, have not been in vain, but they will shine like jewels on the finger of time, until, what the Senator from Michigan called a dream, comes true—yes.

"Sometimes, I think, the things we see
Are the shadows of the things to be;
That what we plan—we build,
That every hope that hath been crossed,
And every dream we thought was lost,
In future shall be fulfilled."

[Applause.]

Mr. BUCHANAN. Mr. Speaker, I yield such time as he may desire to my colleague from Florida [Mr. SEARS].

Mr. SEARS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a few letters and the last memorandum written by Senator FLETCHER on the Florida ship canal.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The memorandum referred to follows.

(Memorandum written with a pencil by Senator DUNCAN U. FLETCHER)

OPPOSITION TO ATLANTIC-GULF SHIP CANAL ACROSS FLORIDA

The Emergency Appropriation Act of 1935 gave the President full authority to select, initiate, and approve projects to be undertaken by the Government and to allot funds for prosecuting work thereon. The President was vested with complete discretion in the matter and $4,800,000,000 was placed in his hands for the purpose of discharging that trust.

On August 30, 1935, the President issued an Executive order to the Secretary of the Treasury to set aside $5,000,000 for the Atlantic-Gulf Ship Canal, describing it, generally, as the project which the Board of Review, composed of two Army engineers from the Corps of Engineers for Rivers and Harbors, two Public Works Administration engineers (the chief and his assistant), and a chairman selected by the four, a distinguished engineer from New York, recommended to him.

Upon recommendation by the Chief of Engineers and the Secretary of War, the Director of the Budget approved and placed in the Budget an item of $12,000,000 for prosecution of work on this canal during the fiscal year ending June 30, 1937. This was approved by the President when he transmitted the War Department budget to Congress.

The appropriation bill, of course, had to originate in the House and these matters were reported there and were taken up by the subcommittee handling the War Department appropriation bill. There were five projects in like situation—all inaugurated by the President—work begun on them, funds allotted for them, and under construction—the five projects calling for a total appropriation of $29,000,000. Opposition arose before the subcommittee by a Republican member who insisted that as these projects had never proceeded along the course of ordinary river and harbor projects and been approved by the Board of Engineers for Rivers and Harbors, reported to the House, referred to the committee, and received legislative action by Congress, it was not in order and would be irregular for Congress to make any appropriation for them.

It was a technical point which had back of it those who were criticizing the administration at every opportunity and who lost no chance to fasten on the President and the administration any charge that authority had been exceeded or abused and public funds wasted.

It was, I believe, a Republican move, a covert attack on the administration, which subsequent references herein will bear out. The effort was to have Congress emphasize and support the charges they were making by refusing this appropriation.

Disclaims of any political purpose, of course, were made and the objection was shrewdly handled by appealing to Congress to pursue undiminished its prerogative and by asserting that the President had the funds and ought to go on with the projects with the money in hand and not ask Congress for specific appropriations in addition to what had been given him.

Their objection really reached back to the act of 1935—the vesting in the President of extensive authority and the power to dispose of a large sum. But, of course, the act of 1935 is the law. It is idle to combat its wisdom now. It passed the Senate by a vote of 66 to 13. It gave the President the authority to do precisely what he did. The opponents finally conceded that. Under the act the projects were authorized legally and were eligible to receive appropriations by Congress. They had not been adopted by legislative acts of Congress, specifically and directly, but Congress had authorized the President to adopt the projects.

The House subcommittee, the full Committee on Appropriations, and the House itself adopted the view advanced by the Republican members and did not include any of these five projects in the appropriation bill.

When the bill came to the Senate I offered an amendment adding $29,000,000 to take care of these projects as included in the Budget and recommended to Congress. The same objection was urged as had been raised in the House. With clearness and force and at considerable length a leading Republican argued repeatedly the protest and points against the amendment. The attack finally centered largely on the ship canal, opponents of the canal furnishing material and arguments in support of the attack.

I offered the amendment before the Subcommittee on Appropriations. It was defeated by one vote. In the meantime the Senators from Maine preferred that the Passamaquoddy project in their State be left out, and I modified the amendment so as to add $20,000,000 to the bill, thus taking care of the four other projects—including $12,000,000 for the canal. That was defeated by one vote. I then offered the amendment before the full committee, and there it was defeated by one vote.

The singular thing I call attention to is that every Republican member of the subcommittee and every Republican member of the full committee voted against this amendment. Some of such members had never attended a meeting of the subcommittee or of the full committee and heard nothing of the discussions and were in absolute ignorance of the merits of the proposal. However, they left their proxies with opponents of the amendment and were so voted. These Republican members were unanimous in their opposition to the amendment that would have carried out the Budget estimates and the recommendations of the Secretary of War and Chief of Engineers. Thus the amendment was defeated in the full committee.

I gave notice I would offer it in the Senate when the bill was considered there. I did so. It was impossible to interest Members of the Senate who apparently had made up their minds, without a clear understanding of what was involved and, not to my surprise, but in strict accordance with what I felt was going on and in line with the political purpose to make the fight on this appropriation as a policy that might serve to strengthen the attack on the administration, every Republican in the Senate except those noble, independent souls, JOHNSON and NORRIS, voted against the amendment.

Is it not remarkable that the Republican Party should be so united against this proposal to carry out the administration's recommendation? One must be decidedly naive and childlike not to recognize the political significance of their votes. Many of them did not follow the discussions—they voted as a party, speaking generally. A few individuals, no doubt, felt there was merit in the opposition—particularly influenced by propaganda, telegrams, and letters from the State voicing opposition to the canal. In some instances this local opposition had its influence, but, generally speaking, there was a set, determined, political line-up, for political purposes, against the canal.

Then the Senate itself did an amazing thing. After defeating my amendment, 39 to 34, on the claims set up in the House, that the projects did not have back of them regular, direct, legislative action, it proceeded to make appropriations for three of the projects—totaling $8,000,000—which had been authorized in precisely the same way as the canal had been. I, of course, voted for these. Senators realized that this action was not fair and that, while the canal was a much larger project, the principle involved was the same. Some who favored my amendment had not been present when it was voted on. One of the absentees made a motion to reconsider the vote by which the amendment was lost and the vote on that motion was 35 for to 36 against. Again some of our friends could not, on account of illness, be present. If they had been, the motion would have carried. Again, every Republican Member, except Senators JOHNSON and NORRIS, voted against the motion to reconsider. They have carried their point and can now set up the action of Congress as enforcing this attack on the administration. Perhaps it was good politics, if that is what we are here for. It has advanced certain Republican ambitions and enhanced their prestige. The matter is not settled and will not be until it is settled right.

As to how the Senate treated the arguments that projects not adopted by legislative action should not receive appropriations by Congress, see the CONGRESSIONAL RECORD of March 2, 1936, particularly pages 3034 to 3042. The Senate was then considering the bill making appropriations for the Interior Department. The same point was raised, the same contention advanced respecting a number of reclamation projects as argued respecting the canal project, but the Senate voted the appropriations and ratified and adopted the projects theretofore authorized by Public Works Administration and the President, and not by act of Congress. The precedent in the Senate is therefore to hold such contention unsound and not well taken.

These reclamation projects stood on the same footing as the canal. Appropriations were made for them in this bill on March 2, 1936. They first appeared before Congress in this appropriation bill. They involved millions of dollars. There is no merit in the technical point raised. Congress has the right and the power to make the appropriations.

There is a pretense of opposition to the canal on the ground that it is not economically justified. Broad assertions to that effect are made by laymen, who assume to know more than the most capable, scientific, experienced experts, engineers of the highest standing in this country. The Board of Review, composed of most capable and distinguished engineers, recommended this sea-level canal to the President, and, after studying the exhaustive economic survey of the Army Engineers, stated it to be commercially justified at a cost of $160,000,000. The cost is placed at $143,000,000, and this figure has been approved by the Chief of Engineers. Who has any right to say it will cost more? Its minimum direct benefits to commerce are placed at $7,500,000 annually. As to its usefulness, is it not perfectly silly for any shipping concern to say that when a vessel would save 2 days' time on a round trip from New York to New Orleans by using the canal it will not do so?

Mr. SEARS. I have refrained from filling the RECORD with arguments for the canal, hoping I might convince my colleagues without putting the taxpayers to the expense that the printing of such arguments in the RECORD would entail.

I have mailed to my colleagues in the House, as those of you who are present perhaps know, all of the information up to date that has been available, including my brief remarks, the remarks of Senator FLETCHER, and the proceedings in the Senate. We want you to have before you all of the facts in reference to this canal.

EXTENT OF OPPOSITION TO THE CANAL

I must confess that I am unable to understand the opposition to the canal, except that all major projects and advance movements, so far as I can recall, have always been strongly opposed.

I referred briefly to the Panama Canal during the course of my remarks on the floor of the House.

At another time, if I deem it necessary, I will refer further to that old fight against that canal, because to my mind it was a parallel fight to this one.

The President at that time, Theodore Roosevelt, constructed the Panama Canal without direct authority from Congress.

Throughout the country, in the daily press—I have no fight to make on the press of the country, because I learned early in life that you cannot fight the press—editorials have been and are being published against the canal, and articles have been written against it in the magazines. All of them that I have seen have been misleading and based evidently on misinformation.

I call attention to an article in Collier's Weekly of December 14, 1935, in which the writer undertook to make it appear that if we undertook to build the canal shotguns would be used, and that it would divide the State politically and make two States—north Florida and south Florida. I am satisfied

you will believe me when I say that there is nothing to that article when I tell you for the past 30 years there has been an effort to divide Florida. I have always been opposed to that effort, and I would not refer to it now except for that article, which evidently was sent to my colleagues for the sole purpose of creating an antagonistic feeling toward the canal.

Then I also call your attention to an article that appeared in the Rochester (N. Y.) Democrat and Chronicle of February 11, 1936. I will not read the article to you because it will simply clutter up the record. It is a rehash of the old argument and I will just read you this one paragraph:

> Large groups within the State, possibly as much as three-quarters of the population, have expressed opposition to the project as useless or actually inimical to the interests of the State.

The Time and other magazines have carried semiadverse articles until it has led my colleagues on the floor to believe that we in Florida do not want the canal.

I have been asked why I supported something that so many people were opposed to. I will undertake to show you all the people of Florida are not opposed to the canal. Let me read you an editorial which was published in the Cocoa News of March 24, 1936. This paper is published in Bervard County, south of the canal. It says:

> Every candidate for Congress for this, the Fifth District of Florida, favors the cross-State canal. So we can't hold that against any of them. But we can elect a man who is honest and will work for the fifth, and not himself, when he goes to Washington.

There are nine Democratic candidates in that Fifth District of Florida. That is a newly created district, and, while they are all men of the highest integrity, intellect, and character, yet, if 80 percent, or 60 percent, or even 51 percent of the people of that district are opposed to the canal, those men would be fools to run on a platform favoring the canal. I also understand in the election next November a Republican will run against the Democrat who receives the nomination and the main plank in his platform will be, "Build the canal."

RESULTS OF BONDING ELECTION IN THE CROSS-STATE CANAL DISTRICT

The last Legislature of Florida provided for a bonding election in what we call in Florida the "cross-State canal district", composed of the counties of Clay, Duval, Putnam, Marion, Citrus, and Levy, six counties, the amount of the bond issue being $1,500,000. They did that because the administration told the delegation from Florida, at which meeting my colleague, Congressman CALDWELL, was present, with myself and the other members of the delegation, that before the administration would go on with the canal the people had to show their good faith by giving the right-of-way.

At that election only freeholders could vote. In other words, those qualified electors who had registered and paid their poll tax and who owned property could vote. It was out of the taxes that they paid that this million and a half dollars would be refunded. The vote was as follows:

In Clay County the vote was 473 for and 47 against.

In Duval County, which is my home county, the vote was 10,039 for and 329 against.

In Putnam County the vote was 1,720 for and 100 against.

In Marion County the vote was 2,115 for and 46 against.

In Citrus County the vote was 485 for and 37 against.

In Levy County the vote was 603 for and 31 against.

I am informed that 90 percent or more of the qualified freeholders participated in this election. Under our law in Florida a majority of the qualified freeholders must participate.

Freeholders are landowners, and not less than 50 percent of the freeholders must vote. So, even if you have a unanimous vote for the canal, if only 49 percent of the freeholders participated in the election, the election would be void. But to show our interest in and enthusiasm for this project, fully 90 percent of the freeholders voted, and the result was practically a unanimous vote for the bond issue.

May I call your attention to this salient fact: Duval County had just prior to that, or within a year or so, voted down two or more bond issues for local public improvements.

Practically all of the southern counties of Florida during the boom bonded themselves to where they had said they would never bond themselves again.

The afternoon before the election I happened to be in Jacksonville. I had taken no part in the campaign, except to express my interest in the canal. But they called me and insisted that I speak before them. I shall never forget that night, and I hope I shall never regret that night.

There must have been 15,000 people on Forsyth Street that night listening to the speakers.

I told them that the Florida delegation had assured the President the people of the district would give the right-of-way as demanded by him, and if they did not do so work on the canal would cease when the first allotment was exhausted. That if they placed a mortgage on their homes they need have no fear work on the canal would stop. Mr. Speaker, I did that then because I had faith both in the administration and my colleagues.

Perhaps I overspoke myself, but I do not think so, for I still have that faith and still believe the canal will be built.

I said also to those people, "there are thousands of you listening to me who have been hungry and who are hungry tonight, but who have refrained from going on the relief rolls because you did not want to add to the expense of the Government in taking care of the needy. If the bond issue carries, and I know it will, the battle will be won and you can then secure work on the canal."

I want to show you the map of that district. One of my colleagues the other day stated that a $1,500,000 bond issue for Florida was just a drop in the bucket, and for me to forget it.

This is a map of Florida, which has 67 counties. I have drawn a line around here to show you the canal district, which includes, as I said before, Duvall, Clay, Putnam, Marion, Citrus, and Levy Counties. The canal starts at Mayport on the St. Johns River. One of the reasons why that was done was because there are 30 feet of water for about 20 miles from Mayport to Jacksonville. Then there is between 12 and 14 feet of water, I should say, in the river down to Palatka. Perhaps that is why they can build the canal for $143,000,000. Then they use the Oklawaha River across to near Ocala, and come here [indicating on map]. Then there is no river, and they have about 55 miles where they will have to construct the entire canal. Then they go into the Willacooche River, and into the Gulf at or near Yankeetown [indicating on map].

This little district marked in red [indicating on map] is the canal district of Florida on the property of which was placed this bond issue of a million five hundred thousand dollars. The district, as you see, is only an average of about 50 miles wide.

The congressional district I spoke about a while ago, the new Fifth District, takes in Marion, Sumter, Brevard, Osceola, Orange, Seminole, Flagler, Volusia, and St. Johns Counties. In other words, it is all this section of Florida [indicating on map]. Here is Miami, and the section running to Sarasota, where the main fight against the canal is coming from. There is no doubt, in my mind at least, about a large majority of the people of Florida being in favor of the canal, and that more than 45 counties of Florida are overwhelmingly for the canal. I am satisfied a majority are not opposed to the canal.

Let me remind you that in 1915 and following years I was up against the same fight and opposition when I advocated the deepening of the harbor of Miami to 15 feet, then to 20 feet, then to 25 feet, and then to 30 feet. On that project we had some opposition, not only in Florida but also in the press, but this is no news to you, for you know improvement of water transportation always has to overcome that opposition. At the very beginning they raised the question that it would ruin the fresh water of Florida by making the water salty. The people of the canal district had that before them when they voted for the bonds.

My home is within a quarter of a mile of the canal. The groves in Marion County are adjacent to the canal. The people of this district have the orange groves, and they are not alarmed about our waters being ruined or the salt-water proposition.

REASONS FOR OPPOSITION TO CANAL

While I will not question the motives of my friends who have been so loyal to me during my political life, yet it seems to me it is passing strange that from 365 miles south should come the cry that if you give us the canal, Florida will be made a desert, and our fresh water will all be made salty.

In December 1933, I received from the board of directors of the Florida Citrus Growers' Clearing House Association of Fort Myers a petition protesting against the canal. The first point of that petition was that such a canal would immediately open the door for a short-haul water movement from Texas of Texas grapefruit, under refrigeration, to the eastern markets, and intimating that we are endeavoring to build up Texas and hurt Florida. They also cite the fact that it will also hurt the waters of Florida.

At that time I was Congressman from the State at large, a position which I still hold. On January 8, 1934, I wrote those good people—and I will read you the letter—showing clearly that I did not fear any injury to the water of the State; that I thought the canal was economically sound, and that it would be for the benefit of all Florida.

The letter is as follows:

JANUARY 10, 1934.

Miss JANET ARMSTRONG,
Assistant Secretary, Florida Citrus Growers' Clearing House Association, Winter Haven, Fla.

MY DEAR MISS ARMSTRONG: Further reference is made to your letter of December 30.

It is almost impossible to keep up with my mail. On January 8 I wrote you, and in our haste in getting out yours and about 100 other letters written during the day, my secretary overlooked a page of my dictation to you.

I am writing you again because my letter of January 8 as mailed to you might cause you to reach the conclusion I was evasive. We have just located the notes which were overlooked, and I have asked that they be incorporated in this letter.

Paragraph 5 of the minutes of the director's meeting of December reads as follows:

No. 5: "The construction of such a canal would for a period of years probably make much more difficult the problem of retaining reliable agricultural labor for work on the groves and farms."

I have always contended—and this is without criticism of any work going on in Florida or in any of the other States—that work done on worth-while permanent projects will be money well spent and not wasted; and the laborers on the canal, if properly supervised, will only take away all surplus labor and will not interfere with groves.

No. 7: "The cost of bridges across said canal to the State of Florida and to the various counties which would be affected would be enormous."

Of course, you know the bridges will be paid for by the Government and will not cost the State or counties anything.

No. 8: "The effect upon the subterranean water sources and springs of the State would probably be most injurious and destructive."

I have conferred with many of the best engineering minds of the country, who have made soundings and a complete survey, and they assure me that the water sources would not be injured in the least.

For about 10 years we worked hard to secure the East Coast Canal, and probably the same objections were raised, and due to a division of sentiment and opposition the fight was prolonged and the securing of the East Coast Canal was delayed; but we finally got everybody together, and I am satisfied now that everyone familiar with the East Coast Canal is perfectly satisfied.

For the above reasons and reasons stated in my former letter I have urged the cross-State canal at whatever point determined upon by the engineers in the strongest terms possible, because I felt it would in the long run materially benefit the entire State of Florida.

Many evade questions, and, while this is an election year and there is a tendency to evade, during all of my public life, which has run over a period of the past 20 or more years, many have differed with me, but I have retained their friendship because of my frankness.

I sincerely trust that my letter will not be misunderstood, and I feel satisfied after a careful research you will agree with me.

Sincerely yours,

W. J. SEARS.

That letter clearly shows my attitude; that I am not a recent convert; I am not a demagogue; and that I am not shaping my course for political effect.

It might also be interesting at this point to remind you that just prior thereto I received from Fort Myers a resolution asking me to work for a cross-State canal from Fort Myers to Lake Okeechobee, coming out to the ocean at Fort Pierce.

I have before me request for the cross-State ship canal, dated July 27, 1933, Fort Myers, Fla., in part as follows:

As the result of my personal investigation I am convinced that a cross-State ship canal is feasible, possible, and probable.

As to a definite route, the northern route (Mayport-Jacksonville-Yankeetown) was finally decided upon for a complete report after consideration of seven other possible northern routes.

We are definitely in favor of such a ship canal to join the Atlantic with the Gulf, and we are willing to heartily support such a project for the benefit of the whole State of Florida; but we are not willing to support this particular route unless it is clearly demonstrated that this is the best and most economical route that can be established. We do not believe this to be the case. In every report on this subject since the Civil War the definite route recommended has been the Okeechobee-Caloosahatchee, or southern route.

I have here a map which shows that most of the opposition to the cross-State canal outside of Florida has come from the Atlantic coast and from that section of the country where there are no rivers and harbors.

THE POLITICAL ASPECT OF THE CANAL PROJECT

At this point, Mr. Speaker, may I say—and I hope my remarks will not be misunderstood—during the years I have been in Congress I have supported all measures from a national viewpoint. I will not question the motives of those who are now opposing me, but I have gone through many of these fights. I went through the Cape Cod Canal fight, and I am sometimes wondering why it is that some of my colleagues who are now bitterly fighting me were so anxious and willing to accept support in the Cape Cod fight.

I have never in my life indulged in any criticism of my colleagues. I have never reflected upon any of my colleagues since I have been in Congress, but I am giving you the facts. There was then no hue and cry raised about the waste of money. The same fight was put up against the Cape Cod Canal, but in that case Congress appropriated $27,000,000 for the completion of 13½ miles of canal and $11,730,000 for the old canal and outstanding bonds.

Whether that was done wisely or unwisely, it was done, and at the same rate of expenditure per mile you could spend six or seven hundred million dollars on the Florida cross-State canal, and it would not cost any more in proportion to the mileage than the Cape Cod Canal cost. I have voted for the Great Lakes improvements. As a matter of fact, we have not asked very much for Florida improvements. Florida has contributed dollar for dollar to meet the appropriations that the Government has made for our harbors, beginning with Miami Harbor. I recall that shortly after I came to Congress Miami spent more than the Government spent on improvements; I know that West Palm Beach built their own harbor without cost to the Government, and I know that Fort Pierce provided its harbor, and Port Everglades did not cost the Government a penny. Now, I voted for the Hell Gate improvements, and for the Albany improvements; yet, like a voice out of the wilderness, there comes a cry from a statesman, who is able, capable, and forceful, at one end of the legislative branch of the Government, and at the other end of the legislative branch of the Government we hear the echo of his colleague from Michigan trying to save 80 percent of my friends in Florida from their madness by stopping the construction of the Florida cross-State canal.

Of course, that is their privilege, but I differ with them, and I do have a fight to make against any propaganda which is misleading and which is not correct, or information which was given to them by someone with a motive to deceive them. I hope that I shall never be led into the same sort of attack on projects in the districts of my colleagues. Of course, my colleagues from New York, my colleague from Michigan, and my colleagues from the other States, have the right to save the people of Florida from their madness if they please to do so, but I appeal to them to base the fight on facts and not error. I do not want to make the canal political at all. I have never seen a political issue on improvements raised until during the last 2 years. This should not be a political issue, but, unfortunately, it has become a political issue. I have only to remind you of the vote in the Senate committee to show that. The vote against reporting

it favorably was 12, 8 Republicans and 4 Democrats, while the vote for reporting it favorably, or for voting it out, was 11, and they were all Democrats. What I am unable to understand is the Florida papers coming out quoting leading Republicans of my State to the effect that the Florida cross-State canal will be plank no. 1 in the State platform this fall, and that if the Democrats will not put it through Congress during this session of Congress, the Republicans will complete it.

Now, may I ask my good Republican friends and my Democratic friends to read the new work-relief comments of the American Liberty League, in which they are commending my colleagues in Congress for slapping the President in the face. I am just wondering if it was because Florida, against my appeals, and possibly, I might say, against the appeal of the candidate from New York, walked out in 1928? Do they think it is a good time to take a walk now? I am wondering why they suddenly became so interested in Florida? Surely you would not suspect the Liberty League of only wanting to embarrass our President. Dense indeed must be the man who does not know the answer.

Now, on yesterday, another Pennsylvania man, a Republican, a man "rich" in thought and service, took a slap at the canal, and said that the President was to be congratulated on his statement saying that if the work was continued, it would have to come from Congress. Knowing my colleague, I am satisfied after he gets all the facts he will not oppose the canal.

Now, there is no use in arguing with you the technical points, because it has been held that this project is in order. The Senate did that by vote. The President authorized it, and Congress can continue it.

Mr. Speaker, we come to this point: I have listened to criticisms of the administration because he was spending money on boondoggling propositions. They call our cross-State canal a boondoggling proposition, and one paper recently said this, in spite of the facts that were put before him, the President went ahead on this canal and foolishly wasted $5,000,000, and then got tired of it and threw it back to Congress. Franklin D. Roosevelt can speak for himself better than any Member of Congress can speak for him, but I tell you no man ever gave more serious thought and study to a project than he gave to the canal. For more than 2 years he considered and studied it and he only gave his endorsement and made the first allotment after every angle had been carefully looked into by our able, capable, and forceful Chief of Army Engineers, General Markham, but also by boards of outstanding engineers and geologists nationally known, and their endorsement and approval had been given. I regret to make the statement but with some facts are immaterial, and so far as the President is concerned, he is damned if he does and he is damned if he does not. Fortunately for the country he is a man of courage and vision and the harpings and biting criticisms do not worry him.

REPORT OF THE ENGINEERING BOARD RE FLORIDA CANAL

Now, who was on that Board that made the favorable report? The first is Edward B. Burwell, mining engineer and geologist, and this is his record:

Born Lancaster, Va., December 17, 1894; Virginia Polytechnic Institute, 1913–17, B. S.; assistant in geology, Virginia Polytechnic, 1916–17; first lieutenant, Field Artillery, United States Army, 1917–19; mining engineer and chief engineer, Low Moore Iron Co., Virginia, 1919–25; associated with Weld & Liddell, construction engineers, 1925–26; chief geologist, Missouri-Kansas Zinc Corporation, 1926–27; in charge of explorations, Central American Mines, Inc., 1927–29; assistant manager, Missouri-Kansas Zinc Corporation, 1929–31; geologist, United States Engineer Department, 1931 to date.

The next is Sidney Paige, geologist, and here is his record:

Born Washington, D. C., November 2, 1880; educated University of Michigan; Yale Graduate School; engineer with Nicaragua Canal Commission, 1898–1900; United States Geological Survey, 1903–26; geologist, Panama Canal Commission, 1907; construction geologist, 1926 to date; author of numerous articles on geology.

The next is Malcolm Pirney, construction civil engineer, and here is his record:

Born New York City; educated Harvard College; Harvard University Graduate School of Applied Science; assistant engineer with Hazen & Whipple, 1911–16; member of firm Hazen, Whipple & Fuller, later Hazen, Everett & Pirney, 1916–29; private practice, 1929 to date; sanitary engineer, American Red Cross Commission, Russia, 1917; captain, Transportation Corps, American Expeditionary Forces, 1918–19; designed water-purification works, Providence, R. I., West Palm Beach, Stewart, St. Petersburg, Fla., and many other cities.

The next is Brehon Somervell, lieutenant colonel, Corps of Engineers, and I will give you his record, as follows:

Born Little Rock, Ark., May 9, 1892; graduated United States Military Academy, June 12, 1914, and promoted second lieutenant, Corps of Engineers; graduate Army Engineer School; Command and General Staff School; honor graduate Army War College; served in grades from second lieutenant to lieutenant colonel; returned to major, Engineers; after war with troops on surveys, New England, Texas; road building with punitive expedition in Mexico; charge of construction at Mehun, Is-sur-Tille and elsewhere in France; assistant chief of staff, G–1, G–3, Eighty-ninth Division, and Army of Occupation, Germany; assistant and district engineer, New York City, Washington, Norfolk, New Orleans; assistant to president, Mississippi River Commission; assistant to Walker D. Hines on survey navigation conditions Rhine and Danube Rivers for League of Nations; special adviser, General Economic Survey, Government of Turkey; temporary duty National Emergency Council; district engineer, Ocala, Fla., September 6, 1935; awarded Distinguished Service Medal and Distinguished Service Cross.

I might say, with reference to Colonel Somervell, he was directly connected with the construction of the Panama Canal, and I doubt if there is an engineer in the country who is more capable, better qualified, or more competent than the geologists and engineers who reported on this matter.

The Army engineers made their survey, and the amount submitted by them was too large. Then the Public Works engineers made an independent survey, and their estimate was too low. They were all competent engineers.

The general width of the canal is 200 to 400 feet. It will be 30 feet below sea level. It would have a depth, in cut, roughly speaking, on an average of 40 feet. There is a section of about 56 miles that will be, perhaps, 90 feet deep in some places, because that is where is crosses the ridge of Florida.

As to effect on water of Florida General Markham states in a letter to me as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, July 10, 1935.

Hon. W. J. SEARS,
House of Representatives, Washington, D. C.

MY DEAR MR. SEARS: The National Emergency Council has furnished this Department copies of your letter of June 29 to the President and its enclosure, letter of Hon. S. H. Christian, of Ocala, Fla., of June 28, relative to the proposed cross-Florida canal.

A special board of review appointed by the President, consisting of two officers of the Corps of Engineers, two engineers of the Administration of Public Works, and a consulting engineer of New York City, concluded that a sea-level canal was more advantageous than a lock canal; and after securing the advice of ground-water experts having a knowledge of the geological and artesian-water supply of Florida, found that the possible damage to agriculture from such a canal would be negligible and limited to a narrow strip adjacent to the canal and that the damage to water supply would be small, consisting only of lowering the levels of nearby wells.

These reports are now being reviewed by the Board of Engineers for Rivers and Harbors precedent to the submission of the reports to Congress with the recommendations of the Department.

Very truly yours,

E. M. MARKHAM,
Major General, Chief of Engineers.

USE OF RELIEF WORKERS ON THE CANAL

There are now 6,000 people employed on the canal, 90 percent of whom were taken from the relief rolls. They allowed contractors 10 percent not on relief rolls, because the contractors had to take with them certain men who had been with them for years. The men are doing real work, and you are getting dollar for dollar for the work. If $12,000,000 is appropriated, the result will be that 10,000 more people in Florida will come off the relief rolls and begin digging the canal.

Now, when the President made his estimate to this committee, Mr. Speaker, he asked for $1,500,000,000, and he asked for $12,000,000 in addition thereto for the Florida cross-State canal. Therefore these 6,000 men already put to work and the 10,000 to whom work will be given were not taken into consideration, and the bill should be increased by an amount sufficient to take care of those people if the appropriation for the canal is not secured. I do not know of any way of

absorbing those people in any other employment. Frankly, I have urged the canal not only from an economic standpoint and as something worth while—a great national project—but from the relief standpoint. It will be a project that will stand as a monument to the President and to Congress when this canal shall have been completed.

Now, I cannot speak for the members of the committee or for my colleagues, but I can say that some of my colleagues have told me on the floor of the House and over in the Office Building that it was just a matter of difference of opinion. They felt that the President should go on with the canal without asking Congress anything about it. The President thought he should ask Congress' endorsement before going too far with it. Personally, it is immaterial to me which way you proceed so long as we get the canal.

ADVANTAGES TO SHIPPING AND BUSINESS THROUGH USE OF CANAL

Mr. Speaker, in conclusion, let us consider some of the opposition to the canal. First, I will call your attention to this phase of it: It has been stated, and I think it can be proven, that the mail-contract rates will be materially reduced if the canal is completed. For the boats carrying the mail, the canal will take off about 400 miles of the distance. That much will be cut off the distance by going through the canal; and as you know, they are paid by the mile. Of course, that may be a selfish way to look at it; and if I were a mail contractor, receiving several hundred thousand dollars a year for carrying the mail, and there was a chance of cutting off $75,000, or more, because of the construction of the canal, no doubt I would oppose it.

The contract that the Government has with them, I think, provides that they shall carry the mail by the shortest route that can be traveled.

Second, I should like to call your attention to this map. Perhaps you have heard about this before. This [indicating] is called the Yucatan Channel, the graveyard of ships. This is leading into the Gulf and down into the Caribbean Sea. The canal, you will see, comes through here [indicating] from Yankeetown across to Jacksonville. Now, the canal is 373 miles nearer to the Gulf on the western side through the canal on to Galveston and other Texas points. From points on the east coast of Florida to Galveston, Savannah, Charles, and northern ports, New Orleans, Mobile, Pensacola, and other points, the distance is 300 to 400 miles shorter by going through the canal instead of around the coast of Florida.

Now, they tell you that the boats will not use it; but the same argument was used against the Suez Canal, and it was used against the Panama Canal. I want to be perfectly fair with you. It may be argued that the Merchants & Miners Line, the Clyde Line, the Occidental, and all the lines of ships from New York City around to Gulf ports, will come around through the Yucatan Channel, by way of Key West, and may refuse to use the canal.

Let me give you the statement of Colonel Youngbird [reading]:

SAVINGS IN DISTANCE, TIME, AND MONEY

Having determined the cargo tonnage to benefit by the proposed waterway, and knowing the characteristics of the various vessels and the number of voyages, the data must be translated into terms of distance, time, and money, and to contrast these factors via the existing shipping lanes and those that would result from the construction of the waterway. Distances east-bound are not the same as distances west-bound for the reason that ships follow different lanes. There are corresponding variations in time or duration of voyages, determined not merely by the mileage but by the effect of helpful or contrary currents and winds. The operating costs of vessels vary according to their characteristics and their management. The studies have taken all these variations into account, and for purposes of illustration they are indicated as follows:

On an outbound voyage from New Orleans to New York the canal would save 398 nautical miles, but on the inbound voyage it would save but 385 miles. For a vessel of 8 knots in the open ocean and 6⅔ knots in transiting the canal a saving of 4 days would be effected, but for a 10-knot vessel the saving would be cut to 3 days for the round trip. Correspondingly, between New Orleans and northern Europe, the savings outbound would be 371 nautical miles and inbound would be 335 miles, and the round-trip savings in point of time would be 3 days for a vessel of a normal speed of 8 knots and 2¼ days for a vessel of a speed of 10 knots.

WILL THE BOATS USE IT?

If I had a boat line from New York to Jacksonville and on to Gulf points, and if I should refuse to use the canal, then if somebody else with a boat line from New York to Gulf points made use of the canal and saved 2½ days per trip I would have to use the canal to meet that competition or go out of business. There is no line that will not use the shortest route between two points. There is no doubt whatever in my mind about shipping lines using the canal.

From Jacksonville to where it turns off I will say that, except for a few places, I doubt if the banks of the river are over 3 or 4 feet above the water. It will be a sea-level canal.

The canal will be 200 miles. Twenty-five miles of that distance is the route going out into the Gulf. It will be wider there, so vessels will have no trouble in getting into the canal. As a matter of fact, the canal proper will be only 175 miles long.

I will repeat what one of my colleagues told me the other day: He said he was surprised that I was supporting the canal. He said, "Do you not realize you are putting Florida out of business and making Texas?" I laughed and said, "I found some opposition in the Texas delegation, and it might be well to whisper that to them." I said to him, "Let me be frank with you; Texas is four or five hundred miles from Florida; they use American machinery, American labor, and they use American fertilizer. If they can haul their products and produce 400 or 500 miles farther on the same boat, as it has to pass by my farm or grove—if they can do that and put me out of business, I should be put out of business." That is the way I feel about it. I do not think there is anything to it. I do not think there are too many oranges and vegetables produced in the country or enough to glut the market. It is simply a question of distribution.

I have a letter from a leading citizen of Miami in which he said—and now you are gettting the facts as to much of the opposition—"If the canal was built, it would divert the tourists from Miami." Another constituent wrote me that it would change Jacksonville to a flag station and that Palatka, 50 miles in the interior, would become the metropolis of Florida.

My colleagues, you should visit our State and learn of the possibilities. It will help to bring about a reduction in freight rates, which will give our people a chance to get our fruit and produce to market. We must have a reduction in freight rates in order that we may be able to get our fruit and vegetables to market after the price goes down. This is now a total loss. At the same time, we believe it will not hurt the railroads, because they will get the same amount of transportation, and perhaps more.

I should like to call your attention to the fact that the Florida Legislature in 1933 adopted a resolution asking Congress to build this canal. You will find that resolution in the General Laws of Florida, 1933, volume 1, page 877. You will find that the Senate and House of the Legislature of Florida unanimously passed that resolution, which was approved by the Governor on May 27, 1933. I want to put that resolution in the record, in addition to what I have already said about the opposition being a made opposition.

Said resolution is as follows:

Senate committee substitute for House Concurrent Resolution No. 11

JOINT MEMORIAL OF THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF FLORIDA

A memorial to the President of the United States requesting the assistance and cooperation of every available Federal agency in order to make possible, at an early date, commencement of construction work on a ship canal across the peninsula of the State of Florida

Whereas the construction of a ship canal across the State of Florida will give employment to a vast amount of human labor, thus greatly relieving the distress due to the unemployment crisis; at the same time creating a valuable commercial and military asset which will, in the course of time, repay its own cost through the collection of reasonable tolls from ships using the canal; and

Whereas the Constitution of the State of Florida contemplates with favor the construction of such a canal across the State and makes provision for and authorizes special legislation in order to facilitate such construction; and the legislature of the State has now created a public corporation known as the Florida Ship Canal Authority and has granted to said corporation a franchise with full power and authority to construct said canal; and

Whereas such a canal will cut off approximately 500 miles of distance by the water route between New Orleans and the Gulf ports,

on the one hand, and New York and Liverpool, on the other, will eliminate the danger to shipping incident to passage through the Florida Straits, will bring about tremendous savings by reason of the resultant reduction in time, insurance, and other transportation costs, and will constitute a valuable asset to our national defense; and

Whereas such a canal will largely solve the distribution problems of the Mississippi Valley and of the southeast section of the United States; will greatly aid the agricultural and industrial activities in said section by furnishing them perpetual and cheap transportation to the Atlantic seaboard, where the best markets are located; will enhance the value of the farm lands through the producing of means for delivering their produce to market, and will offer material advantages and benefits to fully one-half of the producing area of the United States; and

Whereas said ship canal, while rendering this valuable service to labor, industry, agriculture, and ocean shipping, will at the same time, and without additional cost, provide a connection between the Atlantic coastal waterway and the Gulf coastal waterway for barges and small craft plying between Boston, Mass., and Gulf of Mexico ports; and

Whereas the Corps of Engineers of the Army of the United States, pursuant to authorization of Congress, is now completing an exhaustive physical survey of various possible routes for such a canal, and of the costs of the construction thereof; and

Whereas an application is now pending with the Reconstruction Finance Corporation of the United States for a loan of sufficient funds with which to construct said canal, such loan to be self-liquidating in character: Now, therefore, be it

Resolved by the Senate of the State of Florida (the house of representatives concurring), That the President of the United States be, and he is hereby, respectfully urged to approve of said construction project as an effective measure in relieving unemployment and stimulating industry, and that he be, and he is hereby, further requested to procure the assistance and cooperation of every appropriate and available Federal agency in order that construction work upon said project may be commenced at the earliest possible date; be it further

Resolved, That the secretary of state be directed to furnish a certified copy of this memorial to the President of the United States, to each of our Senators and Representatives in Congress, to the Reconstruction Finance Corporation of the United States, and to the Associated Press.

Approved May 27, 1933.

Mr. Marvin H. Walker, of Tampa, has been very active down there in connection with the canal. He complained that they were covering up the reports and were keeping them secret. I at once called upon the United States engineers and asked them about it, and they told me that Mr. Walker came up here; that they furnished a stenographer and engineer to go through the report with him. They said that he made all the notes he wanted and went over it carefully. In reply to his letter, I wrote Mr. Walker in part as follows:

Your letter was called to my attention today upon my return to the city from an inspection tour with the Naval Affairs Committee of the naval bases on the west coast.

In reply thereto, will state I understand either you or another Mr. Walker looked over the report at the Army engineers' office and had access to all available information. Of course, as I see it, after one man reads a report, the charge of secrecy is not well founded. This is not critical, but in order that we may understand just what the facts are. Personally, I know of no delay in furnishing the facts to the people of the State, and I assure you there has been no effort on my part to conceal any of the facts.

Now, this matter is a vital one to us. In fact, for the next 30 years we will have to pay on those bonds we voted. It means so much to the people of the canal district and of my State that I hope Congress will see its way clear to adopt the project. I do not want to be misunderstood about it, but the Senate adopted three projects that were on all fours with the Florida canal.

It does not make any difference whether it is a thin dime or a $20 gold piece when it comes to a question of policy. They also passed several items, involving millions of dollars for irrigation. They were exactly on all-fours, with the cross-State canal in Florida, and they involve large sums of money. I just want the members of the committee and my colleagues in the House to understand that I feel as you would feel if you were fighting for something in your own State. I feel that I can speak for my people, having been elected as a Member at Large from the State, and then reelected as Congressman at Large without opposition.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, so we may know just what type of project this is and just what the situation with reference to it is, I shall read from the War Department appropriation subcommittee hearings on nonmilitary projects. I read from page 42 of the hearings a portion of the testimony of General Pillsbury, Assistant Chief of Engineers:

Mr. POWERS. General Pillsbury, just to clear up something in my own mind, will you tell me this about the Florida ship canal: Was that approved by the same type of board that the Passamaquoddy project was approved by?

General PILLSBURY. No; to the best of my recollection, that was not recommended by any board. The report is now before the Board of Engineers for Rivers and Harbors; and, upon the request of Members of Congress from Florida, the Board has adjourned the hearing on the proposition until interested parties should have a further opportunity to assemble data in support of it.

Mr. POWERS. Do I understand, then, that the Florida ship canal has never been approved by any board of the Army engineers or anyone else?

General PILLSBURY. I do not recollect any.

Captain CLAY. There was a special board, and they did point out that, although it lacked complete economic justification, with a part of its cost charged to relief, it would be suitable as a relief project.

Gentlemen, are you going to authorize the appropriation of $150,000,000 and appropriate immediately $10,000,000 for a project which has not, in the words of the engineers of the United States Army, economic justification? Let me say to you that what study I have made of it indicates that it will not be of any economic advantage for any ship having a speed of upward of 12 knots. Let me say to you further that the people in Florida, the orange-grove people, the farmers, the truck farmers, and all that class of people are in desperate fear that if this proposition goes through their soil will be destroyed. Chambers of commerce from all over the southern part of Florida have sent communications here. The farmers have been here opposing it, and I do not believe it has any justification whatever. I do not believe we should vote for any project for any other reason than that it can be justified on economic grounds. There is absolutely no reason why we should go ahead with this proposition. The only support of it is a local political support. An eminent geologist from Columbia University, Dr. Henry S. Sharp, has stated that all of the geologists unite in predicting that the canal will cause damage to the water supply. The United States Geological Survey itself has said, to summarize: There appears to be no reasonable doubt that serious adverse effects will be produced upon the important underground water supplies of the Ocala limestone territory.

Mr. Speaker, I hope this Congress will vote down this proposition.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Maine [Mr. BREWSTER].

Mr. BREWSTER. Mr. Speaker, it is with some diffidence I enter upon the discussion of so contentious a subject, particularly after the reference of my colleague the gentleman from New York, who intimates that all of the opposition to this subject has come from this side of the aisle. So it is a pleasure to stand up as perhaps a lone voice to suggest that at least the issue should be clarified.

From the discussions of my colleague from New York on this side I should understand that the Congress and this House was about to determine whether or not any money should be allowed to be expended upon the Florida canal. If my reading of the legislation we are considering is correct, such is very far from being the case. If I am incorrect, I shall be glad to be corrected.

It is my understanding that if the amendment we are now considering is stricken out there will be nothing in this legislation to prevent in any way the President from going forward with the completion of this canal if he should determine that to be desirable. It seems rather like Alice in Wonderland that so much heat should be generated on a subject about which so much confusion now exists. The Senate amendment simply provides that the President shall carry on none of these projects unless he shall make available funds sufficient to complete them. While it is very uncertain he will do that, still the authority remains.

Mr. TABER. Mr. Speaker, will the gentleman yield at that point?

Mr. BREWSTER. Yes.

Mr. TABER. That applies, not to this project but to other projects where the P. W. A. makes the allotments.

Mr. BREWSTER. I disagree with the interpretation of the gentleman, but I do not think time will permit a complete general understanding; each Member will be obliged to determine the matter for himself. The language of the amendment seems to be very clear:

> No Federal project shall be undertaken or prosecuted with funds provided for in this appropriation unless and until an amount sufficient for its completion has been allocated and irrevocably set aside for its completion.

The Passamaquoddy project was also being considered in connection herewith. I think it is well that the situation should be understood in order that there may be no misinterpretation of the effect of our action. The purpose of this amendment requested by the Administration is simply that if a competent and impartial board should determine that the things claimed regarding this project are correct the President may then go forward not with the allocation of the $14,000,000 which may be needed to complete it, but with the allocation of $10,000,000. The only thing here proposed is that if the President should determine that the use of $10,000,000 for Florida "crackers" to dig sand is more useful in affording relief labor than to permit them to learn eurythmic dancing, or to build dog pounds, or to teach bridge, then the President might so proceed.

From my knowledge of Florida, I think it is infinitely more preferable, and I would be glad if any member of this Committee will advise whether not only every one of those proposals but every one of the boondoggling experiments about which we have heard so much, are not authorized within the legislation now being enacted? The only think we forbid is that you shall not dig sand in Florida for the purposes of a canal. You may dig sand anywhere for any other purpose.

As far as Passamaquoddy is concerned, I do not understand there is anything in this legislation to prevent the President from continuing the Passamaquoddy project if he shall simply determine to allocate not the $9,000,000 contemplated by the amendment, but the $29,000,000 necessary to complete it. I have every confidence that within a month after this Congress adjourns the President, in his journey up the coast of Maine and surveying the relief needs of our State, will determine such an expenditure is amply authorized and required.

Why this terrific excitement about Passamaquoddy and the Florida canal and why so little fuss about all the boondoggling extravagances which Maine has thus far been so happily spared.

Under this bill as now enacted by the Congress the President has full power and ample funds to allocate $29,000,000 to complete Passamaquoddy.

This I feel confident he will do.

As a matter of fact, the construction of the project has now reached a stage where orderly and economical procedure requires a complete allocation. Within the next 6 months all major contracts can then be awarded and the completion far advanced.

To continue piecemeal allocation by 6-month periods would greatly handicap the engineers.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I yield 11 minutes to the gentleman from Florida [Mr. CALDWELL].

Mr. CALDWELL. Mr. Speaker, the Florida canal does not traverse any portion of the district which I represent; and, while the people of my district are greatly interested in this project, I trust that I can bring to its discussion a point of view sufficiently detached to commend my observations to your attention. When all is said and done, the canal is not a district project; it is not a Florida project; but is a national undertaking of which the State of Florida happens to be the focus. Therefore, I deem it necessary, in order that we obtain a comprehensive view which will enable us to fairly and intelligently act upon this matter, that it be discussed in its relations, not only to the State of Florida but to the country as a whole.

Mr. CONNERY. Will the gentleman yield?

Mr. CALDWELL. I yield to the gentleman from Massachusetts.

Mr. CONNERY. I should like to ask the gentleman to clear up two things. I should like to vote for this legislation for the benefit of the people of Florida, but there are two things I should like to have cleared up. First of all, I am told that about two-thirds of the shipping that will go through the canal will be of the big oil companies. I am informed, second, that the water supply of the people of Florida will be affected by this ship canal. Will the gentleman clear up those two things?

Mr. CALDWELL. If the gentleman will be patient with me, I am going to cover that very briefly.

The fundamental purpose of the canal is to bring closer together the Mississippi Valley and Gulf States and the Atlantic seaboard by effecting economies in transportation and greater freedom from the hazards which attend navigation at certain seasons on the long route through the Straits of Florida. It thus affects directly the agriculture, industry, and commerce of at least 37 States of the Union, and indirectly it affects them all, including the States of the Pacific coast. It is probably the greatest river and harbor project ever undertaken by the Federal Government, not excepting the Panama Canal. While the Panama Canal possesses greater strategic importance and was far more expensive to construct, the existing available tonnage which the Army engineers and other authorities state will transit the Florida Canal is nearly one and one-half times as great as the traffic which passes through the Panama Canal.

This project began, as other river and harbor projects, in the orderly course of procedure laid down by Congress and nothing is more certain than that it will continue to be subject to this procedure in the future. However, due to conditions arising out of the emergency and the legislation which Congress has enacted to meet that emergency, this project has temporarily become a vehicle for work relief which has been selected by the President, upon the advice of the appropriate departments, for that purpose. So that we are not now dealing with this river and harbor project out of turn, as it were. It has been and will continue to be in the future subject to process through the Corps of Engineers, the Rivers and Harbors Committee, and the Congress itself. But for the moment we are called upon to answer the question propounded by the President: "Shall the work which has been initiated and the funds which have been expended on this canal, pursuant to the act of Congress empowering the President to initiate it, be wasted and the project, regardless of all other considerations, rejected as a means for furnishing work relief? Or shall Congress authorize the President, first, to cause further examination to be made with a view to answering certain questions raised by those who have doubts as to its appropriateness, and, subject to the results of that further examination, to authorize the use of the project to supply work relief by expending upon it a certain portion of funds appropriated in this bill for work relief—funds which will certainly have to be employed for work relief on some project or projects to be selected by the President?" I desire to make it very clear that this amendment does not require that the Congress accept the proposition that the worth and appropriateness of the project are demonstrated, nor does it mean that the Congress does not reserve to itself a decision as to whether the project shall be completed or at what rate the work shall go on in the future. A vote for concurrence in this amendment is nothing more or less than a vote to empower the President to study the project further and, if he finds it appropriate, to use it to a limited extent and for a limited time as an element of the work-relief program. I feel, therefore, that all of us, whether we be already convinced that the canal has been demonstrated to be a needful and worth-while river and harbor project or whether we doubt that the case for the project has been proven, can go at least this far in assisting the President in

his endeavor to proceed with wisdom and caution in the matter.

I realize, nevertheless, that aside from the fact that the President and the departments which advised him were undoubtedly entirely satisfied with the full justification of the canal as a river and harbor project before it was selected as a part of the work-relief program, it is desirable from the point of view of Congress that there should be sufficient presumptive evidence before us to warrant us in concurring in this amendment. It is for this reason, and not with a view to asking the opponents of this measure to accept the conclusions as proven, that I should like to present a brief résumé of that evidence.

First, pursuant to the provisions of the regular river and harbor acts of Congress, the project has been subjected to more than 6 years of intensive examination, physical survey, and study by the Corps of Engineers. The report of the Chief of Engineers will reach the Committee on Rivers and Harbors in due course. The recommendations of the Chief of Engineers to the Committee on Rivers and Harbors have yet to be made, and therefore no one can say what these will be. Because of the emergency, however, and by virtue of authority delegated to him by Congress, the President caused the evidence and data developed by the Corps of Engineers to be made available to himself and to other appropriate departments of the Government before this evidence and data could, in the ordinary course of procedure, reach the Committee on Rivers and Harbors. Congress therefore without the benefit of advice and recommendation which it will eventually have from that committee when it has acted upon the project; and not until then is it to be supposed that Congress will determine what, if any, regular appropriations to this project shall be made. In the meantime, because of the necessities arising out of the emergency, it appears entirely reasonable that Congress, like the President and the departments, should avail themselves of that evidence to assist as a guide for temporary procedure. While it is contrary to the policy of the Chief of Engineers to publish the findings of boards of survey before they are submitted to Congress, and for that reason we have not available the details in this case, the action of the President in causing the survey of the Corps of Engineers to be reviewed by a special board of Army engineers and Public Works engineers, and the findings of that board have made known the outstanding data collected by the Army engineers on this project. These are, I think, entirely sufficient to enable us to conclude that a prima-facie case has been made for the project. The Board of Review went much further than this and found the case to be complete and proven and the project justified, and so reported to the President.

It is unnecessary to go into details as to the findings of the Army engineers. I think it is sufficient to say that they found as follows:

First. That the canal along the route selected is feasible and practicable.

Second. That a sea-level canal along this route would have no serious adverse effect upon the underground water supply of Florida.

Third. That the existing available traffic which can be reasonably expected to actually use the canal is upward of 11,000 ships per year.

Fourth. That the canal will so shorten time and distance between the ports of the Atlantic seaboard and the ports of the Gulf of Mexico as to effect a direct saving to shipping of more than $8,000,000 per year.

Fifth. That the cost of the canal will not exceed $142,700,000, exclusive of land for right-of-way, which has been furnished by the State of Florida.

Now, these are fairly simple facts and figures, and I think we are at liberty to use them as a guide, at least for temporary procedure. I am satisfied we are warranted in accepting them when we consider the source from which they originate.

Even a casual inspection of the relation of the cost of this project to its direct benefits will show that it is apparently not only justified, but justified to an unusual degree. There are few river and harbor projects which can show so high a ratio of benefit to cost. And it should be borne in mind that the benefits set forth above do not include the benefits accruing to commerce in general by virtue of lowered freight rates, stimulation of trade, freedom from hazards, and so forth. If these general but nevertheless real benefits are added, the project stands as probably the most amply justified of its kind.

I think these figures of the Army engineers are entirely sufficient, but we are not lacking in corroborating evidence. The Public Works Administration, through its engineering department, made an independent examination of this project and found somewhat higher benefits and somewhat lower cost.

I therefore call to your attention the undeniable fact that we have here ample warrant for concluding that the presumptive evidence in favor of this project is entirely sufficient as a basis for the action we are considering at this time. I now invite your attention to the opposition to this project. I feel that no description would be sufficiently frank and complete without careful scrutiny of the claims which have been made by those who oppose the project. I repeat that this is not the appropriate time to reach a final decision in this matter, for the very essence of the pending amendment is further examination before final decision; but I think it will be helpful if we consider the more outstanding phases of the opposition at this time. There are those both within and without the State of Florida who oppose the canal. With the exception of certain interests, whose opposition I am satisfied is inspired by a desire to prevent the economies which the canal would bring into being, I believe this opposition to be honest and sincere. But, no matter how honest and sincere it may be, it must first be shown that it is inspired by motives which can be taken into account by Congress in judging the matter affecting the welfare of the general public. A certain city may be jealous of the advancement of another city and therefore be honestly opposed to the project, but such supposition cannot properly be considered here. A certain section of the State may fear that, no matter how much the country at large may profit, it will not proportionately profit by the project. While such opposition may well be considered, it must be carefully weighed against the general welfare. A number of people may fear that the cutting of the canal would endanger their interests because it may adversely affect their water supply. Such opposition is worthy of most serious consideration; but when all is said and done, neither the proponents nor the opponents in such cases can be permitted to be the final judges. In matters of this kind the law provides for orderly examination and dispassionate and impartial judgment by competent agencies set up for this purpose. Individual opinion, no matter how firmly held, cannot expect to override such judgment. Both opponents and proponents must submit their case to the established tribunal, namely, the technical departments of the Government, and finally to Congress itself, and must abide by the decisions reached in that way.

Now, let us look at the record of this opposition. It is of record that the project is opposed by certain railroads and certain large corporate interests. These opponents have, of course, a perfect right to voice their opposition, but it is for Congress to weigh the value of such in coming to a decision. Certain communities and certain individuals in the State of Florida are of record as opposing the project, and they most certainly are entirely within their rights in raising such opposition. However, although the opposition appears to come from numerous quarters, the grounds set forth for the opposition are few. These are:

First. That when the canal is built ships will not use it.

Second. That it will not effect the savings in time and distance and freedom from hazard which the proponents claim.

Third. That even if the ships do use it, the project will cost more than it is worth.

Fourth. That it will adversely affect agriculture in a part of the State of Florida because it will diminish the underground water supply.

I think these four headings comprise all points which have been raised by opposition from any source. It seems somewhat strange to me, however, that a railroad which does not touch within a hundred miles of the territory whose agriculture it is claimed will be affected should give as its ground for opposition its concern for such agriculture. It seems strange to me that communities which can have only the remotest connection with the hazards of navigation should base their opposition to the canal upon their claim that ships cannot navigate it without hazard. It seems equally strange that individuals far removed by physical distance and business interests from any direct connection with the canal should oppose it on the ground that the upkeep of a certain part of the channel would be greater than estimated by the Army engineers. I do not find anywhere in the record that any community has objected to the canal because it would prefer that relief expenditures remain closer at home. Nor do I find anywhere in the record that one city objects to the canal because it might enhance the development of another city. Nor do I find that any railroad or other transportation agency has objected on the grounds that the canal would result in cheapened water transportation which, no matter how much it might benefit the general public, might adversely affect their individual positions. These do not appear in the record, but I invite your attention to the bare possibility of their existence.

Now let us return to the four grounds for objection I mentioned a few minutes ago.

As to the claim that when the canal is built ships will not use it, I think you will grant that if the ships can save time and money by using the canal they will use it. Whether they want the status quo to be upset and for that reason do not want the canal to be built is quite another question. We are not considering this project solely for the benefit of shipowners but for the people of this country as a whole. If the shipowners say that even though they were to save time and money by using the canal they would not do so, I, for one, do not believe them.

Now as to the next point—that is, that it will not effect the savings in time and distance and freedom from hazards which the proponents claim—I submit that the highest authority in the land on the requisite dimensions and characteristics of improved waterways are the Army engineers; and the highest authority for the courses which ships will sail and the times and distances involved is the Bureau of Navigation. Both of these authorities have pronounced that the canal will result in the time and distance savings indicated, and I think we are warranted in accepting this verdict.

As to the third point—that is, that even if the ships do use it the project will cost more than it is worth—this is a matter which should not have to be argued because it is subject to computation and survey by competent authorities. The Army engineers say that it will not cost more than $142,700,000, and that its benefits will be upward of $8,000,000 a year. There are few, if any, river and harbor projects in the United States which can make such a showing, and unless we are to assume that the Army engineers are absolutely wrong in this case, and that the Public Works engineers are wrong, and that the engineers of the board of review are wrong, I think we must accept these figures.

Now as to the last one—namely, that it will adversely affect agriculture in a part of the State of Florida because it will diminish the underground water supply—this is a purely technical question, and competent authorities of the Government to which Congress has referred such questions advise that there will be no such deleterious effect, and I think we are warranted in assuming that they are correct. If we assume that they are wrong, to whom are we to turn for a decision on this highly technical matter? As a matter of fact, this question has been examined by the Corps of Engineers, by the engineers of the special board of review, and by a special commission set up by the Chief of Engineers, and, after exhaustive study, their reports may be summed up in the following extract from a letter to Senator FLETCHER from the Acting Chief of Engineers under date of December 28, 1935:

> The findings of the Board at this time definitely indicate that no serious adverse effects on the underground water supply need be anticipated from the construction of a sea-level canal.

The Chief of Engineers has stated to a subcommittee of the Senate Committee on Commerce that the fears of certain persons that the construction of the canal will have adverse effect upon the underground water supply of Florida are "wholly without foundation."

Mr. Speaker, I have endeavored to present the subject matter of this amendment to the House comprehensively and impartially. In closing, I desire again to point out both to those who may oppose the project and those who favor it that a vote to concur in this amendment is nothing more or less than a vote to insure further examination of the project and the possible expenditure of a limited amount of relief funds, which must be expended in any event, pending further disposition of this project by Congress in due course. I therefore feel that both opponents and proponents should vote for this amendment, which represents a fair and reasonable procedure for providing for an emergency situation which it is our duty to meet. [Applause.]

Mr. PETERSON of Florida. Will the gentleman yield?

Mr. CALDWELL. I yield to my colleague from Florida.

Mr. PETERSON of Florida. My colleague is aware of the fact that in my particular district there is considerable opposition to this canal, based upon apprehension of its effect upon the water supply and upon the question of its economic necessity, as well as the method of using relief funds. Is that correct?

Mr. CALDWELL. I think that is quite true.

Mr. PETTENGILL. Will the gentleman yield?

Mr. CALDWELL. I yield to the gentleman from Indiana.

Mr. PETTENGILL. Are the reports which the gentleman referred to reports of the full Board of Army Engineers or simply of a subcommittee?

Mr. CALDWELL. The sum and substance of the report of the Board of Engineers is incorporated in a report of the board of review, dated June 15, 1934.

Mr. PETTENGILL. Is that a report of the full board?

Mr. CALDWELL. It is my understanding that is true, although I would not be certain. In answer to the question propounded by the gentleman from Massachusetts, I understand that 60 percent of the available tonnage in 1930 was oil tankers. The board of review has reported that this is gradually decreasing while other freight cargoes are increasing, and that within 15 years from the time the canal is opened the tanker freight will be less than 15 percent of the total traffic.

Mr. BUCHANAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The gentleman from Texas moves that the House insist on its disagreement to the Senate amendment. The gentleman from New York [Mr. O'CONNOR] has offered the preferential motion that the House recede from its disagreement to the Senate amendment and concur therein. The gentleman from Texas has asked for a division of the question.

The question, therefore, is on the motion of the gentleman from New York that the House recede from its disagreement to the Senate amendment.

The question was taken; and on a division (demanded by Mr. CALDWELL) there were—ayes 62, noes 108.

So the motion was rejected.

Mr. BUCHANAN. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment no. 49: Page 36, line 1, insert: "That in order to provide relief, work relief, and to increase employment

by providing for useful projects and public works, projects of the kind and character for which he has heretofore made loans or grants pursuant to title II of the National Industrial Recovery Act or the Emergency Relief Appropriation Act for 1935, the Federal Emergency Administrator of Public Works (hereinafter called the Administrator) may, upon direction of the President, use not to exceed $300,000,000 from funds on hand or to be received from the sale of securities, for the making of grants, to aid in the financing of projects capable of being substantially completed, in the determination of the Administrator not later than June 30, 1938: *Provided*, That this limitation shall not apply to any project that has been enjoined in any Federal or State court: *Provided further*, That in no case shall the grant exceed 45 percent. Nothing herein shall be construed to increase the amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered under existing law to issue and to have outstanding at any one time, and nothing herein shall be construed to limit or curtail in any way any powers which the Federal Emergency Administration of Public Works or the Administrator is now authorized to exercise."

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 49, and agree to the same with an amendment.

The Clerk read as follows:

Amendment no. 49: Mr. BUCHANAN moves that the House recede from its disagreement to the amendment of the Senate no. 49, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"In order to increase employment by providing for useful public-works projects of the kind and character for which the Federal Emergency Administrator of Public Works (hereinafter called the Administrator) has heretofore made loans or grants pursuant to title II of the National Industrial Recovery Act or the Emergency Relief Appropriation Act of 1935, the Administrator may, upon the direction of the President, use not to exceed $300,000,000 from funds on hand or to be received from the sale of securities, for the making of grants to aid in the financing of such projects: *Provided*, That no part of the sum made available by this paragraph shall be granted for any project unless, in the determination of the Administrator, the completion thereof can be substantially accomplished prior to July 1, 1938, and adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied through the Federal Emergency Administration of Public Works: *Provided further*, That this limitation upon time shall not apply to any project enjoined in any Federal or State court: *Provided further*, That in no case shall the amount of the grant exceed 45 percent of the cost of the project. Nothing herein shall be construed to increase the amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered under existing law to issue and to have outstanding at any one time, and nothing herein shall be construed to limit or curtail in any way any powers which the Federal Emergency Administration of Public Works or the Administrator is now authorized to exercise."

Mr. BUCHANAN. Mr. Speaker, I yield one-half minute to my colleague, the entleman from Florida [Mr. SEARS].

Mr. SEARS. Mr. Speaker, I ask unanimous consent that in the extension of my remarks I may incorporate the resolution passed unanimously by the Florida State Legislature endorsing the canal and one or two small statements from engineers.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

FAKE OR REAL CIVIL-SERVICE REFORM—WHICH?

Mr. BACON. Mr. Speaker, I ask unanimous consent in the extension of my remarks to include therein two short bills that have been introduced in the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. Mr. Speaker, the Ramspeck bill, ostensibly extending the classified civil service to postmasters of the first, second, and third classes, cannot command the serious attention of any informed supporter of the merit system.

It is pure political camouflage, adroitly framed for campaign effect.

Under the guise of civil-service reform, it would deal a deathblow to the last pretense of merit administration in the Post Office Department.

President Roosevelt, Postmaster General Farley, and every other key man in our new spoils regime have undertaken to broadcast the impression that the Ramspeck bill would take postmaster appointments out of politics. But I for one do not intend that this shameless camouflage shall obscure the New Deal's crimes against civil service since 1933. Mr. Roosevelt has added more than 250,000 persons to the full-time Federal pay roll without increasing the civil-service lists.

In a word, the Ramspeck bill is not at all what it is represented to be. It is a spoilsmen's bill in civil-service dress. Friends of merit should not confuse the substance of the matter with the form.

The Ramspeck bill is worded very cleverly—framed, it appears, with a primary view to confusing public opinion on an issue which the New Deal no longer can evade. The bill provides in section 1 that all postmasters of the first, second, and third classes shall be appointed under the Civil Service Act. This is what the New Dealers would like the country to believe the bill would accomplish.

But section 2 specifically entrenches the spoils system. It provides that at the expiration of present terms appointments in these classes "shall be made by reappointment and classification, noncompetitively, of the incumbent postmaster * * *."

This language embodies precisely the antithesis of merit principles. It would enable the Postmaster General, in effect, to reappoint any incumbent postmaster for a life term without a competitive test of any sort. It would enable Mr. Farley to "freeze" incumbent postmasters into a Nation-wide political oligarchy. Note that section 1 of the bill provides that these postmasters "shall hereafter be appointed without term." The net effect of the bill, therefore, would be to abolish the present 4-year term and place the appointive power on a noncompetitive basis exclusively in the hands of the Postmaster General.

In the event the Postmaster General elected not to reappoint the incumbent at the expiration of the present term, his alternative would be to fill the place—

By promotion or transfer from within the Postal Service in accordance with the provisions of the Civil Service Act and rules. * * *

But attached to this language is a sweeping proviso empowering the Postmaster General to certify to the Civil Service Commission at will—

That there is no qualified person serving in the vacancy office available for such promotion or transfer.

This would be the most sweeping spoils power ever placed in the hands of any Cabinet officer—and yet this legislation is attempted under the guise of bolstering the merit system.

Furthermore, note that in section 3 the Ramspeck bill specifically authorizes continuance of the present deplorable system of appointing acting postmasters. This is the device which Postmaster General Farley has used with such conspicuous success in evading the provisions of the existing civil-service laws relating to postmasters in the first three classes.

At present the acting postmaster always is appointed on purely political considerations. In the course of a few months the Civil Service Commission holds its nominal examinations to prepare a list of three ranking eligible applicants. But in this rating the factor of experience and training weighs 80 percent in the appraisal of the candidates. Thus the man who has been serving 6 months as acting postmaster has an 80-percent head start on all his competitors. This is how the system has worked under Farley since 1933, and the provisions of the Ramspeck bill, as embodied in section 3, would legalize the acting-postmaster racket for all time.

In a word, the Ramspeck bill is a public fraud. It is designed to place the whole Post Office permanently in the hands of the presently entrenched political spoilsmen. It would submerge the mail service so deeply in partisan politics that reform would be hopelessly blocked for perhaps a quarter century.

On the whole, this measure is only another illustration of the New Deal's empty lip service to merit. The spoilsmen of this administration do not dare defend their personnel

policies, conduct, or record. They seek only to cover their crimes against our 50-year-old civil service with fake legislation. They recognize well, as the recent national newspaper poll indicated, that 90 percent of the American people favor civil service. Thus they seek to constantly advance the Roosevelt spoils system by putting a merit tag on their successive measures of civil-service corruption.

The purpose of the civil-service law is to place Government employment on a career basis. Any measure sincerely aimed in that direction will command my vigorous support. I insist, however, that any bill offered in the name of civil-service reform shall be genuine. I do not intend to be taken in by any such fraud as the Ramspeck bill, the Logan bill, or the Mead bill. Nor do I intend to be silent on such bills merely because their sponsors call them civil-service measures.

No such campaign device for sugar-coating the shameful record of New Deal spoilsmanship ever can command more than the indignant opposition of all true friends of merit. The New Deal has ravaged civil service as has no other administration during the last half century. This crime against the public service cannot now be covered with the white garments of vacuous civil-service reform.

As I see it, this cringing confession by the administration is even more revolting to the American sense of justice and square dealing than the crime itself.

Every major act of the Roosevelt administration has been a dagger thrust at the heart of civil service. Yet the New Deal spoilsmen have not the temerity to state their policy boldly and follow through. Instead, they walk timidly behind the skirts of civil service.

And I now give in full the Ramspeck bill:

Be it enacted, etc., That postmasters of the first, second, and third classes shall hereafter be appointed without term, by the Postmaster General, in accordance with the provisions of the act entitled "An act to regulate and improve the civil service of the United States", approved January 16, 1883: *Provided*, That postmasters now serving may continue to serve until their terms of office expire.

SEC. 2. Appointments to positions of postmaster at first, second, and third class post offices shall be made by the reappointment and classification, noncompetitively, of the incumbent postmaster, or by promotion or transfer from within the Postal Service in accordance with the provisions of the Civil Service Act and rules, unless the Postmaster General certifies to the United States Civil Service Commission that there is no qualified person serving in the vacancy office available for such promotion or transfer.

SEC. 3. Appointments of acting postmaster in all classes of post offices shall be made in accordance with the provisions of the civil-service rules governing temporary appointments.

SEC. 4. All acts or parts of acts inconsistent herewith are hereby repealed.

As a substitute for the Ramspeck bill, with its fraud on the civil service, I have introduced H. R. 12829, which would honestly and genuinely bring all postmasters of the first, second, and third classes into the civil-service system.

I invite honest comparison of my bill with the provisions of the Ramspeck measure.

My bill entirely eliminates the objectionable spoils features of the Ramspeck bill. Note that it does not propose to "blanket" the Farley political postmasters into the civil service for life terms. It provides that at the expiration of his present term every incumbent postmaster must qualify under civil-service rules and regulations if he is to retain his post for an indeterminate appointment.

This seems to me to be the essence of the merit system—competitive examinations at the start and full civil-service protection afterward to all who qualify for appointment. This, as I read the Ramspeck bill, is not provided in the administration proposal.

Moreover, my bill specifically provides, in section 1, that—

No recommendation by any Senator or Member of the House of Representatives, or any political endorsement or recommendation of any kind, shall be received or considered in making any appointment or promotion under this act. * * *

Section 2 makes it mandatory that postmasters shall be appointed wherever possible "by promotion of persons within the Postal Service * * *." Here, as I see it, is the very heart of the merit system—that persons serving faithfully in the ranks shall be eligible to promotion to the highest executive positions in the Postal Service.

In section 3 it is provided that postmasters may be selected outside of the service only upon showing by the Department that no one in the service is qualified for advancement. This provision differs fundamentally from the Ramspeck bill. By that measure the Postmaster General would be authorized to certify at will that no qualified candidates were available in the vacancy office. My bill, on the other hand, provides for such certification only upon showing that ambitious postal employees were unable to qualify under the established civil-service rules.

In section 3 it is further provided that, when the Postmaster General does not select the first name on the eligible register furnished by the Civil Service Commission, he "shall certify to the Commission his reasons for not so doing, which reasons may be made public."

My bill next provides that no appointment as acting postmaster may be made save in accordance with the provisions of the existing civil-service laws governing temporary appointments. This section would eliminate the worst evils of the "acting postmaster" system so vigorously pursued by the Post Office Department since 1933.

To further assure the elimination of political considerations, the bill provides, in section 5, that—

It shall be unlawful for any Senator or Member of the House of Representatives to make any recommendation of any person for appointment or promotion as postmaster.

If the administration wishes to fulfill its many pledges and promises for the protection and advancement of the merit system, here is a short and simple measure aimed at the very core of the problem in the Postal Service. If the administration will take up this bill, or any bill aimed at the same objectives, the legislation could be brought before the House of Representatives under a special rule and passed within 48 hours.

If, on the other hand, the administration is determined to persist in the policy of political spoils and civil-service raids—as I believe it is—then this bill which I have introduced will never see the light of day in this session of Congress.

The administration's failure to act, however, will again demonstrate the utter insincerity of the many repeated pledges by President Roosevelt concerning his hopes for civil-service advance during his administration.

My bill—H. R. 12829—is as follows:

Be it enacted, etc., That postmasters of the first, second, and third classes, or of any other classes hereafter established, shall hereafter be appointed, without term, by the Postmaster General in accordance with the provisions of this act and the Civil Service Act of January 16, 1883 (22 Stat. 430): *Provided*, That no recommendation by any Senator or Member of the House of Representatives, or political endorsement or recommendation of any kind, shall be received or considered in making any appointment or promotion under this act: *Provided further*, That postmasters now serving may continue to serve until the end of their terms, but they shall not acquire classified civil-service status at the expiration of such terms of office.

SEC. 2. The Postmaster General shall make appointments of postmasters by promotion of persons within the Postal Service possessing such qualifications as may be approved by the Civil Service Commission.

SEC. 3. If no persons are able to qualify for appointment by promotion under the provisions of section 2, the Postmaster General shall request the Civil Service Commission to hold an open competitive examination under the provisions of the Civil Service Act and rules. In the event the Postmaster General does not select the first name on the eligible register furnished him by the Civil Service Commission he shall certify to the Commission his reasons for not so doing, which reasons may be made public.

SEC. 4. That all appointments of acting postmasters at offices of all classes shall be made in accordance with the provisions of the civil-service rules governing temporary appointments.

SEC. 5. That it shall be unlawful for any Senator or Member of the House of Representatives to make any recommendation of any person for appointment or promotion as postmaster.

FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1936

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this amendment, no. 49, permits the P. W. A. to use $300,000,000 out of the funds of the

R. F. C. and it really takes $300,000,000 out of the funds available in the Treasury of the United States.

The result of the operations of the P. W. A. insofar as they relate to allotments for local projects has been to increase the cost of these projects so that the locality would have been much better off without any allotments whatever in a very large number of instances. It seems to me we should stop this demoralizing idea of making Federal allotments to local projects. It takes years to provide the employment that such projects give. It will be 2 years from now before this $300,000,000 is spent. A very large part of it will be spent in the first half of the calendar year 1938. In other words, most of it will not be spent for 18 months from now, and we should not appropriate a lot of money that will be tied up in such things as that. It is not relief; it is not providing for relief. It is providing for the continuance of a bad precedent, and it takes $300,000,000 more out of the Treasury.

Mr. JENKINS of Ohio. In brief, what is the effect of the amendment offered by the gentleman from Texas?

Mr. TABER. It adds $300,000,000 to the cost of this bill. It brings this bill up to $2,675,000,000, and turns $300,000,000 more provided for in this amendment over to the P. W. A. to allot to different projects in different States and different localities.

Mr. MARTIN of Colorado. And what is the difference between the Senate amendment and the conference report?

Mr. TABER. There is not a great deal of difference. There is a difference in verbiage rather than intention. I hope the amendment will not be agreed to.

RESETTLEMENT PROJECTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a conference report upon the bill (H. R. 12876) to waive any exclusive jurisdiction over premises of resettlement or rural-rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1936

Mr. BUCHANAN. Mr. Speaker, I do not feel that I am able to make a speech on the bill, and I send the following to the Clerk's desk and ask that it be read, in explanation of the P. W. A. three-hundred-million-dollar amendment.

The SPEAKER pro tempore. Without objection, the Clerk will read.

The Clerk read as follows:

RE FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1936, INSOFAR AS IT RELATES TO THE PUBLIC WORKS ADMINISTRATION

The bill as it passed the House of Representatives contained no provision concerning the Public Works Administration. The Senate added a paragraph which authorized the Federal Emergency Administrator of Public Works, upon the direction of the President, to use not to exceed $300,000,000 from funds on hand, or to be received from the sale of securities, for the making of grants to aid in the financing of projects capable of being substantially completed, in the determination of the Administrator, not later than June 30, 1938. The amount of grant which could be made for any project was limited to 45 percent.

The purpose of this provision is to permit the Federal Emergency Administrator of Public Works to use the cash and credits now in the Public Works Administration revolving fund for an additional public-works program to supplement the work-relief program to be carried on. Since, under existing law, the moneys in the Public Works Administration revolving fund are available only for loans, for the past year the Public Works Administration has been making loans from this revolving fund and grants from rescinded allotments made from the appropriations to carry out title II of the National Industrial Recovery Act and from the $345,000,000 allocated to the Public Works Administration by the President from the $4,880,000,000 appropriated to carry out the Emergency Relief Appropriation Act of 1935.

The provision added by the Senate is not intended to disturb the use of the revolving fund for such loans as are authorized under Public, No. 412, Seventy-third Congress, and under the Emergency Relief Appropriation Act of 1935, but it confers supplemental and additional powers upon the administrator and does not curtail any of his present powers or functions.

The Senate amendment contemplates that the Public Works Administration will make loans for non-Federal public-works projects in the amount of 55 percent of the cost of the project out of its revolving loan fund and will supply the remaining 45 percent as an outright grant. In cases where applicants are able to provide their share of the cost of the projects from the sale of municipal bonds on the open market, only a grant will be made by the Public Works Administration.

The first change which the conferees have made to the Senate amendment has been the deletion in the first and second lines of superfluous language relative to relief and work relief so as to make perfectly clear that the purpose of the paragraph is to enable the Public Works Administration to follow a well-beaten path by providing aid in financing a non-Federal public-works program. This provision in the Senate amendment is also intended to serve as a standard for guiding the Administrator in the selection of types of projects to be financed under the amendment.

Another change made by the conferees in the Senate amendment has been to rephrase the limitation on the time within which it is estimated that a project will be completed in order that it may be eligible for a grant under the bill. The purpose of this change is to make clear that no part of the funds made available by this paragraph shall be granted for any project unless the Administrator has determined that the completion of the project can be substantially accomplished, in his opinion, prior to July 1, 1938, and also to prohibit the use of any funds under this paragraph to finance any project unless, in the judgment of the Administrator, the applicant has on hand or is able to furnish satisfactory assurances that it will provide its share of the cost of the project.

It is expected that under this provision the Public Works Administration will be enabled to carry on a $600,000,000 non-Federal public-works program. It is contemplated that this will be done by the Public Works Administration agreeing to make grants and loans from its unobligated funds on hand and against commitments from the Reconstruction Finance Corporation. The Public Works Administration will be able to enter into a contract to make a grant or to purchase municipal bonds in reliance upon a commitment by the Reconstruction Finance Corporation to purchase bonds from the Public Works Administration in a like amount.

Under existing law the only limitation is the limitation upon the amount of bonds purchased from the Public Works Administration which the Reconstruction Finance Corporation may hold at any one time. This amount is limited to $250,000,000 by Public, No. 412, Seventy-third Congress. It is anticipated that through the cooperation of the Reconstruction Finance Corporation it will be possible for the Public Works Administration to use from its revolving fund the $300,000,000 made available under this paragraph of the bill for grants and an additional amount of about $150,000,000 for loans, but the Senate amendment does not in any way restrict the present power of the Public Works Administration to resell on the open market bonds it has purchased.

To summarize: Under the Senate amendment as modified by the conferees, the President is given power to authorize and direct the Federal Emergency Administrator of Public Works to use $300,000,000 from the revolving fund for the making of grants for projects selected by the Administrator, and to use funds on hand and funds to be received from the resale of bonds for the making of loans for such projects. It is anticipated that the Administrator will be empowered to make these grants and loans subject to such terms and conditions as he may prescribe in order to carry out the purposes of the Senate amendment. The Administrator will, of course, continue to exercise the functions which he has been heretofore authorized to perform under title II of the National Industrial Recovery Act and under the Emergency Relief Appropriation Act of 1935.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, when the W. P. A. portion of this bill came up originally in the House I was against the proposition of taking $700,000,000 from that fund and allocating it to public works because it would take money from workers under the W. P. A. who could not qualify for P. W. A. work. As I understand it now, this $300,000,000 is not to be taken from the fund of the W. P. A., but is to be taken from a revolving fund of the P. W. A., together with loans and grants by the R. F. C., and funds otherwise unallocated that have been in possession of the P. W. A.

Mr. BUCHANAN. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. BUCHANAN. This $300,000,000 was procured by the P. W. A. taking its securities against cities and towns for loans and delivering them to the R. F. C., which passed on them and turned over the money to the P. W. A. These are additional funds.

Mr. CONNERY. That is what I understood, and that is why I am in favor of this proposition, because Mr. Ickes' department, the P. W. A., has always paid the prevailing rate of wage, and Mr. Ickes' P. W. A. has done wonderful work, work which will endure and inure greatly to the

benefit of the American people. They pay decent wages on the P. W. A. work, and now we have that prevailing rate of wage also in the W. P. A., and I am happy to see this $300,000,000 allocated for the P. W. A. It will go into work and allow bricklayers and masons and other workers of the building trades to be employed at decent wages.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. SIROVICH. I am very glad to hear my colleague make that statement, because in my humble opinion the Secretary of the Interior, Mr. Ickes, is one of the most brilliant and far-sighted and distinguished statesmen of the present administration and has given 16 ounces to the pound of fair and square deal to the taxpayers of our Nation for every dollar expended, and this revolving fund ought to go through. And I would respectfully appeal to the membership of this House to vote for this revolving fund to aid an accomplished Secretary of the Interior to continue his great work in behalf of the American people.

Mr. CONNERY. I am very glad to agree with what the gentleman has said about the distinguished Secretary of the Interior, but I think also that Mr. Harry Hopkins, the Federal Emergency Relief Administrator, in his job has done as much as any human being could do to put people to work. Any man who could put to work 4,000,000 men, at union wages, in 38 days, as did Harry Hopkins on the C. W. A., is a marvelous friend of the working men and women of this Nation.

Mr. MAY. Mr. Speaker, will the gentleman yield so that I may ask a question of the gentleman from Texas?

Mr. CONNERY. Yes.

Mr. MAY. What I want to know is whether or not this $300,000,000 enables the Secretary of the Interior, as Administrator of Public Works, to increase in fact the appropriations made by the Congress out of the Treasury.

Mr. BUCHANAN. Of course, this is in fact not direct, but an indirect appropriation for which the Treasury ultimately will have to pay.

Mr. MAY. It is in addition to what we have passed?

Mr. BUCHANAN. It is in addition to the $1,425,000,000. Add the two together and you have the sum total of relief passed in this bill.

Mr. CONNERY. It is a fine amendment and I hope it passes.

Mr. BEITER. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. BEITER. And the adoption of this amendment will also enlarge the unemployment program in that it includes building trades, heavy industries.

Mr. CONNERY. Yes; and they need help.

Mr. LAMNECK. Mr. Speaker, will the gentleman yield for me to ask the chairman a question?

Mr. CONNERY. I yield.

Mr. LAMNECK. On page 29 we earmark quite a number of amounts in the appropriation. We also earmark this $300,000,000. I want to know what a congressional district will do for their unemployed provided they cannot take advantage of any of these earmarkings? How am I going to take care of people in my district when I am bonded now so that I cannot issue any more bonds?

Mr. BUCHANAN. The earmarking in the House bill this year, just as the earmarking in the House bill last year, is not exclusive. In other words, if the gentleman will note the verbiage of the amendment, so much of that money is authorized for these projects. If you have unemployment in your district and there is some project that does not come within the purview of any of them, and that project has been adopted, the money will be spent on it. You will find that ruling in the RECORD, which I put in last year.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Speaker, I yield the gentleman from Massachusetts 1 additional minute.

Mr. CONNERY. The chairman of the committee [Mr. BUCHANAN] has made such an illuminating statement of this proposition, assisted by the distinguished gentleman from New York [Mr. BEITER] and the distinguished gentleman from Kentucky [Mr. MAY], that I have nothing further to say. I hope the amendment will be agreed to. It will do much to help bring about work at decent wages to the building trades of the country.

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the motion to recede and concur with an amendment.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas to recede and concur with an amendment.

The motion was agreed to.

A motion to reconsider was laid on the table.

TRAFFIC SURVEY AND REPORT OF THE SPECIAL SUBCOMMITTEE OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA OF THE HOUSE OF REPRESENTATIVES

Mr. CARPENTER. Mr. Speaker, I ask unanimous consent to extend my own remarks on motor-vehicle traffic and include a report of the special committee to the Committee on the District of Columbia and also a short excerpt from the hearings.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CARPENTER. Mr. Speaker and Members of the House, the problem of traffic safety is one of the most serious problems not only confronting the District of Columbia but every city, hamlet, and village in the country as a whole. Especially is this true when we take into consideration the fact there were over 34,000 deaths due to traffic and motor-vehicle accidents in the year 1935. There have been more people killed in automobile accidents in the years 1920 up to and including 1935 than there have been killed in all the wars in which this country has been engaged. In all wars in which we have been engaged from 1776 to 1935 we have had 244,357 battle deaths, while in the period commencing in 1920, up to and including 1935, we have had in this country alone 388,935 persons killed in connection with motor-vehicle accidents. Over and above this, there have been thousands and thousands of persons who have received permanent injuries. In many cases the injuries have been worse than death. Furthermore, as a result of these accidents, there has been a great amount of property damage.

The situation that every city, both large and small, and the country as a whole is facing in regard to the ever-increasing number of traffic accidents is well expressed in the statement of Frank J. McDevitt, chairman of the Motor Vehicle Commission of St. Louis, Mo., which is as follows:

> One of the most serious problems confronting the American people today is the elimination of traffic accidents. St. Louis, as well as other large cities, has shown an annual increase which has been especially marked during recent years. Something must be done to stop the terrific loss of human lives, injuries, and property damage. Few people realize that in the past several years the casualties in this country from motor accidents greatly exceeded the casualties which occurred during the World War. None of us would want to see this country engaged in another conflict, yet we read with complacency accounts on the front page of every newspaper regarding serious traffic accidents.
>
> Notwithstanding all the efforts put forth by the police department, the courts, and the prosecuting officials, accidents continue to increase. This state of affairs will likely continue until each and every citizen becomes safety conscious, having a high regard for his own safety as well as the safety of his neighbor.

As we are all quite aware, the traffic problem is a very difficult one here in the District of Columbia and is increasing every day. So much so the District of Columbia Committee of the House at the beginning of the present session of Congress appointed a special subcommittee to conduct a traffic survey and to make a study of traffic conditions in the District of Columbia, and to report its findings to the full committee. A special subcommittee composed of Mr. SCHULTE, of Indiana; Mr. REED, of Illinois; and myself as chairman of the committee were appointed for this purpose. Exhaustive hearings were held which have now been printed and are available to the committee and the Members of Congress and officials of the District of Columbia. Based upon these hearings, this special subcommittee filed their report with the full committee, which I am sure is of interest to the Congress as a whole, to the residents of the District,

and to the people of this country who visit our Capital City; and, therefore, in accordance with my special permission from the House, I am setting out the report in detail, as follows:

REPORT OF SPECIAL COMMITTEE TO MAKE TRAFFIC SURVEY OF THE DISTRICT OF COLUMBIA

MAY 11, 1936.

The special street and traffic subcommittee of the Committee on the District of Columbia submits the following report:

It is the belief of the committee that conducted these hearings in regard to traffic safety that we could very well summarize our report in three brief findings.

First. We recommend for the most part not more traffic laws, rules, and regulations, but less confusion, greater simplification, and better observance and enforcement of those we now have.

Second. "That the most effective way to reduce accidents and at the same time act as a deterrent to reckless driving, is the old-fashioned method for which no substitute has yet been produced, namely, the presence of well-trained, intelligent, supervised, and properly disciplined uniformed policemen."

Third. The close cooperation and coordination of the activities, the interest, and efforts of all traffic regulatory and enforcing bodies, together with the general public and all those using the public highways.

However, since our hearings have been so extensive, quite inclusive, and so much time has been devoted to them, we believe that for the benefit of the public in general and future Congresses, as well as the officials of the District of Columbia, we should make a comprehensive report, together with our recommendations which we are making as concise and to the point as possible.

REPORT

Beginning on Monday, February 3, and ending on March 30, 1936, hearings were conducted by the committee on various phases of the traffic problem in the District. The investigation was devoted largely to a study of the traffic problem in Washington, D. C., a determination of the causes of the traffic accidents and a discussion of the best methods which may be adopted to bring about improvements. District officials, civic leaders, and traffic experts best qualified to furnish the committee with information, suggestions, and advice on this subject were called before the committee.

The first part of the hearings was devoted to a discussion of the existing traffic problem and its probable future trend. The second phase of the hearings was devoted to a thorough discussion of the causes of traffic accidents, and the third phase to proposed remedies.

In order to develop the facts regarding the traffic problem, the following outline was used by the committee.

THE PROBLEM

1. Increase in registrations for the past several years—registrations per capita—comparisons with other cities—nonresident traffic—accidents caused by nonresidents.
2. Increase in number of Government employees in the District of Columbia and the relation of this increase to the traffic situation in and around the Triangle.
3. The traffic flow and the relation between the rush-hour and the non-rush-hour traffic pattern—the cordon count—comparison with other cities.
4. The street plan in its relation to traffic movement, including discussion of the traffic circles.
5. The bridge situation.
6. Lack of adequate bypass facilities for interstate traffic.

The outline for the second phase of the hearings which was devoted to a study of all available facts relating to traffic accidents, is as follows:

CAUSES OF ACCIDENTS

1. Statistical analysis showing the causes of all accidents—discussion of the principal causes of accidents—reckless driving, driving while intoxicated, speeding, leaving after colliding, carelessness, both on the part of drivers and of pedestrians.
2. The pedestrian situation—analysis of pedestrian fatalities.
3. Traffic lights—the number now in operation and the results obtained by their installation.
4. The taxicab situation—number of cabs, number of cab drivers, cruising, congestion caused by cruising, relation of cruising taxicabs to other traffic, etc.
5. Mass transportation—streetcars, busses, relation of vehicular traffic to streetcar and bus traffic.
6. Street lighting—relation of street lighting to accidents.
7. Accident-prone intersections—showing intersections at which the majority of accidents occur.
8. Accident-prone drivers—age groups, etc.
9. Accident-prone vehicles—inspection.

The third and last phase of the discussion relating to remedies and recommendations is outlined as follows:

REMEDIES

1. Street widening.
2. Redesign of circles.
3. New bridges and replacement of old bridges.
4. Underpasses and overpasses.
5. Street lighting—appropriation.
6. Traffic surveys and planning—personnel requirements.
7. Educational work—funds for printing, postage, etc.
8. Are more traffic lights needed; and if so, where? Funds.
9. Refinement of present system of traffic lights.
10. Pedestrian protection by traffic lights.
11. Regulation of pedestrian traffic.
12. Installation of safety islands for the protection of pedestrians.
13. Reexamination of all drivers at end of renewal period. Personnel requirements.
14. Photographs of all drivers for proper identification.
15. Suspension of nonresident privileges.
16. Revocation and suspension of drivers' permits.
17. Semiannual inspection of all cars—cost—personnel, etc.
18. Need for additional police to enforce traffic laws and regulations.
19. Better methods of enforcement in courts. Is present enforcement machinery adequate?

All of the subjects referred to in the original agenda were thoroughly discussed by one or more competent witnesses, and these discussions, together with tables, charts, and illustrations, are included in the testimony.

DIGEST OF THE MOST IMPORTANT FINDINGS

Since 1925 there has been a 100-percent increase in motor-vehicle registrations in the District, and at the present time there are about 2.6 persons per car registered, which is the highest in the United States as compared with Philadelphia with 8.5 persons per car, Chicago with 7.15 persons per car, Pittsburgh with 9 persons per car, and Detroit with 4.03 persons per car. Approximately 20 percent of the traffic consists of cars registered from outside the District and they were responsible for about 25 percent of the accidents during 1935.

In spite of this increase in registrations and the consequent increase in traffic, there has been practically no increase in the traffic-police force during the same period of time. In fact the number of motorcycle police has been reduced from 93 in 1928 to 54 today, a reduction of 42 percent. Nearly every witness before this committee emphasized the need for additional police officers.

In 1933 there were about 68,000 Federal and District Government employees in the District. In February of 1936 there were approximately 112,000—an increase of 65 percent. Approximately 50 percent of these employees report for work at 9 a. m. and quit work at 4:30 p. m. During the past 3 years buildings in the Triangle area, bounded by Seventh, Fifteenth, Constitution Avenue, and Pennsylvania Avenue, have been completed, and at the present time there are nearly 25,000 Government employees in this area. By the construction of the buildings several through streets have been closed, which throws a correspondingly heavy load upon the remaining streets.

In 1930 a cordon count in the area bounded by Sixth, Nineteenth, Constitution Avenue, and L Streets from 8 a. m. to 8 p. m. showed 188,489 persons entering this area by automobile, 89,730 by street car, and 10,834 by bus. A cordon count made in 1935 for the same hours showed 209,915 (actual count 8 to 11 a. m. and 3 to 6 p. m., interpolated for hours 11 a. m. to 3 p. m.) persons entering this area by automobile, 110,405 by street car, and 33,617 by bus. In the congested area 130,893 passenger automobiles entered during a 12-hour period from 7 a. m. to 7 p. m. In the congested area in Philadelphia 79,315 passenger cars entered during a similar period, and in the Loop district in Chicago during the same period there were 113,000 passenger cars entering. The District has the heaviest concentration of motor vehicles entering the congested district of any city, irrespective of size, in the United States.

The plan of the District as established by L'Enfant consists of a rectangular street lay-out to which was added a system of diagonal avenues spread out fanwise from the Capitol and White House. This lay-out causes numerous six-point intersections and also is a direct cause of the number of circles which have anywhere from 6 to 10 streets entering in one area. The diagonal avenues are an aid in obtaining the shortest distance for cross-town traffic and generally carry a much heavier volume than the north and south, east and west streets, but they do cause congestion and contribute to accident hazards when they converge.

Generally speaking, the bridges are adequate to carry the present-day traffic, but several should be rebuilt, namely, Chain Bridge, the bridge across Rock Creek on K Street near Twenty-ninth, and the Pennsylvania Avenue Bridge across Anacostia and the Taft Bridge on Connecticut Avenue. The latter is on program for widening. Rock Creek Parkway is inadequate for present and future traffic needs under Massachusetts Avenue Bridge.

Owing to the present location and construction of bridges and the general lay-out of the highways in the District, it is practically impossible to obtain adequate bypass facilities for interstate traffic. Bypasses in the District to be of any considerable benefit must be planned in cooperation with Virginia and Maryland road authorities.

Motor-vehicle accidents have increased during the past several years. During 1935 there were 9,024 accidents in the District of Columbia, of which 2,408, or about one-fourth, involved pedestrians. Of these about one-half were caused by the carelessness of the pedestrian. Of the 113 fatal accidents during 1935, 75 involved pedestrians. Of these, 57, or one-half of the fatalities, were the result of the carelessness of the pedestrian. This carelessness in most cases was evidenced by crossing between intersections, crossing not at crosswalks, or crossing against the signals.

The principal accident-producing violations by motorists during this time were failure to yield right-of-way, reckless driving, speeding, driving while drunk, and turning improperly.

There are 325 intersections and 4 circles in the District controlled by traffic-light signals (Mar. 1, 1936), and statistics show that since the installation of these signals there has been a considerable reduction in motor-vehicle accidents at these intersections.

There are over 4,000 taxicabs in the District, or 1 cab for each 125 persons, which is the highest number of taxicabs according to population of any city in the world. Boston, with 1 cab for each 500 persons, is the nearest. About 27 percent of the motor-vehicle traffic in down-town Washington, and as much as 47 percent of the traffic on some streets, is taxicabs, which is the cause of considerable of the congestion. About 63 percent of these taxicabs were empty cabs, most of them merely "cruising."

About 2 years ago the two streetcar lines were merged, and after study by the Public Utilities Commission and the merged companies a rerouting plan was ordered by the Public Utilities Commission. It is expected to have the construction for this rerouting plan completed by October 1936. Several streetcar lines have been abandoned and busses have taken their place.

Only about 40 percent of the people are carried by mass transportation. Pittsburgh, Philadelphia, and other cities carry about 85 percent by mass transportation.

On July 1, 1934, there was about a 10-percent reduction in street lighting, and at the intersections where the street lighting was reduced or eliminated there was a 31-percent increase in night accidents over a like period before the lighting was reduced.

Accident diagrams have been completed at all intersections where over five accidents have occurred in a year, and proper measures have been taken to correct the situation as far as this could be done with existing funds, by the use of stop signs, slow signs, white lines, reductions in the height of hedges, and cutting back of corners where justified.

A study was made of the age of drivers with relation to the number of accidents. This study showed that of all ages, those persons 20 years of age had the most accidents in proportion to the number of drivers.

Mechanical condition of cars contributed materially to the number of accidents—that is, poor mechanical condition was a contributing cause of at least nine deaths, and over 5 percent of the cars involved in accidents were shown to be in poor mechanical condition.

As a result of the evidence and findings, the committee makes the following recommendations:

RECOMMENDATIONS

1. That the enforcement, prosecuting, and judicial officers be urged to continue their endeavor to bring about a reduction of accidents by a vigorous policy of certain punishment in cases of reckless driving, driving too fast for existing conditions, and other serious violations.

2. That additional funds be appropriated by Congress to provide for an increase of at least 10 percent in the present personnel of the police department, of whom enough shall be added to the motorcycle force to increase it to 100 men; and that this appropriation should be increased from year to year in proportion to the increase in motor-vehicle registration.

3. That the Board of Revocations and Suspensions continue its present policy of suspending permits in speeding cases, and extend that policy to include other serious violations.

4. That legislation is needed to provide authority for the suspension of operators' permits of nonresidents when they commit offenses in the District which if committed by residents of the District would call for revocation or suspension. This legislation (S. 3161) has now passed both Houses of Congress and will become a law upon approval of the President.

5. That legislation is needed increasing the penalty for first offense reckless driving, the present maximum penalty being $100 or 30 days. This legislation (H. R. 11063) has already passed the Senate and has been approved by this committee, by the District Committee, and is now on the House Calendar.

6. That the judges of the traffic court extend the hours of the court to care for the increased congestion, reestablishing the "night court" under the provisions of the Traffic Act if that becomes necessary.

7. That an amendment to the Traffic Act or to the traffic regulations under the act is recommended to control and regulate pedestrian traffic, especially at those points where they are given protection by traffic lights or traffic-police officers.

8. That it is the opinion of the committee that traffic conditions in the area known as the Triangle and the territory immediately adjacent thereto would be greatly improved if there were a further staggering of hours in which Government employees go to and quit work, and we respectfully recommend to the President of the United States and the heads of the various executive departments of the Government that they further extend the present staggered-hour policy according to definite comprehensive plans.

9. We also recommend to the Board of Education that they change the present opening hour of the schools to a later hour in order to decrease the peak-hour traffic and to reduce accident hazards to school children.

10. That the present appropriation for personnel of the engineering staff in the department of vehicles and traffic should be increased from $5,680 a year to $13,760 a year for additional traffic planning and traffic surveys, and it is so recommended to the Appropriations Committee of the House.

11. That an appropriation of at least $4,000 a year is recommended to carry on educational work of the department of vehicles and traffic in the interest of safer and better driving.

12. That the present appropriation for the examiners of motor-vehicle drivers in the department of vehicles and traffic, amounting to $6,860, be doubled in order that all drivers may be reexamined at the end of the renewal period (every third year) and that all drivers involved in serious accidents may be called in for reexamination when such accidents occur.

13. That all stopping and standing of vehicles including the stopping of commercial vehicles for the purpose of loading and unloading be banned on the flow side of arterial streets during rush hours.

14. That left turns be prohibited at all intersections in the congested area and on arterial streets where such a prohibition will not result in serious congestion at other points.

15. That provision be made by Congress for establishing facilities for semiannual inspection by the District of Columbia of all motor vehicles. Appropriate legislation on this subject is provided in H. R. 8582 (74th Cong.), which has passed the House and is now pending in the Senate.

16. That the Commissioners give careful study to the advisability of establishing additional one-way streets and one-way rush-hour streets in order to further facilitate the movement of vehicular traffic, and to the extension of the time of rush-hour one-way streets to make them one way from 7 a. m. to 12 noon and one way in the opposite direction from 1 p. m. to 7 p. m.

17. That legislation is needed to permit the Public Utilities Commission to regulate the number of taxicabs by the issuance of certificates of convenience and necessity.

18. That the Commissioners be requested to study the advisability of changing the color of the lights displayed on the top of fire-alarm boxes and that consideration be given to the advisability of prohibiting the use of red and green Neon advertising signs at all locations where they are likely to cause confusion with traffic lights.

19. That for the purposes of identification of all drivers the Traffic Act or the regulations under the act be amended to provide for a small photograph to be furnished by all drivers and used on all drivers' permits.

20. That the Park and Planning Commission be requested to give consideration to the establishment of additional playgrounds for children in various parts of the city and to a more complete use of existing playground facilities, including schoolyards to prevent children from playing in the street.

21. That the Commissioners and the Public Utilities Commission be urged to consider a skip-stop system for street cars and busses in order to facilitate the movement of mass transportation.

22. That the Park and Planning Commission be requested to give consideration to the parking of motor vehicles in or near Government buildings in the preparation of all future construction plans, or to provide garage facilities for officials and employees at a nominal cost.

23. That the Commissioners of the District of Columbia prepare and submit to Congress at its next session plans and estimates for—

(a) A 5-year program of street widening.

(b) A redesign of Thomas and Scott Circles to meet modern traffic needs and the elimination of the inside sidewalks, if found to be practical.

(c) A 5-year program for bridge construction and replacement to meet existing and future traffic needs.

(d) Underpasses for street cars under Dupont and Thomas Circles.

(e) Widening the underpass in Rock Creek Valley underneath Massachusetts Avenue viaduct.

(f) A 5-year program of traffic lights and traffic-light improvements and refinements.

(g) The construction of pedestrian tunnels at Fifteenth Street and New York Avenue, at Fourteenth Street and Pennsylvania Avenue, and at Twelfth Street and Pennsylvania Avenue, and at such other points as they may deem appropriate.

(h) The construction of suitable safety islands at such locations as they may select.

(i) The construction of overpasses for Thirteenth Street at Florida Avenue NW., and for New York Avenue at Florida Avenue NE.

(j) The construction of a low-level highway from K Street to Foxhall Road on the bed of the old Chesapeake & Ohio Canal with suitable ramp connections at Key Bridge in order to establish a suitable bypass for Virginia traffic through Georgetown.

In this connection consideration should be given to the construction of a highway on the towpath of the canal from Georgetown to the Maryland line to connect with a highway to Gettysburg, which would be used as a bypass for interstate traffic from and to the north and west.

24. That in the future appropriations for street lighting in the District shall be increased rather than reduced.

25. Although the Mount Vernon Boulevard is not within the District of Columbia or strictly within the scope of this investigation, it is so closely related that we recommend an appropriation for relighting that boulevard for the safety of the public.

26. That if the population of the District continues to increase in a permanent manner during the next 3 years, that serious consideration be given to the study of subways in the future.

As brought out in the course of this investigation, "the entire problem of traffic control and regulations is 'to move traffic as conveniently and safely as possible.'"

For a further study and analysis of the motor-vehicle situation in the District of Columbia, especially in relation to accidents, we recommend consideration of the printed hearings conducted by this committee.

As indicated in the report, it has been condensed and made as brief as possible. It should, however, be supplemented with the hearings that cover every detail of the traffic problem here in the District of Columbia.

In addition to this I wish to call particular attention of the membership to the appendix of the hearings containing a history of traffic in the District of Columbia, which was ably prepared by William A. Roberts, people's counsel of the District of Columbia, and which contains a very interesting history of the growth of the District of Columbia from the time of adoption of the seat of government act of July 16, 1790, authorizing the selection of a Federal Territory, 10 miles square, to be located on the River Potomac, between the mouths of the east branch and Connogocheague, for the site of our Nation's Capital, up to the present time. Over and above its importance from the traffic standpoint, I wish to further recommend this document for its historical interest and value.

TERMS OF UNITED STATES DISTRICT COURT FOR EASTERN DISTRICT OF KENTUCKY

Mr. PARSONS. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 59), which I send to the Speaker's desk.

The Clerk read as follows:

House Concurrent Resolution 59

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be, and he is hereby, requested to return to the House the enrolled bill (H. R. 12848) to provide an additional place of holding terms of the United States District Court in the Eastern District of Kentucky, and to amend section 83 of the Judicial Code, as amended;

That the action of the Speaker and of the President of the Senate in signing the said enrolled bill be rescinded; and

That in the reenrollment of the said bill the Clerk of the House of Representatives be, and he is hereby, authorized and directed to make the following correction, namely: Strike out the word "Pikesville" wherever it appears in said bill and insert in lieu thereof the word "Pikeville."

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

There was no objection.

The House concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REGISTRATION OF TRADE MARKS IN FOREIGN COUNTRIES

Mr. DALY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 5805) to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. SNELL. Reserving the right to object, just what is this?

Mr. DALY. The purpose of this bill is this: There is an international compact between several nations, some 15 of them, as to trade marks and patents. By agreement all nations have agreed to extend the courtesy of 6 months to every other nation to file trade marks and copyrights after they have been filed in the office of the country of the originator. All nations have subscribed to it. The law in the United States theretofore gave only 4 months, and this increases it to 6 months, to make it uniform all over the country.

Mr. O'MALLEY. Reserving the right to object, I am not familiar with this particular bill.

Mr. DALY. It comes from the Committee on Patents and is a companion bill to the one passed night before last, this being with respect to trade marks, the other being with respect to patents.

The SPEAKER. Is there objection?

There was no objection.

Mr. DALY. Mr. Speaker, I ask unanimous consent to substitute the bill, S. 1794, an identical bill.

The SPEAKER. Is there objection?

The was no objection.

The Clerk read the Senate bill as follows:

Be it enacted, etc., That section 4 of the Trade Mark Act of February 20, 1905 (U. S. C., title 15, sec. 84), as amended, be amended to read as follows:

"That an application for registration of a trade mark filed in this country by any person who has previously regularly filed in any foreign country which, by treaty, convention, or law, affords similar privileges to citizens of the United States an application for registration of the same trade mark shall be accorded the same force and effect as would be accorded to the same application if filed in this country on the date on which application for registration of the same trade mark was first filed in such foreign country: *Provided*, That such application is filed in this country within 6 months from the date on which the application was first filed in such foreign country: *Provided further*, That subject to the provisions of section 5 of said Trade Mark Act (U. S. C., title 15, sec. 85) registration of a collective mark may be issued to an association to which it belongs, which association is located in any such foreign country and whose existence is not contrary to the law of such country, even if it does not possess an industrial or commercial establishment: *And provided further*, That certificate of registration shall not be issued for any mark for registration of which application has been filed by an applicant located in a foreign country until such mark has been actually registered by the applicant in the country in which he is located."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

FIFTY-CENT PIECES IN COMMEMORATION OF THREE HUNDREDTH ANNIVERSARY OF FOUNDING OF HARTFORD, CONN.

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12831) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of Hartford, Conn.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, this is another one of these bills. They put them in and bring them out, and round and round they go. We are putting in these 50-cent pieces everywhere. After a while you will not know where you are going.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That, in commemoration of the three hundredth anniversary of the founding of Hartford, Conn., there shall be coined by the Director of the Mint 25,000 silver 50-cent pieces of standard size, weight, and fineness and of a special appropriate design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the models for master dies or other preparations for this coinage.

SEC. 2. That the coins herein authorized shall be issued at par and only upon the request of the chairman or secretary of the Hartford (Conn.) Tercentenary Commission.

SEC. 3. Such coins may be disposed of at par or at a premium by said commission and all proceeds shall be used in furtherance of the Hartford (Conn.) Tercentenary Commission projects.

SEC. 4. That all laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same; regulating and guarding the process of coinage; providing for the purchase of material; and for the transportation, distribution, and redemption of the coins; for the prevention of debasement or counterfeiting; for security of the coin; or for any other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein directed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF ADDITIONAL COPIES OF REPORT AND HEARINGS, SELECT COMMITTEE INVESTIGATING OLD-AGE PENSION PLANS AND ORGANIZATIONS

Mr. LAMBETH. Mr. Speaker, by direction of the Committee on Printing, I offer the following privileged resolution.

The Clerk read as follows:

House Concurrent Resolution 56

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for the use of the select committee of the House of Representatives appointed to inquire into

old-age pension plans and organizations not to exceed 200,000 additional copies of House Report No. 1, Seventy-fifth Congress; and that, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the aforesaid committee be, and is hereby, authorized and empowered to have printed for its use 10,000 additional copies of the hearings held before said committee during the current session pursuant to the resolution (H. Res. 443) authorizing the appointment of a select committee to inquire into old-age-pension plans with respect to pending legislation.

Mr. SNELL. Mr. Speaker, will the gentleman explain the resolution?

Mr. LAMBETH. Mr. Speaker, this resolution provides for the printing of additional copies of the report and the hearings of the committee investigating old-age-pension plans.

Mr. SNELL. This is a report that is to be submitted later?

Mr. LAMBETH. The gentleman is correct.

The SPEAKER. The question is on the adoption of the concurrent resolution.

The concurrent resolution was agreed to.

EXTENSION OF SUGAR QUOTAS

Mr. JONES. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 278, to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman from Texas explain this resolution?

Mr. JONES. Mr. Speaker, this is simply a Senate resolution which provides for the extension of the sugar quotas for 1 year. A similar House resolution is on the calendar. Sections 3, 4, and 5 of the resolution have been eliminated. This simply retains sections 1 and 2 and extends the present quotas for another year. I think all of the people in the sugar area are not only willing but anxious to have this resolution adopted rather than have no legislation.

Mr. SNELL. It is agreeable to all concerned, is it?

Mr. JONES. Yes. I understand so. Of course, some want definite changes before any permanent legislation is passed. But they realize that general legislation cannot be had this late in the session.

Mr. ANDRESEN. Mr. Speaker, reserving the right to object, is it understood that benefit payments, excise taxes, and processing taxes are eliminated?

Mr. JONES. Benefit payments have been eliminated from the resolution. There were no taxes in the resolution. But, of course, it is necessary to secure funds before payments can be made. It is evident that no funds will be made available at this session, so that part has been left out.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. ANDRESEN. I yield.

Mr. GREEN. Is it not true that certain of the cane-sugar growers are opposed to this resolution?

Mr. JONES. A few of the cane growers were opposed to any extension of this resolution, but in the main the sugar areas are anxious to have the quotas extended, and, as a matter of fact, I think the cane areas would rather have this resolution than to have no action taken. In other words, I am sure they appreciate the situation with which we are confronted.

Mr. DEROUEN. Mr. Speaker, reserving the right to object, I may say to the gentleman from Texas that we of the cane-producing sections of Louisiana cannot vote for this resolution. We are protesting against the unfairness of the quota, and we shall continue to protest. We believe that a new quota should be allocated; in other words, the off-shore quota should be reduced. We do not believe that the producers of sugar in the continental United States should be made to suffer.

My appeal is directed to the consideration of the great and immediate good that will come to the small farmer and laborer by a more liberal attitude on the part of our Government toward the Louisiana sugar industry. Their lands are well adapted to sugarcane culture and they know how to grow cane. Many of the small farmers were forced out of production during the depression and because of the disease in the sugarcane, but now that the crop is again profitable and the sugarcane is healthy and prolific, Government restriction prevents these little fellows from reaping the benefits which Congress must have intended should be made available to them.

I may say that we appreciate the many courtesies extended to us by the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. JONES]. We know we have his sympathy; and we have assurance that in the next Congress a bill will be considered which if enacted will give some measure of relief to us in the unfortunate position we presently occupy, and I trust it will be the bill introduced by Senator OVERTON, of Louisiana.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DEROUEN. I yield.

Mr. RICH. When the gentleman speaks of the next Congress he means the Republican Congress that is coming in with Landon in the fall?

Mr. JONES. That may be true according to the sunflower philosophy, but there are other philosophies.

May I say to the gentleman from Louisiana that I appreciate the circumstances to which he refers, and I hope the Department will at least partially adjust it from any excess consumption quotas. I believe that was done to some extent the past year and I hope they may make every effort to iron out the apparent inequities in this fashion. I also want to thank my friend for his generous personal reference.

Mr. GILCHRIST. Mr. Speaker, reserving the right to object, a minority report was filed on the original resolution.

Mr. JONES. Yes.

Mr. GILCHRIST. The resolution under consideration continues the quota system, as I understand it.

Mr. JONES. For 1 year.

Mr. GILCHRIST. The minority report to the original resolution also objected to the quota system. Several Members are interested in this matter and ought to be heard.

I should like to ask the chairman of the Agricultural Committee if he could not arrange to have this matter come up at a time when the gentleman from Michigan [Mr. CRAWFORD] is present. I understand he had some objection, and I do not see him here.

Mr. JONES. Of course, if the gentleman insists that it go over, that is one thing, but I have talked to most of the Representatives from the sugar areas. I know the gentleman from Michigan [Mr. WOODRUFF] said he would endeavor to see most of them. I think the gentleman will find no one, under all the circumstances, will want to make objection.

Mr. GREEN. The Florida cane growers object.

Mr. JONES. The gentleman from Michigan [Mr. CRAWFORD] is present. I think the gentleman from Iowa will find that all of those who are interested in these areas are anxious to have this rather than no legislation at all, and they are willing to have this passed.

Mr. GILCHRIST. Mr. Speaker, with the statement that personally I am opposed to the quota system, I see no use objecting at this time or making a speech, but I wish to extend my remarks, and will not further object to the consideration of the bill at this time.

Mr. GREEN. Mr. Speaker, reserving the right to object, the Florida cane growers are opposed to this resolution, and unless the chairman of the Agricultural Committee can give us some assurance that at the next session of the Congress these quotas will be raised, I shall be forced to object.

Mr. JONES. Of course, the gentleman understands I do not have the authority to do that, but I can assure him we will go into the question and hold hearings before permanent legislation is offered. The gentleman realizes if he should object to this he may be responsible for bringing about an upset in the sugar industry, particularly so far as the offshore sugar is concerned, and he may wreck the whole industry in America by allowing the thing to get into a state of confusion. I hope the gentleman will not take that responsibility.

Mr. DEROUEN. As a matter of fact, the Louisiana cane producers can produce over one-seventh of the entire production of sugar consumed in the United States, and we are opposed to the present quota; but we are willing at this time to say to the gentleman from Texas [Mr. JONES] that we trust him and hope that in the next Congress we shall have either a just quota or no quota at all.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, I should like to say to the gentleman from Florida [Mr. GREEN] that there were many Members signed the minority report on this bill. One of the reasons we signed the minority report was because we believed the domestic sugar market should be preserved for domestic producers. But we understand also that the sugar industry is very anxious to have these quotas effective for at least another year. In view of the fact that the other objectionable features were removed from the bill, I, as one Member who signed the minority report, am willing that this bill be enacted into law and will not offer an objection. May I say to the gentleman from Florida, if I happen to come back here next year, I shall be glad to cooperate in preserving the domestic market for domestic producers.

Mr. GREEN. Under the circumstances I shall not object, but this is a very serious situation. We have hundreds of acres that have been taken out of cultivation, while our people down there are on a starvation basis and at the same time sugar is coming in from other countries. It is not fair.

Mr. JONES. I think the gentleman will find that his producers are much better off than if we had no legislation. If he should object and the quota restrictions on importation should be swept away his producers would be greatly injured if not entirely destroyed. This resolution may not save the situation but it will go far toward doing so. It is all that can be had at this time. No sugar is produced in the district I represent, and it makes little difference to me. But if my people produced sugar beets, or sugarcane, I should certainly want the resolution passed. It will benefit both producer and consumer.

I am sure the gentleman must recognize this fact.

Mr. CRAWFORD. Mr. Speaker, reserving the right to object, in view of the fact my name was mentioned by the gentleman from Iowa, may I say that personally I am very much opposed to any kind of restriction on the production of sugar in the continental United States. At the same time, I desire to say that in view of the whole situation I feel that Hawaii is a part of the continental United States when it comes to setting up sugar quotas. Personally, I feel that Florida and Louisiana have a quota at the present time which is entirely inadequate to take care of their productive facilities, and their actual production, and in the future when this question is brought up for permanent legislation, if I happen to be a Member of the House, this gives an indication of what my inclinations will be at that time.

Mr. JONES. I think we all recognize that. Of course, the gentleman recognizes that the consumer must be protected in all this matter. I understand it is only possible for America to produce a small percentage of our sugar needs. Hence, if we place quota limits on importation we must care for consumer interest through reserves and other safeguards.

Mr. BLANTON. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. JONES]?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That under the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, no further processing, compensating, or floor-stocks tax shall be levied or collected respecting sugar beets or sugarcane or the products thereof as defined by such act, as amended, nor shall any contract be entered into under the provisions of such act, as amended, with the producers of sugar beets or sugar cane, but in all other respects such amendatory act shall be and remain in force and effect until December 31, 1937, and the quotas established and allotments heretofore made by the Secretary of Agriculture are hereby ratified.

SEC. 2. In order to regulate commerce with Cuba and other foreign countries, among the several States, with the Territories and possessions of the United States, and the Commonwealth of the Philippine Islands, with respect to sugar, the quotas for the respective sugar-producing areas shall be the same (subject to modification or adjustment by the Secretary of Agriculture under conditions set out in such act) for the calendar years 1936 and 1937 as those initially established by the Secretary of Agriculture for the calendar year 1936: *Provided*, That for the calendar year 1937 there shall be allotted to continental United States not less than 30 percent of any amount of consumption requirements therefor above 6,452,000 short tons, raw value: *Provided further*, That any sugar-marketing quota may be allotted by the Secretary of Agriculture, in order to prevent disorderly marketing or importation of sugar, on the basis of prior allotments under such act, changes in marketing since the first such allotment, marketings during the calendar year 1935, and ability to perform.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ACQUISITION OF LANDS IN THE VICINITY OF JACKSONVILLE, FLA.

Mr. SEARS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 11501) to authorize the acquisition of lands in the vicinity of Jacksonville, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon.

I may say this is a bill that came up for consideration the other evening, and all of the objectors withdrew their objections except the gentleman from North Carolina [Mr. UMSTEAD], who has been studying the bill for the last 24 hours, and he has now withdrawn his objection.

The SPEAKER. Is there objection to the immediate consideration of the bill?

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, I understand this is not going to cost the Government anything?

Mr. SEARS. The gentleman is correct. It will cost Jacksonville $300,000.

The SPEAKER. Is there objection to the immediate consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to accept on behalf of the United States, free from encumbrances and without cost to the United States, the title in fee simple to such lands as he may deem necessary or desirable on the St. Johns River in the vicinity of Jacksonville, Fla., approximately 1,400 acres, as a site for a naval air station to be returned to the grantor if not used by the United States for such purpose within 5 years.

SEC. 2. The Secretary of the Navy is further authorized to construct, install, and equip at said station such buildings and utilities, technical buildings and utilities, landing fields and mats, and all utilities and appurtenances thereto, ammunition storage, fuel and oil storage and distribution systems therefor, roads, walks, aprons, docks, runways, sewer, water, power, station and aerodrome lighting, telephone and signal communications, and other essentials, including the necessary grading and filling and the removal of existing structures and installations. He is authorized also to direct the necessary transportation of personnel, and purchase, renovation, and transportation of materials, as may be required to carry out the purposes of this act.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums of money as may be necessary to be expended under the direction of the Secretary of the Navy for the purposes of this act, including the expenses incident to necessary development surveys, which appropriation shall continue available until expended: *Provided*, That the provisions of section 1136, Revised Statutes (U. S. C., title 10, par. 1339), shall not apply to the construction of the aforesaid stations and depots.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

WIDESPREAD SUPPORT FOR THE UNITED STATES HOUSING ACT OF 1936

Mr. ELLENBOGEN. Mr. Speaker, may I say to the Members of the House that the Wagner-Ellenbogen housing bill, which passed the Senate yesterday, is now pending before the Committee on Banking and Currency of the House.

I wish to acquaint the Members of the House with the amazing Nation-wide sentiment for the bill. I want to emphasize that the endorsements which I mention are only a few of those which came to my attention. In addition, there are the thousands of endorsements which were sent by organizations and individuals to Members of the Senate and the House, and to the administrative departments concerned with housing, as well as to the White House..

Of the many national organizations and newspapers which have endorsed the Wagner-Ellenbogen housing bill and are urging its enactment at this session of Congress, I call your attention to a very few, such as:

Christian Science Monitor; Unitarian Ministerial Union; National Council of Catholic Charities; American Association of Social Workers, housing committee; American Federation of Labor; United States Conference of Mayors; National Federation of Settlements; Federal Council of Churches of Christ in America; National Public Housing Conference; National Urban League; National Association for the Advancement of Colored People; United Mine Workers of America; National Association of Letter Carriers; National Federation of Rural Letter Carriers; Scripps-Howard Newspapers; Stern Newspapers; New York Times; Baltimore Sun; American Institute of Architects; The National Conference of Catholic Women; and the National Board of the Young Women's Christian Association.

I believe it may truthfully be said that no major bill has ever come before the Congress which was able to command such universal and widespread support.

Mr. Stuart H. McDonald, Federal Housing Administrator; Mr. Harold L. Ickes, Secretary of the Interior and P. W. A. Administrator, and as such in charge of the housing division; Mr. John H. Fahey, chairman of the Home Loan Bank Board and Home Owners' Loan Corporation; and Miss Frances Perkins, Secretary of Labor, have all warmly endorsed the bill.

Several State legislatures, many city councils, the United Conference of Mayors, a large number of mayors from large and small cities, rural and urban communities have all endorsed the bill. State housing authorities, as well as municipal housing authorities, are all united behind the United States Housing Act of 1936.

The endorsements also show that business and labor wholeheartedly support this bill. Chambers of commerce, large business and banking institutions are strongly supporting the bill. The executive council of the American Federation of Labor and William Green, president of the American Federation of Labor, have publicly declared that the passage of this bill is by far the most important piece of legislation in which labor is interested. Mr. John Lewis, president of the United Mine Workers, is equally emphatic in his support of the Wagner-Ellenbogen housing bill. All important social, welfare, and religious agencies, including national organizations of Catholic, Protestant, and Jewish faiths, are urging the enactment of this bill. The supporters of this bill constitute a cross-section of all the vital forces in America.

Urban and rural communities alike demand passage of this bill. I hope that the House of Representatives, the popular branch of the National Legislature, will speedily pass this bill and thus complete the action already taken by the Senate.

I now ask unanimous consent, Mr. Speaker, to extend my remarks and to include therein a partial list of the endorsements of that bill which have come from every State in the Union.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BLANTON. Mr. Speaker, reserving the right to object, does the gentleman from Pennsylvania think we ought to pass bills according to endorsements or according to our own judgment as to whether or not they are for the benefit of the people and in accordance with the Constitution?

Mr. ELLENBOGEN. I agree with the gentleman from Texas, but I believe the Members of the House would desire to see what responsible organizations in their own districts are in favor of the bill and have endorsed it.

Mr. RICH. Mr. Speaker, reserving the right to object, how many pages of the RECORD will this take?

Mr. ELLENBOGEN. I do not know.

Mr. RICH. But the gentleman asked to put in all of these endorsements.

Mr. ELLENBOGEN. Not from individuals, but only from mayors, city counsels, governors, and State legislatures, and so forth.

Mr. SNELL. Mr. Speaker, I object to putting all that stuff in the RECORD.

The SPEAKER. Objection is heard.

HON. GLENN GRISWOLD, THE VETERANS' FRIEND

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a brief editorial from the Marion (Ind.) Leader Tribune having to do with the life and public service of our colleague the gentleman from Indiana [Mr. GRISWOLD].

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, my friend and colleague, Hon. GLENN GRISWOLD, who is closing his third term of honorable and distinguished service as the Representative of the Fifth Indiana District, was recently, by unanimous sentiment of his party, accorded a renomination without opposition as a recognition of faithful and efficient performance of the duties of his high office.

I have been closely associated with Mr. GRISWOLD during the last 6 eventful years, and long ago I formed a high opinion of him, because I learned from observation that he is a true Representative of the people. His heart beats in rythm with the heartbeats of the masses who compose the warp and woof of our citizenship. The limits of space will not permit mention in detail of the many ways he has been helpful to the toilers of the country.

Amony those he has served with rare devotion and fidelity are the veterans, and by permission of the House I close my remarks by presenting the text of an editorial printed on February 18 last by the Marion (Ind.) Leader-Tribune. This editorial, entitled "The Veterans' Friend", pays a deserved tribute to Mr. GRISWOLD for his loyal and effective championship of veterans' legislation, and is as follows:

THE VETERANS' FRIEND

GLENN GRISWOLD, Representative in Congress from the Fifth Congressional District, was not present in the House when the final vote on payment of adjusted-service certificates to veterans was taken and because of this his political opponents are reported spreading insidious propaganda that he did not support the misnamed bonus bill.

But when opponents of GLENN GRISWOLD begin attacking him on a basis of his support for veterans they make a grave mistake. Few men in Congress have championed the veteran as has GRISWOLD. He has supported the service man, not one time, or two times, but consistently. That GRISWOLD's opponents, who in previous years have condemned him for his support of veterans, now should charge that he did not back the bonus is more than ridiculous. GRISWOLD has never let politics interfere with his convictions on veterans' affairs, and it is unfortunate that those opposed to him have not been content likewise to divorce politics and legislation for the ex-service man.

The CONGRESSIONAL RECORD is easily available in libraries or elsewhere, and anyone having any doubts as to GRISWOLD's loyalty to veterans can remove those doubts by a check of his activities in the House.

In the Seventy-second Congress, GRISWOLD's first, he was one of the 145 signers on the petition to bring the bonus out of committee for a vote. His name has been on the petition at each session since that time. There are 435 Members of Congress and only 145 names on the petition. On June 15, 1932, GRISWOLD spoke on the floor in favor of the bonus, being the only Member from Indiana, either Democrat or Republican, to do so. On the same date he voted on a roll call in favor of the bonus.

In the first session of the Seventy-third Congress GRISWOLD again signed the petition to bring the bonus to a vote, but sufficient signatures were not obtained. On March 11, 1933, GRISWOLD was the

only Indiana Congressman to speak against the economy bill, and on a roll call that day was one of the few Members of either party to vote against the Economy Act. In the second session of the Seventy-third Congress GRISWOLD again signed the petition to bring the bonus to a vote, and on March 12, 1934, he voted in favor of the bonus bill passed by the House but defeated in the Senate.

After signing the petition again in the first session of the Seventy-fourth Congress GRISWOLD, on March 21, spoke again in favor of the bonus and that day was called to Indiana by the death of a brother. The following day the vote came up, and GRISWOLD was paired in favor of the bill with Representative SUMNERS of Texas against it. This bill later passed the Senate, but was vetoed by the President.

On the following May 22 he voted to override the President's veto, but the measure was killed by the Senate. Last January 10 the bonus bill again came up in the House; GRISWOLD was present and voted in favor of its passage. When the vote to override the President's veto came up in the House last January 13 GRISWOLD, along with some 50 other Congressmen, was not present. The vote was unexpected and contrary to an agreement that a vote would not come up until the following Monday. But there is no doubt of what the GRISWOLD vote would have been. On that date the CONGRESSIONAL RECORD shows:

"Mr. GREENWOOD. Mr. Speaker, my colleague, Mr. GRISWOLD, is unavoidably absent. If present, he would have voted 'aye.'"

GRISWOLD's record on veterans' legislation cannot be challenged. It was his resolution which resulted in the investigation of veterans' guardianships here. He championed service men in combatting the Economy Act and in supporting the bonus measure at every session. Opponents who question his record on veterans' legislation are striking weakly at his strongest point.

NATIONAL INCOME AND CREDIT ACT

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a short commendatory statement.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, I am extending my remarks and including an article concerning me which appeared in the June 15th issue of the magazine, Money, published at 55 Fifth Avenue, New York, N. Y.

MR. GOLDSBOROUGH KNOWS HOW TO USE MONEY TO END CLASS POWER AND TO ENRICH THE PEOPLE

T. ALAN GOLDSBOROUGH is ranking member of the Banking and Currency Committee of the House of Representatives, occupying a position secondary only to that of its chairman, HENRY B. STEAGALL. For 35 years he has been a diligent student of our monetary problem, and today his understanding of that problem is of profound significance.

On August 22, 1935, he introduced a bill known as the National Income and Credit Issue Act, which embodies his knowledge and long experience. It exhibits entire independence of the conventional assumptions of "orthodox" monetary theories, which make man subordinate to money. In its simple and yet daringly creative proposals and the consequences for our daily lives which it implies this bill is one of the most important measures ever put before Congress.

EARLY OBSERVATION LED TO ACTION

In his public career T. ALAN GOLDSBOROUGH has followed the traditions of his family. His great grandfather, Charles Goldsborough, was elected in 1805 as a Federalist to the Ninth Congress of the United States, and served for five succeeding Congresses before he became Governor of Maryland. He followed the tradition begun by his grandfather, Robert Goldsborough, who was a member of the Continental Congress in 1774 and 1775, and in 1776 was called upon to frame a constitution for the Province of Maryland and thereafter served in the State senate.

T. ALAN GOLDSBOROUGH, as Charles and Robert had, equipped himself for the law first, and, once admitted to the bar, was soon in public service. In 1904 he was coauthor of the road law of Caroline County, Md., and from 1904 to 1908 served as prosecuting attorney for that county. He was elected as a Democrat to the Sixty-seventh Congress in 1921 and he has been reelected ever since.

During this period Mr. GOLDSBOROUGH has served on the Banking and Currency Committee of the House and from the very beginning has shown a constructive interest in the problems of money.

As a boy of 10 T. ALAN GOLDSBOROUGH used to accompany his grandfather, who was a country doctor, on his daily rounds. The boy never got over the impression he received then of poverty amongst farm and industry workers. It set him thinking. Gold was scarce then, and continued to be so until 1898, when large quantities of it were discovered in the Klondike regions and in South Africa. Then prices climbed steadily, and the country enjoyed prosperity. But the prices rose too fast for a permanent prosperity based on gold production. GOLDSBOROUGH realized that as long as the money supply depended upon gold there could be no stability, and there would always be one class of people who suffered as others profited during recurrent periods of rising and falling prices. His first answer to the problem was to stabilize the purchasing power of the dollar by relating it to the production of commodities instead of gold.

REIGNING MOTIVE FREEDOM

The desire for equality, for justice to all and not to a class, seems to have been the energizing motive of all Mr. GOLDSBOROUGH's activities and to have determined their direction. Legislation must look to economic freedom as well as political freedom if the individual is to be given the opportunity to seek and find his own freedom, which is essential to any concept of liberty. To achieve economic freedom through a release of the pressure of monetary monopoly has always been T. ALAN GOLDSBOROUGH's aim.

His attitude may be illustrated by reference from a speech May 23, 1922, which he himself quoted in Congress 10 years later:

"Years of reflection convince me that equality of economic opportunity is probably the most serious concern of statesmanship. Class legislation lessens the creative enthusiasm of the group favored by it and restrains the economic development of the group outside the favored class. * * *

"Stabilizing the purchasing power of money, if it can be done, strikes at the very root of class advantage and tends to prevent the inception of movements of special privilege. It is mighty easy to get in the habit of losing sight of the under dog, mighty easy to garb with the cloak of conservatism the golden calf of indifference to the common weal."

HIS PROGRESS EVOLUTIONARY

It is exceedingly interesting to trace the evolutionary progress of T. ALAN GOLDSBOROUGH's proposals to Congress from his first bill which advocated stabilizing the purchasing power of money by the use of what is known as the commodity dollar to the present bill, H. R. 9216, which does not attempt to control price levels specifically, but strikes deeper at the core of our modern economic evils. He has advanced from a preoccupation with monetary standards of value upon which to base purchasing power to a knowledge of the use of credit to evoke real values; from a belief in the submission of man to natural forces to a belief in a creative demand upon nature by man; from gold standard to commodity standard, to a credit standard based on our capacity to produce. The first purely artificial, the second nearer the truth but only touching the surface of it, the third fundamental. This progress really marks a revolutionary change in attitude—from a concept of money as the controller of our lives (even as a benevolent despot) to the concept of the monetary system as a mere convenience to enable us to do what we want to do.

The Goldsborough bill of 1922 assumed that the gold standard and the elements of a "sound" banking system were laws of nature and must be retained. As the price of commodities rose or fell the gold content of the dollar was to be proportionately altered, conversely, of course. By this means it was felt that the dollar could be given a stable purchasing power.

The intent of the legislation cannot be better formulated than in a speech which Mr. GOLDSBOROUGH made in 1924 before the Maryland State Banking Association:

"* * * there is no attempt in this legislation to control the price level of individual commodities. They will move in accordance with the law of supply and demand, but the purpose is to keep the average the same, so that the value of money in an aggregate of the general commodities which it will buy will not appreciably change. In other words, while flour and butter and eggs and chicken and meat and sugar and coffee will individually vary in price, the filled market basket made up of these different commodities can always be purchased with the same amount of money."

It is not at all certain that existing gold reserves would have been adequate in practice so as to insure the success of an attempt to maintain the dollar's purchasing power at a constant level by varying in gold content. Oil and water will not mix and neither will the gold dollar and the commodity dollar.

THE 1934 BILL

This artificial mechanism was abandoned in the bill introduced by Mr. GOLDSBOROUGH in 1934. "To establish the Federal Monetary Authority and to control the currency of the United States."

The Federal Monetary Authority as contemplated by the bill, was in a sense a central bank of issue. It was given power to "issue circulating currency in such amount as the Authority from time to time finds necessary to carry out its powers." The bill declared it to be the policy of the United States to restore and maintain the normal purchasing power of the dollar "which shall for the purpose of this act be the average purchasing power of the dollar for all commodities during the year 1926." The powers given to the Monetary Authority were very broad and very indefinite. "The powers of the Authority", the bill says, "shall be exercised to such extent and in such manner as in the judgment of the Authority will best effectuate the declared policy." Whatever the deficiencies of the bill, it clearly recognizes that the community's credit was to be used for the welfare of all. A monetary authority was established which had the right of issuing money for the public good and quite apart from any private financial interest.

CURRENT BILL HIS MOST FUNDAMENTAL

The complete development of Mr. GOLDSBOROUGH's thought is to be found in the National Income and Credit Issue Act which he introduced last August and on which hearings have been recently held before the Banking and Currency Committee. Here is no attempt to stabilize prices while leaving them open to the arbitrary manipulations of a privately controlled monetary system. The private monopoly of credit is abolished outright. Congress

resumes its constitutional duty and right of issuing money and regulating its value. Through the medium of a retail discount and national consumer's dividend, based on our unused productive facilities, credit is issued "to provide monetary income to the people of the United States * * * ample at all times to enable the people to buy wanted goods and services at full capacity of the industries and commercial facilities of the United States."

The provisions of the pending bill are foreshadowed by the remarks of Mr. GOLDSBOROUGH at the hearings on the Banking Act of 1935. We quote a few of these:

"I never had in mind, and I never introduced in Congress, any bill which would require the national debt to be paid immediately. There is only about $5,000,000,000 of bonds which are callable now. It seems to me that to start a system of teaching society that banking is one thing and the issuance of currency an entirely different thing would not only relieve society of a tremendous burden of interest, but would be a great educator, because, in my opinion, we are never going to do anything by creating more debt except to create a pseudo prosperity which will carry us along a few years longer and then, as by building up capital goods and selling on the installment plan with the use of more credit, have a greater collapse than we have now.

"When you reduce taxes you declare a national discount, do you not?

"What I am suggesting is that in a country as rich as this is we ought to be stockholders and not bondholders, and we ought to get rid of the enormous creditor element and creditor complex and manipulation which is going on in this country. That is what I am talking about, and, in my judgment, unless it is done, we are ultimately destroyed; the debtor is a slave to the creditor, and the tremendous banking forces of this country absolutely run the country. Either that class has got to take its normal position in society, or else it is going to swallow us all up, and for this reason: In this machine age, where, as a matter of fact, labor is constantly being released from industry, you have got to get some system whereby you can declare a national dividend either by a direct dividend or by a discount system. It cannot be done in any other way, in my opinion.

CONGRESS WOULD LAY DOWN POLICY

"During all of the ages the battle of the people has been for a government of laws and not of men, and all of my investigations during a period of 35 years have taught me the truth of the saying of one of the Rothschilds, 'If you give me control of the credit and money of a country, I will control everything in it.'

"So it seems to me that a legislative direction ought to be directly injected into the monetary system, and that too much discretion, except insofar as the mechanics and the technical phases of the law are concerned, should not be left to the administrator. It seems to me it is the duty of Congress to lay down the policy on behalf of the people, that policy to be carried out by the technical experts."

Whatever may be the fate of the specific bill now pending, T. ALAN GOLDSBOROUGH has made a place for himself in history as one of the first to recognize the essentials of financial freedom. These are the transfer of the control of credit from private hands to the community and, no less important, the use of that control in a way to permit the unimpeded operation of our economic system for such purposes as we the people choose. We have come a long way. Much has been done. But much remains to be done. GOLDSBOROUGH has a clear vision of what is necessary. Although he would be the first to disclaim the title, in a true sense he is a seer.

HON. A. J. SABATH

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to extend my remarks by including some statements of various Members of the House upon the services of the dean of the House, the gentleman from Illinois [Mr. SABATH].

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. THOMPSON. Mr. Speaker, the following speeches were delivered in the House of Representatives April 1936, by the Speaker, the Honorable JOSEPH W. BYRNS, of Tennessee; Hon. THOMAS L. BLANTON, of Texas; Hon. WILLIAM P. CONNERY, JR., of Massachusetts; Hon. EVERETT M. DIRKSEN, of Illinois; Hon. DONALD C. DOBBINS, of Illinois; Hon. CLAUDE A. FULLER, of Arkansas; Hon. MAURY MAVERICK, of Texas; Hon. WRIGHT PATMAN, of Texas; Hon. EDWARD T. TAYLOR, of Colorado; and Hon. CHESTER THOMPSON, of Illinois, on the occasion of the seventieth birthday and completion of 30 years' service by Hon. ADOLPH J. SABATH, a Representative from the State of Illinois:

HON. MAURY MAVERICK, OF TEXAS

Distinctive career of Congressman SABATH a credit to his people and to our Nation.

HON. EDWARD T. TAYLOR, OF COLORADO

Mr. TAYLOR of Colorado. Mr. Speaker, I was delighted a few moments ago to hear our distinguished majority leader, Mr. BANKHEAD, pay an eloquent and richly deserved tribute to our colleague, Mr. OLIVER, of Alabama. Such kind words of sincere friendship and admiration are a wonderful inspiration and a dearly cherished feature of our lives. Expressions of that kind lighten our frightfully onerous and strenuous service and go a long way. On this occasion I take pleasure in calling the attention of the House to the fact that tomorrow the dean of this House, the distinguished gentleman from Illinois [Mr. SABATH], will reach the period of threescore years and ten, his seventieth birthday. [Applause.]

It has been a genuine delight for me to have served with Mr. SABATH for nearly 28 consecutive years in this House. His services here have been characterized by a high order of American citizenship, by exceptionally efficient and distinguished statesmanship. He has served his great State loyally and well. He has done a world of patriotic and public-spirited good work during these past 30 years that he is now rounding out in this House. He has the admiration and respect of the entire House. During the entire history of our Government, from the time the First Congress met on March 4, 1789, in New York, we have had almost exactly 10,000 Members of the House of Representatives. Of all those 10,000 Members, our colleague from Illinois [Mr. SABATH] is the only Member of foreign birth who has ever served 30 years in the Congress of the United States. [Applause.]

We have had a thousand distinguished men in this House who were born in foreign lands, but the gentleman from Illinois has the rare distinction of being the only one of all of them who has honorably represented our country in the Congress of the United States for 30 years. I feel that is something he and this House have a right to be proud of. In fact, the American Republic has a right to be proud, because it sets a high and encouraging example. It holds out a hope and an inspiration to all other citizens of our country who have come from foreign lands.

I may say that the gentleman's brother, as judge of the domestic relations court in Chicago, has had a most distinguished career. For 30 years he has made a world's record of beneficent services to troubled humanity. I know we all hope that ADOLPH SABATH may have good health and be spared for many more years of membership in this House.

HON. CLAUDE A. FULLER, OF ARKANSAS

Mr. FULLER. Mr. Speaker, during my service in Congress I have been thrown in close contact with ADOLPHUS SABATH, a distinguished Member of this House, who has had 30 years of continuous and able service in which he has reflected credit upon himself and the position with which he has been honored. Although he is a Representative from a great city, he has always been interested in agriculture, labor, and industry. His every act, every thought, and every heartbeat has been in the interest of his country and those in distress. He is one of the hardest working Members of this body and one of the most conscientious and patriotic citizens with whom I have ever come in contact. I have never known of a more loyal party man. To him it is almost impossible for his party or his friends to do wrong. He possesses and demonstrates the highest principles of statesmanship. For almost 2 years I have served as vice chairman, under him, of what is known as the Sabath real-estate bond investigating committee. It is almost entirely due to his untiring efforts that multiplied millions of dollars have been saved to bondholders, most of whom are in need and have invested their life's savings in these bonds. Often have I sent him home when he was physically exhausted working in their behalf. One of his greatest faults is taking his responsibilities too seriously, often to the impairment of his health.

He is a striking example of what a poor boy of foreign birth can accomplish in America. He knows what it is to feel the pangs of hunger and to long for the friendly voice or handshake of a friend. He knows the rough and rugged road one travels from obscurity to a position of honor and esteem. He never forgets those who have befriended him. He is an untiring worker not only for the constituency of his district but for the city of Chicago and the State of Illinois.

May he live long in this land he loves, surrounded by his loved ones and friends. May the winter of his age be as green as spring, as full of blossoms as summer, and as generous as autumn. May all of this period of his life be spent in the Halls of Congress, an honor he so richly deserves. When at last the fires of life grow dim, may the memory of his wonderful achievements in Congress, in behalf of his constituency and all America, fill his soul with peace and perfect joy.

I am sure it is the profound wish of every Member of this House that he enjoy good health, happiness, and Heaven's richest and best gifts during his journey through life.

HON. EVERETT M. DIRKSEN, OF ILLINOIS

Mr. DIRKSEN. Mr. Speaker, to one who is a newcomer in the field of public service there is a great element of inspiration in the life of our distinguished colleague from the State of Illinois, my good friend, Mr. SABATH. As you reflect upon his whole existence you get a better idea of the fluidity and the speed with which history passes. He was born in the old country only 4 or 5 years before Germany had vanquished France and heaped upon that prostrate country a great indemnity which was really the seed for the World War. He was born just a year after Lee surrendered his sword to Grant at Appomattox; and from the date of his birth and from the time he came to this country as a lad, he has seen the swift-moving panorama of history and has been identified with that portion of American history which is glorious indeed. He came here under an illustrious Roosevelt, and we honor him today under another Roosevelt.

I am glad to add my little meed of praise to the service he has rendered to his constituency, to the State of Illinois, and to the people of the United States.

It was my good fortune to serve during the Seventy-third and Seventy-fourth Congresses on the Select Committee Investigating Real Estate Reorganizations, of which he is the distinguished chairman. I know with what vigor and energy he has applied himself to this work. I know, too, the tax that work has been upon his vitality. No person can go through daily hearings morning and afternoon and then sit in the smoke-filled room in some hotel in a city distant from home pouring over records to prepare for the morrow without having some high regard for the energy, the vigor, and the sincerity with which he has addressed himself to a task that was assigned to him by the Congress of the United States.

He has been a faithful and diligent public servant, and as one of his colleagues from the State of Illinois and from the Republican side of the aisle, it is really a privilege and a pleasure to add my meed of praise to his record of public service today. His has been a distinguished and praiseworthy career.

HON. DONALD C. DOBBINS, OF ILLINOIS

Mr. DOBBINS. Mr. Speaker, I certainly do not wish to let pass this opportunity to felicitate our beloved and respected colleague from my own State upon his reaching such an important milestone in his busy and useful life. Now, I want to say to all of you that which I have heretofore said privately and to smaller groups of our Members. ADOLPH SABATH deserves the congratulations of all of us for a record of worthy accomplishment. That record, if we are to judge from his undiminished mental vigor and his fortunate state of health, as well as from the approving regard of his constituents, is one which we may confidently expect to be enlarged to by the addition of many more years to his long period of devoted public service.

One of the commendable qualities possessed in a rare degree by the dean of this House is his willingness to share without stint the benefits of his long experience and his familiarity with public affairs among the younger Members who feel the need of his counsel. Few of us have failed to profit by that generous spirit; and I, for one, wish to make public acknowledgment of my indebtedness to him in that respect, as well as in many, many other ways.

We may well congratulate our colleague upon this propitious birthday; and I think all of you join with me in the happy belief that Judge SABATH is surely destined to have his years of active and outstanding service in this House extended beyond the time that any Member has served here since the birth of the Republic.

HON. WILLIAM P. CONNERY, JR., OF MASSACHUSETTS

Mr. CONNERY. Mr. Speaker, I feel that these eulogies of my very dear friend the distinguished gentleman from Illinois [Mr. SABATH] would not be complete if I did not speak on behalf of the entire Democratic delegation from New England as the senior of that delegation, in paying a tribute to him the eve of his seventieth birthday and congratulating him upon having served 30 years in the Congress of the United States. Any Member who has served for even 1 year knows the strain, mentally and physically, which devolves upon every Member of this House. When we consider that ADOLPH SABATH has survived 30 years in Congress through all its legislative battles and through all of the legislative trials and tribulations which he must have undergone, and we look at him today, his fine, hale, and hearty physique, we are all happy that he is with us. I want to congratulate him on behalf of the New England Democratic delegation and to speak the thoughts of every Member of that delegation in wishing him many, many happy, successful, and healthful years. Ad multos annos. [Applause.]

HON. MAURY MAVERICK, OF TEXAS

Distinctive career of Congressman Sabath a credit to his people and to our Nation

Mr. MAVERICK. Mr. Speaker, I should like to add a few words in tribute to the service of our beloved colleague from Illinois [Mr. SABATH], who, when I came to Congress, was so kind to me as a new Member. I have asked favors of him time after time, and he has been patient and sympathetic. I have always appreciated it.

I want also to add that his career is distinctive of the United States of America. As is well known, he was born in Bohemia, a foreign country, and is of Jewish blood. His life demonstrates that, after all, the American people are not prejudiced against a man because he is of foreign birth. It also singles out the United States of America as a nation tolerant of a man of Jewish extraction serving in the chamber of deputies, the parliament, the Congress, or the law-making body of the Nation. He has been a shining light to his own people and an example to the race from which he sprang. He has also been a shining light to the American people.

He is honest, sincere, and has never cared for riches. He has preferred to serve his country and humanity simply, fairly, and courageously.

As a new Member of Congress and as a Member of Congress from the far, great State of Texas, I add my praise of a man who has given this Nation more than a generation of faithful, patriotic service. [Applause.]

HON. WRIGHT PATMAN, OF TEXAS

Mr. PATMAN. Mr. Speaker, very few men in the history of this country have ever had the pleasure and privilege of rendering such noble and distinguished service to our country as the Honorable ADOLPH J. SABATH, who today reached his seventieth birthday. As one of his colleagues I desire to congratulate him. I also congratulate his constituents for their selection of such an able and courageous man to represent them in the United States Congress. Judge SABATH, as he is known by his colleagues, is dean of the House, having served in the House of Representatives longer than any other one person. As he was a distinguished judge in the great city of Chicago for a number of years, his background is ideal for the type of service that a Member of Congress is called upon to render. The country is fortunate in having a man of his ability, foresight, and knowledge in the House of Representatives.

Judge SABATH, whose every heartthrob and pulse beat is with the plain people of this country, is a friend of the worker and the poor people. He is a friend of veterans of all wars and their dependents. Judge SABATH was a member of the steering committee for the passage of H. R. 1, known as the bill to pay three and one-half million World War veterans the remainder due on their adjusted-service certificates. He was a member of that committee for a number of years and at the many conferences and meetings of this committee, of which I was chairman, Judge SABATH was seldom absent. His advice and counsel were relied upon by the other members of that committee in our efforts to go in the direction of the best and most effective results. Our efforts were finally crowned with victory and no other Member of this House is entitled to more credit for the payment of these certificates to the World War veterans than is Judge SABATH.

Again, I congratulate him on his 70 years of good living, right thinking, and able and courageous service.

HON. JOSEPH W. BYRNS, OF TENNESSEE, SPEAKER OF THE HOUSE OF REPRESENTATIVES

Mr. BYRNS. Mr. Speaker, I wish to express my hearty approval of what has been said in regard to the services of the Honorable A. J. SABATH, of the Fifth District of the State of Illinois.

There is no one in the House who enjoys to a greater extent the respect and the confidence of his colleagues. Neither has anyone ever served his district and his country with greater ability and greater loyalty. He was a Member of the House when I first came to Congress, and for many years has enjoyed the distinction of being one of its leaders. During that time he has not only served as a member of many of its important permanent committees but he has been appointed on a number of important special committees, and is now serving as chairman of the special committee which is investigating the issuance and the pyramiding of bonds upon hotels, apartment houses, and other large buildings in various cities of the country. It can be truly said that by his earnest, able, and conscientious work as chairman of this committee he has saved many millions of dollars to the small investor, and if he had done nothing else as a Member of Congress this accomplishment makes his career a notable one.

The fact that he is also chairman of the steering committee is a further mark of confidence and esteem which his colleagues hold for him.

He has always been loyal to his party and to his administration, and the House loves and admires him because of his loyalty to every obligation and his very earnest, active attention to his duties.

I take pleasure in paying this brief tribute to the distinguished service which he has rendered as one of the leaders of the House, and to express the hope that he may be spared for many years to come in the service of his constituents and his country. [Applause.]

HON. THOMAS L. BLANTON, OF TEXAS

Mr. BLANTON. Mr. Speaker, I served with the gentleman from Illinois 20 years in this House. No man here has a more genial and delightful personality. I believe that I speak the sentiments of the House when I say that everyone who has served with ADOLPH SABATH is his friend. I do not know of an enemy that he has made in this House and in serving 30 years that is quite an accomplishment.

I think that ADOLPH SABATH is a remarkable Representative of the people. He has not only been a faithful friend of agriculture, but he has been an active farmer himself. He has been one of the great producers of this Nation, and I want to add my humble word of praise to that which others have expressed. [Applause.]

HON. CHESTER THOMPSON, OF ILLINOIS

Mr. THOMPSON. Mr. Speaker, the distinguished gentleman from Illinois, the dean of this House, ADOLPH J. SABATH, has just reached his seventieth birthday and is now serving his thirtieth consecutive year in the House of Representatives, a record never before attained by a foreign-born Member of the House. He has thus served here during peace, during war, during the reconstruction period following the close of the World War, during the "wild" twenties, during the depression, and during the present recovery period. He has seen at first hand real history in the making, and I know is exceptionally proud of the fact that it was his privilege to play such an active part in it all.

It is certain that the United States is a greater nation, a more potent influence in world affairs, because of the service of ADOLPH SABATH, of the great city of Chicago. ADOLPH SABATH never sold his country "short" and was always on the side of patriotic Americanism and righteousness for all the people. He has sponsored much progressive legislation during his many years of service in this House, and his name will go down in the archives of this, the greatest legislative body in all the world, as one of its outstanding Members. He has served on the most important committees and all such service has been most effective. He has never been found wanting or hesitating when the welfare of his adopted land was at stake, and has often raised, effectively, his voice in defense or in opposition to policies of government as he saw them. Yes, Mr. Speaker, the dignity of this branch of our Government has been enhanced because of Mr. SABATH'S long service in it. And I speak for the entire Illinois delegation here when I say that we all hope that he will be here many more years in order that the Nation can continue to have the benefit of his wisdom and rare legislative ability.

While Mr. SABATH has been in Congress for the past 30 years, and necessarily absent from his home city of Chicago a greater part of that time, he has nevertheless kept in very close touch with affairs in that great city, and especially with the people in his own section of the great metropolis on Lake Michigan. He has long been a recognized leader there and his advice and counsel has been sought by civic leaders for the last 40 or 50 years, or since he attained his majority. Before coming to Congress he served with much honor and distinction upon the bench in his chosen city, a position which is now occupied by his brother. No task, no job, no effort has been too great for ADOLPH SABATH to tackle if he thought it would be for the benefit of his people, his city, his State, or his Nation. His own people have been coming to him for advice for many years, and he is the real leader in his section of Chicago. He understands the problems, hardships, and handicaps of the poor of a great city, many of whom, like himself, came to the United States from a foreign shore. The name Sabath is legend in Chicago, and with all respect to other members of his fine family, our colleague here in the House is the reason therefor. This man has surely lived a busy, useful life, and the manner in which he has stood up under it is the marvel of his many friends and associates. Mr. SABATH is the head of a large and successful law firm with offices in Chicago, and has, in addition to his fine services in the Congress, attained much prominence in his chosen profession. Chicago is one of the greatest cities in all the world, and it has been leaders like ADOLPH J. SABATH that has made it such.

Not only has our dean given a lifetime to his Nation, his adopted country, but he has not neglected the Democratic Party, with which he became identified early in his career. He has been a member of the Democratic county committee of Cook County for over 40 years and has thus been high in the councils of his party for most of that time. He is still a member of that committee, and if I know anything about practical politics in my State, he will be for many years to come. With all his service here in the House, he has not forgotten the people who live in his district and his ward on the west side of Chicago. With all his contact, official contact with high officials of the United States, and the solving of the problems of a great National Government, he has not neglected his own neighbors and friends at home. They have not and never will forget him; make certain of that; and when I make the statement that A. J. SABATH will be here many years yet and also be a most vital part of the Democracy of the third largest State in the Union, Illinois, I think I know whereof I speak. Mr. SABATH'S political activity has not been confined solely to his own ward, district, city, county, or State, but he has taken a most active part in the affairs of the Democratic Party nationally and is frequently in consultation with leaders from throughout the country.

I do not believe that another individual has done as much toward swinging the foreign vote in the great metropolitan centers of the Nation toward the party of which he and I are a part as Mr. SABATH, and a good many of my friends of the Democratic side of the House received much larger majorities in their own districts at various elections because of the effective work done by the gentleman from Illinois among the foreign born and those of immediate foreign extraction. He has always been at the service of his party wherever and whenever possible.

Mr. Speaker, several gentlemen spoke about Mr. SABATH on last Friday and on behalf of the Illinois Democratic delegation, the third largest in this House, I want to thank them. I have always thought it much better to send flowers to the living instead of to the dead, and I know of no better subject of such felicitations than the dean of this House, now 70 years young and in his thirtieth consecutive year in this great legislative body.

A statesman, a friend, an able legislator, a good citizen, may he be spared to us for many, many more years.

HON. ADOLPH J. SABATH, OF ILLINOIS

Mr. SABATH. Mr. Speaker, ladies, and gentlemen, I would not be honest with myself nor with the Members if I did not admit that I greatly appreciate the complimentary remarks that have just been made, on the occasion of my seventieth birthday, about me and my 30 years' service in the House. I want you to know that I am sincere when I say that I have always tried, since first entering the House, to be of real service to a great Nation which gave such wonderful opportunities to me and to millions of others. Like many of them, I came from a land that had suffered much, to find in the United States a country offering liberty, freedom of thought, and opportunity. All my life I have lived among the poorest of people. Because I know what it is to want, and what it means to suffer, I can never forget these people, and during later years, when by their will I represented them in Congress, I was ever mindful of their needs, their hardships, and their problems.

I have always been proud to be a Member of Congress, and have declined other public offices, even though more highly paid. It has been my honor to serve with such outstanding gentlemen as the late Champ Clark, John Sharp Williams, Claude Kitchin, Bourke Cochran, and Henry T. Rainey on the Democratic side and with "Uncle Joe" Cannon, Nicholas Longworth, Jim Sherman, Sereno E. Payne, John Dalzell, and James R. Mann on the Republican side, as well as with hundreds of other able and fearless legislators. All of them at one time or another were subjected to criticism and attack. I have naturally resented the charges that have been brought against Congress, particularly during the past few years, and as one who has served 30 years I think I am qualified to judge as to the loyalty, honesty, and ability of this Congress. In that connection may I say that I consider the membership of this body more truly patriotic, able, honest, and sincere than any other group of people in the Nation, whether they be leaders of industry, of finance, or of any of the other professions.

The gentleman from Arkansas [Mr. FULLER] states that I have always been an ardent Democrat. That is true. I have studied the history of our Nation, and, in my opinion, the principles of the Democratic Party as set down by Jefferson, its founder, embody a more humane understanding of the problems of the poor and the oppressed. I have always felt that the Democratic Party is nearer to the people than any other.

Mr. Speaker, ladies, and gentlemen, I thank you from the bottom of my heart for the expressions of friendship from both sides of the House. It is something I will remember in the years to come. I hope it will be my honor and distinction to continue to serve my country.

May I also express the wish that my old friends, ED TAYLOR and the Speaker, as well as those other Members who have been so kind as to speak of me today, and the other Members present, equal or surpass my 30 years of service. [Applause.]

LEVISA FORK OF BIG SANDY RIVER

Mr. MAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12490) authorizing a preliminary survey examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, is this one of the surveys made in the regular course of operations of the Department without expense?

Mr. MAY. Yes; that is the character of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to cause a preliminary examination and survey to be made of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy with a view to the control of floods in the said Levisa Fork of Big Sandy River in accordance with the provisions of section 3 of the act entitled "An act to provide for control of floods of the Mississippi River, and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

With the following committee amendments:

Page 1, line 4, after the word "examination", insert "and survey."
Page 1, line 9, after the word "for", insert "the"; and in the same line, after the word "of", insert "the."
Page 1, line 9, after the word "River", insert the words "and of the Sacramento River, Calif."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy."

CAPT. JAMES W. DARR

Mr. CHRISTIANSON. Mr. Speaker, I ask unanimous consent to vacate the action of the House taken at my request today in recalling the bill (S. 3405) from the Committee on Military Affairs and laying it on the table.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SUPENSION OF THE RULES

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that during the remainder of this week it shall be in order

for the Speaker to entertain motions to suspend the rules, notwithstanding the provisions of clause I of rule 27.

Mr. SNELL. Mr. Speaker, reserving the right to object, of course we want to cooperate with the gentleman in facilitating the business of the House, but I wish the gentleman would tell us what he has in mind and why it is necessary to do this at this time. There are several rules that I suspect are going to be called up in the next day or two.

Mr. O'CONNOR. I have no idea of the particular suspensions, because, of course, that is a matter for the Speaker to decide. I understand there are pending some requests for recognition under suspension of the rules, and this would afford an opportunity to dispose of business more quickly than by special rule. We have rules pending, all of which we may not reach if we are going to adjourn Saturday night.

Mr. SNELL. Is it the gentleman's real, honest hope that we may conclude the business of the session on Saturday night?

Mr. O'CONNOR. It is our hope.

Mr. SNELL. But that may be deferred? Of course, I do not care to object to the request but I do feel that if we allow this to go through by unanimous consent we ought to have reasonable notice of what suspensions are to be called by the Speaker?

The SPEAKER. Will the gentleman from New York allow the Chair to make a statement? This request is made by the gentleman from New York at the request of the Chair. It is the hope, as expressed, that we may be able to adjourn sine die Saturday night. Many matters might come up that will require some affirmative action, matters that are not privileged, for which no rule has been provided. The Chair assures the gentleman, if this consent is granted during the remainder of this week, that the Chair will furnish ample notice of any suspension he permits to be called.

Mr. MAPES. Mr. Speaker, further reserving the right to object, a great many Members are interested in particular bills. If this consent is granted, it will make it necessary for everybody who is interested in any individual bill to be on the floor almost entirely from now until late Saturday night.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I wonder if the Speaker will assure the House that he will not entertain a motion to suspend the rules except during certain portions of the day at least for the next 2 days. A great many Members are interested in individual bills.

The SPEAKER. The Chair would not like to have that put upon his discretion. The Chair assures the gentleman that if any motions are to be entertained to suspend he will give ample notice in advance of the time they are to be called up.

Mr. MAPES. But as I understand it there are several rules that the chairman of the Committee on Rules proposes to bring up tomorrow, so that there will be little, if any, opportunity to consider motions to suspend the rules in any event.

Mr. O'CONNOR. Mr. Speaker, if the gentleman will permit, as a matter of fact, if we are going to finish Saturday night, from now on Members, to be cautious, should be on the floor all of the time, whether or not we have suspensions. Under the rules during the last 6 days the Speaker is authorized to recognize gentlemen for suspensions. If we had known the first of this week that we were going to adjourn on Saturday night, we could have suspended the rules without asking unanimous consent or bringing in a rule. As a matter of fact, we could have brought in a rule more quickly than all this discussion has taken.

Mr. MAPES. Does not the gentleman intend to occupy practically all of tomorrow with rules?

Mr. O'CONNOR. As far as I know, that is the program, subject to the Speaker's direction.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. BLANTON. Mr. Speaker, one other matter. Of course, it is the duty of every Member to be here all of the time, and each Member wants to be here, but there are conferences which Members have to attend. Could we have it understood that where there are matters that are controversial the ones interested in them will be notified?

Mr. O'CONNOR. If anybody knows they are interested; but it is a rather difficult thing to know whether certain Members are interested or not.

Mr. BLANTON. There are a great many matters that are known to be controversial that have run along through the session. Take, for instance, the proposed $100,000 resolution to have a committee investigate the Black Legion, and wasteful, useless things of that kind.

The SPEAKER. The Chair demands the regular order. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Chair thinks it proper to state that, owing to the death of the Senator from Florida, it is the expectation to adjourn in a short time. A number of gentlemen are seeking recognition, and if the request is made to meet earlier tomorrow, I think we could take care of all these matters before we go on with the regular program.

HOUR OF MEETING TOMORROW

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. BLANTON. Mr. Speaker, reserving the right to object——

Mr. O'MALLEY. Mr. Speaker, I reserve the right to object.

Mr. BLANTON. Mr. Speaker, I understood the gentleman from New York had assured the gentleman from Indiana [Mr. LUDLOW] that the House would not meet until 12 o'clock tomorrow. With that assurance given, just a short time ago there was a conference arranged with the Senate for 11:30.

Mr. SNELL. Mr. Speaker, the regular order.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I object, because I have a conference with the Senate conferees at 11:30.

Mr. McCORMACK. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. McCORMACK. I make the point of order that the Chair had submitted the unanimous-consent request, and there was no objection made.

Mr. BLANTON. Oh, Mr. Speaker, I did object; and I was on my feet to have an understanding about it.

Mr. McCORMACK. The RECORD will show that the unanimous-consent request was submitted and there was no objection.

Mr. O'MALLEY. I was on my feet, Mr. Speaker.

The SPEAKER. The Chair thinks it is proper to recognize the purpose and intention of the gentleman.

Mr. BLANTON. It was upon the assurance of the gentleman from New York that we would not meet until 12 o'clock that this conference with the Senate was arranged.

The SPEAKER. Objection is heard.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LARRABEE, indefinitely, on account of death in his family.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 4424. An act to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 12. An act to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.;

H. R. 1392. An act to extend the provisions of certain laws to the island of Puerto Rico;

H. R. 2259. An act for the relief of Addie I. Tryon and Lorin H. Tryon;

H. R. 5730. An act to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934;

H. R. 6258. An act for the relief of D. E. Woodward;

H. R. 9153. An act for the relief of Evelyn Harriett B. Johnstone;

H. R. 9185. An act to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes;

H. R. 9483. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests;

H. R. 9484. An act to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended;

H. R. 10101. An act to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes;

H. R. 10104. An act to authorize a study of the park, parkway, and recreational-area programs in the United States, and for other purposes;

H. R. 11614. An act to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.;

H. R. 11690. An act relating to the admissibility in evidence of certain writings and records made in the regular course of business;

H. R. 11915. An act to amend the Coastwise Load Line Act, 1935;

H. R. 12073. An act to reserve certain public-domain lands in New Mexico as an addition to the school reserve of the Jicarilla Indian Reservation;

H. R. 12419. An act to apply laws covering steam vessels to seagoing vessels of 300 gross tons and over propelled by internal-combustion engines;

H. R. 12599. An act to provide more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property, wherever situated, belonging to the United States of America, by granting to the several States jurisdiction and authority to apply their State workmen's compensation laws on all property and premises belonging to the United States of America; and

H. R. 12799. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundred and fiftieth anniversary of Sir Walter Raleigh's colony on Roanoke Island, N. C., known in history as the Lost Colony, and the birth of Virginia Dare, the first child of English parentage to be born on the American Continent.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 1318. An act to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes;

S. 1795. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 1976. An act to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps;

S. 3257. An act to amend the World War Adjusted Compensation Act;

S. 3344. An act to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky;

S. 3488. An act to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and the Animas River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama and Rio Grande;

S. 3784. An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes;

S. 3805. An act to authorize the Secretary of the Interior to reserve certain lands on the public domain in Nevada for addition to the Walker River Indian Reservation;

S. 3907. An act for the relief of the State of Nevada;

S. 3997. An act to authorize the Secretary of War to lend War Department equipment for use at the Eighteenth National convention of the American Legion, at Cleveland, Ohio, during the month of September 1936;

S. 4038. An act to amend an act of Congress approved March 3, 1863, entitled "An act to reorganize the courts in the District of Columbia, and for other purposes";

S. 4105. An act authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission of Maryland for park, parkway, and playground purposes;

S. 4132. An act to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army;

S. 4252. An act to provide for the modification of the contract of lease entered into on June 12, 1922, between the United States and the Board of Commissioners of the Port of New Orleans;

S. 4461. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

S. 4462. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 4463. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa;

S. 4584. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), to extend and adapt its provisions to the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico February 7, 1936, and for other purposes;

S. 4618. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto, across the Mississippi River at or near Baton Rouge, La.;

S. 4654. An act to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923;

S. 4658. An act to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes;

S. 4667. An act to prohibit the commercial use of the coat of arms of the Swiss Confederation pusuant to the obligation of the Government of the United States under article 28 of the Red Cross Convention signed at Geneva July 27, 1929;

S. 4680. An act authorizing the State of Wisconsin to construct, maintain, and operate a free highway bridge across the Mississippi River at or near La Crosse, La Crosse County, Wis.;

S. 4709. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.;

S. 4710. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa.;

S. 4734. An act to provide for hurricane patrol in the Gulf of Mexico and environs during the hurricane season;

S. J. Res. 187. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1936, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski;

S. J. Res. 235. Joint resolution authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress;

S. J. Res. 243. Joint resolution authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; and

S. J. Res. 245. Joint resolution authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor.

EXTENSION OF REMARKS

CONSTITUTIONAL GOVERNMENT

Mr. MILLARD. Mr. Speaker, officers of a constitutional government, in dealing with any problem, must act within powers granted to them by their constitution. Worthy motives and a friendly disposition toward humanity have no significance unless these good intentions can be translated into workable legislation. A political party must stand or fall on the record of its accomplishments.

The Constitution of the United States establishes a dual system of government. By the Constitution the people gave the Federal Government certain limited powers. They reserved certain others powers to the States. Some powers the people denied both to State and Federal Governments.

The first duty of statesmanship in attempting the solution of any problem is to decide what part of the problem is appropriate for Federal action, what part must be left to State action, and what part is completely outside the field of government. No statesman, whatever his aspirations, deserves credit for proposing a solution of a problem in which he assigns to the Federal Government what is reserved to the States, to the States what belongs to the Federal Government, or to either what is beyond the jurisdiction of both.

The position of government can be illustrated by a reference from the field of agricultural cooperation. Suppose the apple growers of the entire United States decided to organize cooperative associations for the national marketing of apples. A plan is adopted by which all producers of apples who join the organization set up National and State associations. Under the plan every apple grower is a member of the national association. The articles of incorporation provide that the national association may market apples in foreign countries and in all cities having a population in excess of 100,000. The State associations are responsible for preparing the crop for market, and are allowed the privilege of marketing it within the State of origin outside the metropolitan centers. It is further provided that neither the national association nor the State associations may interfere with the individual grower in respect to the raising of apples for his own consumption or in making local sales directly from his farm.

In the course of time, the directors of the national association may be convinced that it is unwise longer to permit the State associations to conduct any marketing operations or for the individual producer to make local sales. The sensible thing for the directors to do would be to call a meeting of the members, explain the whole matter to them and ask them to vote on a charter amendment giving the national association increased authority and cutting down the power of the State associations and of the individual grower. What would one think of the business judgment of the directors if, instead of following the orderly legal and corporate processes for carrying out their ideas, they should issue a series of arbitrary orders denying the granted privileges of the State associations and the producers? Such edicts would have no binding authority. Even if accepted by many producers, they would be sure to be ignored or challenged by others. Dissention and conflict would disrupt the organization. The outcome would be a period of futile activity, at the end of which the evils sought to be removed would be as prevalent as ever. It would be no answer to a charge of bad management against the directors that they were genuinely devoted to the interests of the producers.

Dictatorship has significant advantages over representative government in the attainment of immediate objectives. The American people have always preferred Democratic processes to the swifter action of the dictator because they have believed that the benefits of dictatorship are purchased at too high a cost.

One basic defect of the Roosevelt administration has been that it has constantly sought to attain its ends by the methods of dictatorship and has neglected its opportunities for the solution of problems within constitutional limitations. A President and the political party are not restricted in their influence to Federal agencies. The President is the leader of his party and can accomplish much, not only through the State organizations of his party but through appeals to public opinion. Centralization of control in Washington is not the only way to bring about reforms. Uniform State laws and interstate agreements can reach many evils with which a President and his political party may legitimately be concerned.

President Roosevelt, when Governor of New York, was an eloquent advocate of home rule by the States. In his radio address, March 2, 1930, he said:

> It was clear to the framers of our Constitution that the greatest possible liberty of self-government must be given to each State, and that any national administration attempting to make all laws for the whole Nation, such as was wholly practical to Great Britain, would inevitably result at some future time in a dissolution of the Union itself.

In the same speech he made this prophetic comment:

> The doctrine of regulation and legislation by master minds, in whose judgment and will all the people may gladly and quietly acquiesce, has been too glaringly apparent at Washington during these last 10 years. Were it possible to find master minds so unselfish, so willing to decide unhesitatingly against their own personal interests or private prejudices, men almost Godlike in their ability to hold the scales of justice with an even hand, such a government might be to the interests of the country, but there are none in our political horizon, and we cannot expect a complete reversal of all the technique of history.
>
> Now, to bring about government by oligarchy masquerading as democracy, it is fundamentally essential that practically all authority and control be centralized in our National Government. The individual sovereignty of our States must first be destroyed, except in mere minor matters of legislation. We are safe from the danger of any such departure from the principles of which this country was founded just so long as the individual home rule of the States is scrupulously preserved and fought for whenever they seem in danger.

President Roosevelt would be entitled to a higher rank as a constructive statesmen if he had followed the advice of Governor Roosevelt instead of taking counsel of impatient innovators with little faith in American institutions. He has forgotten to weigh the advantages of reaching desirable ends by constitutional instead of unconstitutional methods. The President has expressed at times his irritation that the Supreme Court has thwarted his laudable aims by declaring unconstitutional most of the Democratic legislative program. The Supreme Court, however, has not been concerned with President Roosevelt's good intentions. Its function has been to declare the law. It has found the Federal Government was attempting to exercise powers which the Constitution denied to it.

The Constitution, however, can be amended. When the people's demand is clear, amendment can be brought about with great rapidity. The twentieth amendment, changing the time of the Presidential, Vice Presidential, and congressional terms, was submitted to the States March 30, 1932, and proclaimed in effect October 10, 1933. The twenty-first amendment, repealing national prohibition, was submitted to the States February 21, 1933, and its ratification proclaimed December 5 of the same year. The Democrats during President Roosevelt's administration have controlled both Houses of Congress by a large majority. If the Democratic Party believes that the people should give the Federal Government increased constitutional authority, it has the numerical strength in Congress to propose to the people that this authority be granted. No such action has been proposed.

The Republican Party stands for the Constitution and the preservation of American ideals of liberty and home rule. It opposes the increase of centralized authority in Washington because it fears the growth of Federal bureaucracy and the consequent destruction of our dual system of State and Federal Governments. The Republican Party, however, has never resisted a real popular demand for constitutional modification. Whenever the people themselves are convinced that the Constitution in its present form impedes the proper solution of present-day problems, especially by unduly restraining the power of the States, the Republican Party is ready to invoke the orderly processes provided in the Constitution itself for its amendment.

INCREASING YEARLY DEFICITS

Mr. BACON. Mr. Speaker, when Franklin Delano Roosevelt was seeking election to the office of President of the United States, he promised the electorate that he would balance the Budget and end the deficits in the Federal Treasury. On March 4, 1933, he took the oath of office as President. He was then in a position to fulfill his promises. What has he done? During the first full fiscal year he was in office, 1934, the deficit was $3,989,496,035; in 1935 it amounted to $3,575,357,964. Secretary of the Treasury Morgenthau estimates it will be $5,966,000,000 for the fiscal year 1936. The deficit for these 3 years will amount to a total in excess of thirteen and one-half billion dollars.

Postmaster General Farley and other administration spokesmen are beginning to bombard the people with arguments to the effect that what Mr. Roosevelt said before election was all right for campaign purposes, but that he could not be expected, after election, to do what he had promised. Of course, there is an old saying about a man's word being as good as his bond, which certainly has no application to President Roosevelt and the New Dealers. However, it is not my purpose at this time to discuss the question whether it is proper or right for a Presidential candidate to campaign for office on one set of promises and to perform entirely differently when he assumes office. Nor am I now concerned with the argument that when President Roosevelt assumed office on March 4, 1933, he found that conditions were different from those he had anticipated. This argument, of course, resolves itself into the simple proposition that Mr. Roosevelt as a candidate did not know the true condition of the affairs of the Nation. Instead, I am concerned with the question of the effect on the country of President Roosevelt's actions while in office. What has been done is a matter of record. We cannot change it, but it is our duty to consider the President's activities and to attempt to determine their effect on us as a Nation.

What is the meaning of deficits? How do they affect goverments and people? Where are the Roosevelt deficits taking us, and what will be the effect? These are the questions with which I am now concerned and to which I shall direct myself.

The word "deficit" means, in plain language, that during a given period of time the Government has spent more than it earned. The Government is no different from any citizen so far as its revenues and expenses are concerned. It receives income in the form of taxes and other collections from the people. It spends this money in hundreds of ways; many of these are plainly evident; others are not so obvious. When it spends more than it takes in it has a deficit and it is compelled to borrow the difference. There is nothing mysterious about the deficits of the Government. They mean simply that the Government has spent more than it has received in revenues.

There are times in the lives of all of us when unexpected things happen which compel us to spend more than we earn. Often we have to borrow the additional moneys we need. This is to be expected because life is full of uncertainties. However, when such a situation occurs the prudent individual hitches up his belt and begins to live sufficiently within his income to permit him to pay off his debts. This is not only the honest thing to do, but it is a matter of prudence because other similar occasions will arise in the future, and the individual's ability to secure assistance in meeting future crises will depend to a large extent upon the manner in which he has handled such situations in the past. If he does not curtail his expenditures, and if he continues year after year to spend more than he earns, his debts become larger and larger until he is forced into bankruptcy. The longer an individual continues to spend more than he earns the harder it is to avoid bankruptcy and to regain solvency.

The same principles which are applicable to individuals are equally true of nations. Emergencies arise in the histories of nations just as they do in the lives of individuals. In the case of nations these emergencies may be in the form of war, of earthquakes, of drought, or other catastrophes, but a nation cannot afford any more than an individual to continue year after year to spend more than it takes in. If it does, it inevitably winds up at one of two places—bankruptcy or wild inflation, and wild inflation means ultimate bankruptcy. The way this works is simple. For a time the Government is able to borrow by issuing its bonds to people who are willing to lend it money. Then comes the time when the Government's credit is no longer good, and people are not willing to lend money to it. The Government is then compelled to either repudiate its obligations or to print paper money. Repudiation is bankruptcy. The continued printing of paper money means that the money has less and less behind it; therefore, the money buys less and less, until finally the whole system collapses. We have had examples of this in recent years. We can all remember when a loaf of bread in Russia cost a million rubles. Similar conditions prevailed in Germany, Poland, Austria, and other nations. The collapse of a monetary system is likely to involve the collapse of government, with all the attendant injurious effects on the life of the nation.

In the light of these facts, the acts of the present administration are too serious to ignore. Since March 4, 1933, the Federal Government has spent almost $2 for every dollar of revenues received by it. Receipts and expenditures have been as follows:

Fiscal year—	Receipts	Expenditures
1934	$3,115,554,050	$7,105,050,085
1935	3,800,467,202	7,355,825,166
1936 (estimated)	3,875,000,000	9,882,000,000
Total	10,791,021,252	24,342,875,251

In 3½ years from March 4, 1933, to June 30, 1936, the Federal Government under President Roosevelt will have spent more than $26,000,000,000. This is $5,000,000,000 more than the total amount of the public debt when he took office. This is more than all the Presidents of the United States from Washington to Wilson spent in a period of 124 years. To make matters worse, every fiscal year of President Roosevelt's administration has seen an expenditure greater than the preceding year.

This is a horrible performance by an administration which came into office pledged to reduce Federal expenditures by 25 percent and to bring expenditures within revenues. But of far more importance than broken promises is the fact that the country is being hurtled into disaster by the mad, reckless spending of the President. As a candidate Mr. Roosevelt could see the dangers involved in such a situation. His speeches were full of warnings against it, and they contained promise after promise to make the Federal Government live within its income. Since he became President he either cannot or will not heed sound advice and the truths of history. He is intoxicated with the joy of spending. He forgets that his responsibility includes the welfare of more than 125,000,000 men, women, and children, and those generations who are as yet unborn. He forgets that a continuance of his extravagant, wasteful, and reckless expenditures will inevitably bring disaster, and that this disaster will envelop not merely one group of people but every person in the country.

The Democratic Congresses have made no attempt to curb the President. They have voted him unheard-of amounts to spend in any way he chose. In 1933 they gave him $3,300,000,000 which he could allocate and spend without restriction. In 1935 they gave him $4,880,000,000 with no restrictions whatever. These moneys were in addition to all the other billions which were provided him for the regular operations of the Government. No other President has ever been given such power or such money. No other President has used the people's money so recklessly. It is high time for the American people to put a stop to this flagrant extravagance in the Federal household. There is one way to do it—vote the present administration from office.

CENTRAL VALLEY WATER PROJECT—ITS FEASIBILITY

Mr. GEARHART. Mr. Speaker, it has become quite apparent that many of those who have voiced arguments in opposition to the subject of reclamation in general, and to the Central Valley water project of California in particular, are far from being perfectly informed in respect to these great conservation projects concerning which they assume to speak.

So much misinformation has been spread over the pages of the CONGRESSIONAL RECORD these last few weeks that I, in the interest of a better understanding, am constrained to offer, with as little personal comment as possible, a few excerpts from several reports rendered upon the Central Valley water project by various governmental agencies and officials—reports which, all will agree, are of the highest authority. A merely superficial consideration of the extracts and quotations which I shall include herein will demonstrate the woeful lack of knowledge on the part of those who have assumed the role of critic, a lack of knowledge which might be described by another less friendly as an ignorance approaching completeness.

Notwithstanding the great distances they have traveled from the truth, I do not desire to be understood as questioning the honesty of their motives nor the sincerity of their purpose, and least of all do I desire to indulge in personalities in the presentation of the case of the Central Valley water project, the attainment of which is so important to the welfare of some 900,000 people who have established their homes and are now dwelling within this great interior basin of California. Therefore it will be my purpose in these remarks to confine myself to a dispassionate discussion of a few of the demonstrable facts regarding this great conservation project, facts as they have been developed and revealed by reliable agencies of the Federal Government itself, facts which have been disputed by those that are unfriendly to this projected development in central California.

Climatic conditions and farming methods are widely different in the semiarid West from those that pertain in other parts of the Nation. There being no rainfall during the summer and fall seasons, agriculture is largely dependent on irrigation, which makes water the first necessity for successful agriculture. Therefore, projects in aid of agriculture in the West generally involve water-conservation developments. These projects, to be economic, are often large and complicated and involve other uses of water besides irrigation, such as navigation, flood control, and the development of the electric power. It is not my purpose to attempt to describe the Central Valley water project in detail, as an adequate description of it could not be compressed within the limited space which has been made available to me.

Because of exhaustive studies heretofore made, it is possible to develop the facts regarding this project from the writings of those in highest authority, namely, from the reports of Federal agencies, all official in character, which were written after the completion of painstaking and thoroughgoing investigations. For years the Central Valley water project has been under study by the most eminent engineers, by official agents of the State of California for more than two decades, and by the Federal Government, through its various agencies, for more than 6 years.

During this time the Central Valley project has been subjected to every analysis, both in the field and office, and has been reported upon by the following Federal agencies: By various committees of the Congress, both in the House and in the Senate; by the Departments of Interior, War, and Agriculture; by the Public Works Administration; by the Federal Power Commission; by the President's Water Flow Committee; by the National Resources Board. Finally, and within recent months, it has been reported upon by the President of the United States himself.

In arriving at a conclusion as to just what are the real facts concerning the Central Valley project, it is my hope that you will consider neither the assertions of the proponents nor the arguments of the opponents of the project as they have been bandied about on Capitol Hill, but that you will accept the carefully considered conclusions of your official advisers as set forth in these reports of the officials of the various national agencies which I have just named. These reports, remarkable in the unanimity of their findings, are, and of right should be, accepted by the membership of this House as entirely trustworthy in their treatment of the facts involved.

FINANCIAL FEASIBILITY

A hasty reading of the CONGRESSIONAL RECORD will disclose that doubt exists in the minds of some of the Members of this body concerning the financial feasibility of the project, its engineering adequacy and cost, and its necessity as well as its effect, good or bad, on agriculture as an industry. These questions are all answered authoritatively in the reports which I have already referred to.

As we begin our investigations in relation to the question of financial feasibility, admittedly a most important phase of any engineering project that may be advocated, we find that there is a wealth of pertinent data to which resort may be made. Preliminarily, it is well to refer to the fact that the State of California in 1934 made application to the Public Works Administration for a loan and grant for the construction of the project under the approved financial standards then in force, namely, a 30-percent grant and a loan of the balance at 4-percent interest.

The application was given the usual careful check by the Public Works Administration, first in California by the P. W. A. State engineer, who rendered a favorable report, and later by higher authority in Washington. The conclusions of the Public Works Administration investigation were set forth in a lengthy report from its Finance Division, which was dated July 9, 1934. The writers of this report, impressed

with the possibilities involved in the projected development, recommended a further study of certain phases of the scheme. From this report I offer the following quotation:

While an approval of the loan could apparently be made based upon the applicant obtaining contracts for the sale of sufficient water and power, the securing of part of the loan by general-obligation bonds, and provided numerous conditions were also complied with, this examiner feels that the magnitude of this project is such, and its effect may be so far reaching in relation to the United States as a whole, that further studies should be made. These studies should, among other things, consider two important factors, namely:

1. The advantages or disadvantages should be analyzed of including this project, in both its initial and ultimate development, as a part of a long-range public-works program.
2. An economic study should be made to determine as accurately as possible the effect upon the State of California, and the United States as a whole, of the construction of this project.

It will be noted that the force of the recommendation of this report is that, while an approval of the loan could apparently be made under certain conditions without further investigation, in the opinion of the Finance Division further studies should be made and consideration given to every phase of the economic problem involved before final action by the Public Works Administration should be taken.

Pursuant to this recommendation, an economic study was made under the auspices of the National Resources Board, and an exhaustive report was thereafter, in February 1935, rendered. This report is a complete review of the entire project from the economic and social viewpoints. It has been described as the most complete study ever made of any national project. This report is likewise so voluminous as to prevent the inclusion at this point of but a few quotations, each of which is characteristic of the thought which inspired the document. I quote:

Project of the order of that herein stated is imperative.
The expenditures * * * are economically justifiable.
The interests of the Federal Government in the Central Valley project are greater than the proposed plan of financing recognized.
Federal participation is not only economically justified but necessary.

During the years 1933 and 1934 the Central Valley project was also under investigation by the War Department to determine its feasibility. The conclusions of the Chief of Engineers regarding this phase of the project can be found in House Document No. 191, Seventy-third Congress, second session, from which the following is quoted:

* * * Plans for the Kennett and Keswick Dams, the Friant Reservoir, and irrigation canals in connection with the latter, are well developed from an engineering standpoint and may be promptly undertaken when funds for the purpose are made available. Should they be incorporated in the public-works program provided in the National Industrial Recovery Act, the Federal contribution of 30 percent of the cost of labor and material employed on the project, as provided for in that act, would, from the figures presented by the division engineer, place these projects on a self-supporting basis. Subject to these remarks, I concur in the conclusions and recommendations of the Board.

While the War Department was engaged with its investigation, the project was carefully studied by the Federal Power Commission on its own responsibility, particularly in connection with its power possibilities. The report of the Federal Power Commission, dated June 4, 1934, was transmitted to the Public Works Administration by the chairman of the Commission. His letter of transmittal contains the following statement:

The Commission has examined and considered docket 7030 and the Chief Engineer's report, and find that if the United States shall make a direct and special contribution to the cost of the Kennett Dam, covering the benefits to navigation, flood control, and salinity control, as determined and recommended by the Chief of Engineers, War Department, and approved by the Committee on Rivers and Harbors, House of Representatives, and if the Administrator shall include the project in the comprehensive program of public works provided for by the National Industrial Recovery Act, and allow the usual 30-percent grant, with interest rate of 4 percent on the net loan and a 50-year term for complete liquidation thereof, the project will be self-liquidating.

The reports of the Public Works Administration, National Resources Board, War Department, and Federal Power Commission, just quoted, all deal with the feasibility of the Central Valley project under the P. W. A. application. It is gratifying to note in passing that the deferred P. W. A. decision, deferred pending the rendition of an economic report, when finally released, proved to be as unqualifiedly favorable as were the reports of the War Department and Federal Power Commission hereinbefore referred to.

An important point should be noted in connection with all of these reports. Their consideration of the subject of financial feasibility was entirely controlled by the then prevailing standard for financing, namely, a grant limited to 30 percent. At present P. W. A. financing is authorized on a 45-percent-grant basis instead of the earlier 30 percent, a change in policy which is manifestly much more favorable to the borrower. If an appropriation is made for the Central Valley project under the terms of the bill which is now under consideration by this House, neither of these financing plans will be availed of. On the contrary, the money would be loaned and repaid under the terms of the reclamation law; that is, on a basis of interest-free lending, full repayment of the principal advanced, an arrangement which works out about the same from the borrowers' standpoint as would the 45-percent grant, and much more advantageously than it would under the old 30-percent-grant basis, in contemplation of the continuation of which the reports were made. Therefore, these agencies having found the project financially feasible on the 30-percent-grant basis, there should be no doubt of its financial integrity under the terms of the more favorable plan.

The Commissioner of Reclamation, the Secretary of the Interior, and the President of the United States have found the Central Valley project feasible from the engineering, agricultural, and financial standpoints and as a Federal reclamation project.

In further emphasis of the project's feasibility as a reclamation project I am including in these remarks at this point a copy of a letter which I, under the comparatively recent date of June 15, 1936, received from John C. Page, Acting Commissioner of Reclamation, the body of which is as follows:

In answer to your inquiry by telephone, may I say that the Bureau of Reclamation is pushing the preliminary work on the Central Valley project to a rapid conclusion at this time.
The engineers of the Bureau of Reclamation are completely satisfied that the merits of this project warrant and demand its immediate construction. They have checked the plans made by the State of California, and to date these studies have served only to emphasize the fact that the State's plan is economical and agriculturally sound, and that it is excellent from a technical engineering standpoint.
I have no doubt that the project will be self-liquidating under the Reclamation Act and that it is an excellent investment of Federal funds. The grave situation created by the water shortage in the San Joaquin Valley is a national concern.

That the project is considered as having met the standards of the reclamation law is evidenced in the following letter which was sent to the President of the United States by the Secretary of the Interior under date of November 26, 1935:

I find that the project is feasible from engineering, agricultural, and financial standpoints, that it is adaptable for settlement and farm homes, that the estimated construction cost is adequate, and that the anticipated revenues will be sufficient to return the cost to the United States.
The Commissioner of Reclamation has approved and recommended the construction of the project. I therefore recommend the approval of the Central Valley development as a Federal reclamation project.

On December 2, 1935, the contents of this letter were approved by the President of the United States, and, by adoption by the Chief Executive, became the feasibility order for the project.

In connection with the feasibility of the project I wish to quote also the following excerpt from a letter from President Roosevelt to Senator HIRAM W. JOHNSON, of California, dated November 4:

I realize that the basis of this development is the conservation of the waters of the Sacramento and San Joaquin Rivers, and that through such conservation there will be a great increase in the volume of water available for irrigation, domestic uses, and the generation of hydroelectric power. I am satisfied that the

demand both for water and cheap power in California is so great that no difficulty need be anticipated in finding a market for both as soon as development has reached a state where their delivery is assured and contracts with definite terms are possible.

Mr. Speaker, I submit that the conclusions of the national agencies, above quoted, should be accepted as determinative of the matter of the financial feasibility of the Central Valley project; and since no Federal agency has reported adversely in respect to feasibility as a reclamation project, that phase of the investigation ought to be deemed and treated as settled.

ENGINEERING ADEQUACY

The adequacy of certain features of the engineering plan of the project has been questioned in this House. In view of the overwhelming evidence on this point, it is difficult to understand the basis of such charges. If there has ever been any real reason for concern on this score, the report of the Chief of Engineers of the United States Army, from which I quote further, ought to dispel every doubt:

After due consideration of these reports, I concur in the views and recommendations of the Board. The comprehensive State plan for the conservation of water resources in the Central Valley affords, in my opinion, the best general plan for the improvement of the Sacramento and San Joaquin Rivers for navigation and for the prosecution of this work in combination with the development of water power, the control of floods, and the needs of irrigation.

The Chief of Engineers, in a hearing before the Rivers and Harbors Committee of the House on the Central Valley project held April 13, 1934, further expressed his complete approval of the Central Valley plan from the engineering standpoint in these emphatic words:

I believe (this great system) to be as well devised as anything that has come to my engineering attention and thinking * * *.

The concluding part of the Federal Power Commission report, passing upon the engineering feasibility, is equally final:

The Central Valley project is a proper, logical, and desirable undertaking in the development of the natural resources of California.

The report of the Public Works Administration, Finance Division, from which I have heretofore quoted, states conclusions no less commendatory:

The project, based on available data and investigations, appears highly desirable, and the indirect and intangible benefits should apparently be great and affect the entire State.

The President's Water Flow Committee, in 1934, issued a comprehensive report on water projects in the entire United States, a report which has become widely known as House Document No. 395 (73d Cong., 2d sess.). This committee selected what were, in its opinion, the best 10 water-development projects in each of 6 regions of the United States, and from the selected 60 it designated the 10 which are now regarded as the most promising projects in the United States. The committee rated the Central Valley project as no. 1 in the Pacific region and as no. 5 for the country as a whole. In its report the committee states, in regard to this California project:

It is the most carefully considered and complete plan of its kind ever drawn up.

Despite anything that may have been said to the contrary, the engineering plan of the Central Valley project is the best plan that has been devised, and the only one that is possible of attainment, which will serve to arrest the development of the conditions of the desert which threatens the homes and happiness of more than 50,000 persons who, in their despair, are appealing to this Congress.

The project necessarily involves bold engineering features which will not be here explained, but suffice it to say that they have been exhaustively reviewed and possible alternatives considered, first, by the State itself, and, later, by the Federal agencies and departments. In view of the fact that all of the reports of these various agencies proclaim the project to be sound from the engineering standpoint, it would seem that that finding should be considered determinative insofar as the engineering problems are concerned.

NECESSITY FOR THE PROJECT

The overwhelming necessity of the Central Valley project, the only means by which the existing agricultural development and civilization in central California may be saved from destruction, has been thoroughly explained on the floor of this House time and time again. That a crisis exists is admitted by practically all of the national agencies that have given consideration to the subject. The quotations from their reports afford ample support to this assertion. That it should remain a point in controversy seems incredible.

But because of the tremendous importance of this phase of our problem I cannot resist including at this point a few further quotations which bear upon and relate to the increasing demand for water relief in the San Joaquin Valley basin. Let me point out that the Department of Agriculture made a special investigation and report on the water shortage in this section in 1934. From that report the following is taken:

For permanent relief of the general shortage of irrigation water in the upper San Joaquin Valley in California, irrigation engineers of the United States Department of Agriculture report that water should be brought in from some region where an excess is available, and this should be supplemented by capacious local storage to even the supply. The shortage of irrigation water in the upper valley is acute this year and is likely to be critical in 1935 and after.

About 1,250,000 acres in the upper valley are considered to be the irrigated area needing protection, but approximately 3,750,000 acres are considered as ultimately irrigable.

Furthermore, the Department of Agriculture also issued, in 1934, a report entitled "Drought Conditions in Irrigated Sections." In the portion of this report devoted to California it was declared that because of drought the loss in that year, to farmers alone, in the San Joaquin Valley alone, was $20,000,000.

In further proof of the rapidly increasing water shortage the report of the President's Water Flow Committee, from which I have heretofore quoted, sets forth this alarming statement:

The interior valley of California, comprising the Sacramento and San Joaquin Basins, has the most acute water shortage of any part of the United States. Disregarding the warnings of engineers and irrigators, the irrigated area of the San Joaquin Valley has been extended far beyond what the available water supply will serve. This is especially true of that section of the basin that is irrigated from wells. Large tracts of citrus orchards and vineyards have been destroyed by exhausting this underground supply.

The National Resources Board report, heretofore quoted, has the following to say:

Without more adequate water supplies the farm abandonment, financial readjustment, and social rehabilitation will be extensive.

It would be economically and socially wasteful to permit these losses to occur.

A project of the order of that herein stated is imperative.

The letter of transmittal of the report of the Federal Power Commission, heretofore quoted, contains this statement:

The Central Valley contains about half of the agricultural land and two-thirds of the irrigated land of the State. The two great metropolitan areas, San Francisco and Los Angeles, enjoy an enormous business annually with the great Central Valley. If the areas now threatened should be allowed to revert to desert, the inevitable result would be an enormous shrinkage in this business.

EVERY STANDARD MET

I submit, Mr. Speaker, that the engineering adequacy, necessity, and financial feasibility of the Central Valley project have been demonstrated beyond question in the various reports of the competent and impartial agencies of our National Government from which I have quoted. There is no substantial disagreement in any of them. They are in striking accord all along the line. The findings and conclusions which appear in each of them are verified, summarized, and adopted by the President of the United States. He, too, finds the project feasible from the engineering, agricultural, and financial standpoints.

UNREASONING FEAR

Before concluding these remarks I desire to comment briefly on some of the alleged facts—"facts" which are fictions—which seem to have filled the hearts of some of my more timorous colleagues with a fear most awful. As I delve into them I am reminded of that ancient Scotch litany which runs on something like this:

From ghoulies and ghosties,
And long-legged beasties,
And things that go flop in the night,
Lord, God, deliver us.

But we have not been "delivered" from the "ghoulie and ghostie" arguments with which our opponents seek to frighten us. So, with your further indulgence, Mr. Speaker, I will briefly discuss some of them in the hope that when I am through they may be deemed, as they have been under the light of the day, to have "gone flop in the night."

FACTS AND FALLACIES

In an effort to again be serious, first, there is the item of cost. It has been stated that the cost would be $683,000,000. Very definitely there is a misunderstanding here, as this is simply not the fact. The total cost is estimated by competent engineers of the State of California to be $170,000,000, and by the engineers and economists of the Bureau of Reclamation at a somewhat smaller figure. The cost item is specifically fixed in the letter from the Secretary of the Interior to the President, the letter which was later approved by the President, at $170,000,000. The project is definitely described in California legislation, which fixed its cost at a figure not in excess of $170,000,000.

Second, the pumping of water a vertical distance of 200 feet has been criticized as uneconomical. Despite the fact that this has been thoroughly disproven by many Federal agencies, I will not disregard this item, since it affects my own particular district. No general rule can be laid down as to what distance it is feasible to pump water, since this varies widely with crop value and cost of pumping. It is true that the project will pump part of its water 200 feet. Because of the great efficiency which is developed in larger pumping installations and of the cheap power which the project will itself supply, the unit cost will be less than half that which the 25,000 irrigation wells in the San Joaquin Valley are now paying per gallon. Therefore, a 200-foot pumping lift on the project is about equivalent to a 100-foot lift on an existing well.

The best guide as to whether or not this is economical is to compare it with the present pumping lifts, and in seeking for comparisons we find in the San Joaquin Valley large areas are lifting water from 200 to 400 feet successfully and economically with pumping costs several times larger than those which the operation of the Central Valley pumping system would render necessary.

However, water cannot be pumped if it has become exhausted, is too salty for use, or is at too great a depth to be economically raised. These conditions, already present in many parts of the southern San Joaquin Valley, will become general if more water is not brought in, and, in this connection, the needed water which the project will import from the San Joaquin River and the Sacramento Basins can come only from these distant sources, as it simply does not exist locally. Federal reports verifying this conclusion.

Third, the charge has been often made by a number of my colleagues that the completion of the project will bring large new areas into production and thus detrimentally affect the general agricultural situation as well as to run counter to the program of farm relief. This has no foundation in fact. What the project actually will do will be to bring back into cultivation—save from destruction—some 50,000 highly fertile acres recently abandoned for lack of water, land which has long been serviced by irrigation systems that no longer can provide water; and it will at the same time retire from irrigation some 250,000 acres of marginal land now being inefficiently watered and cultivated. Thus there will be a net decrease of irrigated lands of around 200,000 acres.

Increase in acreage in the future will be small, and if it does occur it will come about slowly, for the very good reason that the project will deliver little, if any, water beyond that required for the maintenance of the developed areas now short of water, which total about 1,500,000 acres in the San Joaquin and Sacramento Valleys and in the delta—estimated by the Department of Agriculture as 1,250,000 acres in the upper San Joaquin Valley alone.

To my mind, Mr. Speaker, it is a misnomer to call this a reclamation project, if by that is meant the reclamation and irrigation of new lands. It is, rather, a water-conservation and farm-relief project. It will serve a variety of purposes, including navigation, flood control, electric power, industry, salt-water control, and, above all, the maintenance of an existing highly developed agriculture, which will go to ruin if more water is not made available. To my mind, it is entirely in line with the agricultural-relief program of the administration, which is to maintain existing agricultural development on good-quality soils. This program has gone forward through the A. A. A., Soil Conservation, Resettlement Administration, and Farm Credit Administration activities, and to some extent, through flood-control protection. These measures are wise and helpful, but let me point out that the first and most necessary item of agricultural relief in the West, when water supplies are insufficient, is water. If the farmer does not have water he does not get a crop, and when that occurs he is not much interested in farm prices or even in interest rates. Agricultural relief in the West should include as a governmental policy the maintenance of water supplies to serve already developed lands, and, in the last analysis, that is the underlying purpose of the Central Valley project.

I have dwelt mainly on the agricultural phase of the project, because that is the problem of my district. It has, however, numerous other features and advantages. It will produce a large amount of cheap electric power; it will provide much-needed navigation and flood control in the Sacramento Valley; it will control the threatened salt incrustation of a half million acres of highly developed lands in the Sacramento-San Joaquin Delta, and it will solve the water-shortage problems of the great industrial area surrounding Suisun Bay. It is a multiple-purpose project. Chief among its anticipated blessings are water conservation and agricultural relief. The State of California is solidly behind it, as evidenced by its legislation, by a State-wide election, and by the passage, at two different sessions of the legislature, of joint resolutions unanimously endorsing the Central Valley project "as of first and prime importance to the State of California." It has received the approval of Congress in the Rivers and Harbors Act of 1935 (H. R. 6732, 74th Cong.).

To recapitulate: The Central Valley project is not purposed to bring new land into cultivation or even to maintain agriculture on inferior lands. It is not a scheme to develop a vast new and uninhabited country. Its financial feasibility does not depend on the immigration of settlers from other regions. The people are already on the land. Their farms are already developed to a high point of productivity. To successfully produce their highly specialized crops they must have water, and if supplied with an abundance of water, as the project contemplates, they would be able to pay the cost of their relief two times over.

About 900,000 people live in this great Central Valley of California. Its assessed valuation, calculated on a basis of 40 percent of actual value, is over $1,350,000,000, representing a total actual value of over $3,000,000,000. Conservatively estimated, the annual agricultural production of this blessed territory contributes to the national wealth in an amount which exceeds $300,000,000. As stated in one of the national reports hereinbefore referred to, "surely this is an agricultural region of importance."

Mr. Speaker, no project in the United States has been as thoroughly investigated from all angles as has the Central Valley water-conservation project of California. No project is supported by greater necessity nor holds forth greater promise of financial integrity. It has received the endorse-

ment of many competent, impartial Federal departments and agencies, and has received the approval of the President of the United States. I venture the opinion that a decade from now, when this project is operating and has cured the distress and tragedy which has alreay taken substantial form, it will be regarded, I am sure, as the finest example of the proper exercise of national assistance in this particular field of endeavor. In the light of the tremendous benefits that are to follow in its wake, the development of the great Central Valley water project of California will contribute more to the common welfare and the upbuilding of our national wealth than could any other enterprise that our beloved Government might undertake.

HALLIE FLANAGAN, DIRECTOR OF FEDERAL THEATER PROJECT OF WORKS PROGRESS ADMINISTRATION

Mr. SIROVICH. Mr. Speaker, under the aegis of the Works Progress Administration the Federal theater project, of which Miss Hallie Flanagan is director, new life has been given to the American stage and to actors, actresses, musicians, stage managers, stage hands, and others formerly connected with the stage in all its various aspects from high drama to light vaudeville. This development under the direction of Miss Flanagan has not been confined to large cities nor to any section of the country, but has spread from coast to coast and from the Great Lakes to the Gulf of Mexico.

The public have responded to an amazing extent to the project to give them first-class speaking stage entertainment and, irrespective of whether the plays were given in makeshift auditoriums or in regularly equipped theaters, have shown by their attendance the great interest that has lain latent in the lives of the people. Shakespeare has proved as popular as light comedy, and the auditors of drama have often been greater in numbers than those who came merely for amusement.

Great credit is due Miss Flangan for bringing about this condition of things and for the restoration of keen interest in the speaking stage. The younger generation who knew not the great lights of the speaking stage of the last century and the beginning of this one evidenced as high an interest in good plays as those who knew Booth, Barrett, Anderson, Marlowe, Roland Reed, Robson and Crane, Nat Goodwin, Louis James and Marie Wainwright, Modjeska, Minnie Maddern, and joyful Maggie Kline, the Boston Museum, Union Square Theater, Daly's, Wallack's, and Harrigan and Hart.

Critics came to scoff and remained to be astonished at the fine quality of the performance given and the sincerity of playing that was presented in every form of dramatic art offered by the Federal theater project under the direction of Miss Flanagan. Just as Marie Dressler rose to great heights in the motion-picture world because of her previous training, so many competent players who could find no opening for their talents before the advent of the Federal theater project, many sterling artists who had been forced into an unwanted retirement came out of the shadow into the sunlight of performance and aroused the enthusiasm of cynical ones who thought the American speaking stage folk had forever passed into oblivion.

Burns Mantle in his comment on the work of the Federal theater project wrote:

> The W. P. A. theater has, in fact, turned the theater back to people to whom it rightfully belongs and taken it away from a monied aristocracy that has for some years been able to dictate its course and definitely influence its productions.

This comment has been fortified by many other criticisms of the work of the Federal theater project under Miss Hallie Flanagan and all the criticisms of note have been enthusiastic in the praise of the renascence of the theater in the United States as a consequence of the results produced by the plan to give the people, all the people, stage productions that are worthy to take a high place in the art of the stage.

It is my sincere hope that Miss Flanagan may be enabled to continue the work she has so splendidly carried on so far and that from a temporary expedient to furnish employment to unemployed persons of the speaking stage there may grow a permanent organization covering all forms of dramatic art producing plays of all sorts of stage value, not for a few but for all the people of the United States, urban, suburban, and rural, until they shall have become as familiar with the entrancing work of playwrights and players as were the folk of 1880's, 1890's, and 1900's.

DR. STEPHEN S. WISE

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD I include the following address delivered by Hon. JOHN W. MCCORMACK, of Massachusetts, Sunday, June 14, 1936, on the occasion of a banquet tendered to Dr. Stephen S. Wise:

It is a privilege to be invited to speak before this splendid gathering, and to join with you in honoring Dr. Stephen S. Wise, a great spiritual leader and a great American. How appropriately you have chosen this day, nationally proclaimed as Flag Day, to pay tribute to a man who has devoted his life to the spiritual welfare of his people, and toward the maintenance of those principles and ideals for which our flag stands. The red, white, and blue * * * represents a democracy under a constitutional form of government. The Constitution established a democracy not only in form but in substance, defining the powers and duties of the Government, the rights of individuals, and the protection of those rights, even as against the Government itself. Yes, the Constitution is something more. It is the Bible of an American citizen, an instrument of tolerance, broadness, and understanding among men. Intolerance is the enemy of the Constitution. The attempt to array American against American because of difference of race, or creed, or color, thus creating misunderstanding and hatred, resulting in persecution, is subversive of that great document, properly termed "the charter of a free people."

Our form of government is the culmination of generations of effort and of sacrifice of the noble men and women of the past to remove intolerance, hatred, and persecution—evils and curses of mankind. Their success was the result of an aroused public opinion which created the Constitition, with a determination, as the founders intended, to make it a living, progressive document, capable of serving a people, no matter what economic and social change might occur, and of guaranteeing the rights of personal liberty.

History has shown, and present conditions in some countries vividly demonstrate, that it is only under democratic processes of government that personal liberty can exist as an absolute right. Look at some of the other nations of the world today for indisputable support of that assertion. In all nations of the world where democratic form of government does not in fact exist, personal liberty has been destroyed. What little does exist under dictatorships lives by mere sufferance only, not as matter of right. Wherever dictatorship governs, whether by military power or of the proletariat, or by any other form, personal liberty and the rights of minorities have been suppressed. This should cause us to "stop, look, and listen." Under such forms of government persecution as a national policy will continue to exist or will always be imminent until democratic processes of government are established or restored. Such establishment or restoration of personal liberty, of which religious freedom is a cornerstone, cannot be accomplished by changing from one form of dictatorship to another. Democracy is the only safeguard. Persecution in some form always exists in every country dominated by a dictator. It is not confined to one race or creed; one sect is persecuted today, another tomorrow. Whatever the form of persecution, it is contemptible and indecent, particularly in these supposedly enlightened days. A constitution, written or unwritten, might establish the right of personal liberty, but it can only in fact exist through the will of a people who are determined to protect and preserve the natural rights of mankind. Catholic, Protestant, Jew, and all other religions must mutually respect each other's right to be free to worship God in the manner their conscience dictates. Thus is laid the foundation which brings peace and happiness and makes for a contented people. This great right the founders gave us. We must ever keep it inviolate.

I have referred to the destruction of personal liberty under dictatorships. As Americans we should more thoroughly appreciate the blessings of liberty that we possess when we compare our own position with that of the unfortunate people of other lands. Our efforts to properly enjoy this freedom, guided and directed by a wise government founded in justice and equality, had made this the greatest of all nations.

We should show no mercy to those forces who would attempt to destroy our Government by force and violence, or to those vicious groups whose desires are to impose upon our people some form of dictatorship, whether of the left or of the right. This applies also to those subversive influences, either from within or from without, who are or who may attempt to array American against American, by an appeal based on bigotry, the objective being to affect our country's policies. That is what Nazi Germany attempted a few years ago. That is what the special committee of which I was chairman so effectively stopped.

What I have said applies to any organization which impugns the honesty and motives of other persons because of a difference of

race, color, or creed. This equally and forcibly applies to any nation which employs a policy of bigotry and of persecution against any part of its people, however small.

I have always believed that the right of religious freedom, and of the free exercise thereof, should be recognized by all nations as a universal right of all peoples; that it should become a cornerstone of international law, just the same as it is a cornerstone of American liberty. I further believe that in the not far distant future the time will arrive in the progress of mankind that any nation which engages in a policy of persecution, particularly because of religious views of some of its people, that such a nation will be considered and treated as an outlaw among the nations of the civilized world. Every effort should be made to have the right of religious freedom incorporated into the Code of International Law.

What I have said tonight in this respect is a suggestion for consideration, but it expresses my personal views on this all-important question. The ultimate removal of persecution of minorities, whether racial or religious, or its reduction to a minimum, can only be brought about by an aroused world-wide public opinion demanding that end. Other steps may be taken to meet the immediate situation, but they will not be a final solution of the matter to which I have referred as one of "the evils and curses of mankind." The only way to assure a permanency of tolerance throughout the world is by an aroused public opinion that will ultimately result in the elimination of dictatorships and the establishment or restoration of democratic processes of government. I will join with any person or movement the objective of which is to remove this curse of mankind.

Tonight I appeal to people of all races, nationalities, and creeds to join together in an effort to assist the unfortunate groups of other lands who are being persecuted for no other reason than their religious beliefs, or of their national or racial origin.

Persecution is not confined to one group or to one creed. In Nazi Germany—not the real Germany—Catholic and Jew are persecuted; in Russia and Mexico religion as such is persecuted. It is one religion today, it may be another tomorrow. A movement for world-wide tolerance, of the universal recognition of religious freedom, is a fight to remove from mankind one of its most dreadful curses and disadvantages. It is a fight for decency. Those of us who have the honor of being American citizens or citizens of other countries who enjoy personal liberty as a right, cannot and must not ignore the fact that we have a duty to perform in preserving that God-given right for ourselves and our posterity.

While by law we are guaranteed the right of personal liberty, unless public opinion supports its most cherished possession, that right can be undermined from within. In the final analysis, it is public opinion that rules a democracy. It is our duty to see that this opinion is properly formed and maintained at all times. While the Constitution guarantees our inalienable rights, public opinion defends them or will destroy them. We know that always there are certain groups who would seek to destroy them by purporting to claim them for themselves and deny them to others. Such forces must be militantly fought at all times. They must be exposed, and when they violate the law they should be prosecuted fearlessly and punished under the law. Sympathy should not be extended to the enemies of the personal liberty guaranteed by the Constitution, whether from within or from without. We must constantly be on our guard, protecting our Government, our individual rights, against un-American activities, against such organizations who challenge the Constitution, and who attempt under one guise or another with irrational and emotional appeals to establish a reign of terror and to destroy a reign of law.

Mindful that this is Flag Day, let us remember that of all the symbols since the world began there is none so full of meaning as the flag of our beloved country. That flag symbolizes years of struggle upward and forward, and as one great speaker once said, "The blossomed flower in the fight of liberty—the human hope in bloom." It stands for humanity and equal opportunity for all. It is the greatest instrument of government ever created for the expression of the will of a free people, and guaranteeing to all liberty and justice under the law.

And this great man, Dr. Stephen S. Wise, whom we honor tonight, has by his exemplary life characterized the true American spirit. May he live long and happy in the continuance of his great work. May the flag of our country ever symbolize the aspirations of a free people, and as the late Vice President Thomas R. Marshall once well said, "Till the heavens fold together as a scroll."

ATTITUDE OF THE NATIONAL RETAIL HARDWARE ASSOCIATION CONCERNING THE PRICE DISCRIMINATIONS

Mr. CELLER. Mr. Speaker, I am in receipt of a letter from the National Retail Hardware Association, under the signature of its managing director, Herbert P. Sheets, which, in part, reads as follows:

I am informed that under date of May 27 you caused to be introduced in the CONGRESSIONAL RECORD a statement to the effect that the National Retail Hardware Association was and is opposed to the passage of the Patman bill.

Such a statement is wholly incorrect, as was made clear in the second paragraph of my letter of March 25, addressed to you and other members of the Judiciary Committee.

In that paragraph the declaration was specifically made that "The retail hardware trade has strongly supported antidiscrimination legislation and has specifically urged action on the Patman bill."

The objections in that letter, as was made clear to you, were directed to an amendment made by the House Judiciary Committee and not to the measure itself.

I did not intentionally give the wrong impression concerning the attitude of the National Retail & Hardware Association. I accept its statement that it has supported the bill. Nevertheless, a letter which I have received from this association reads in part as follows, and it is this part which I put into my minority report:

Where such differentials are established, the bill would require that the "character of the selling of the purchaser and not the buying shall determine the classification."

But the character of the selling cannot determine wholesaler classification, because in today's strife for business there is little adherence to type of selling.

A further provision is that wholesale price differentials, where established, shall be applied only with respect to the wholesaler's sales to retailers. Such a provision would be wholly unworkable and inequitable in the hardware field because of the character of the wholesaler's selling.

The average hardware wholesaler sells from his wholesale warehouse (1) to retailers; (2) to industrial plants; (3) to contractors; (4) to institutions; (5) to municipal governments; (6) to United States Government branches; (7) to Government work projects, such as W. P. A. projects, C. C. C. camps, etc.; (8) and to officials and employees in all these classifications mechandise for personal use and not for resale or for further use in manufacture.

It would be obviously impossible for a manufacturer to allow a wholesaler a price differential on lock sets, hinges, nails, or any other commodity where such commodities were to be sold to retailers and then establish a different price which such wholesalers should pay for the same commodities where they were to be sold to contractors or to others than retailers.

The wholesaler would necessarily buy on the basis of prices made on the assumption that his selling would be to retailers. But a wholesaler cannot be classified as such solely on the basis of sales to retailers.

There are a large number of wholesale firms in the hardware business whose sales are mainly to industrial plants, railroads, and the like, and who sell practically nothing to retailers.

There are also a large number of retail concerns which have developed a large industrial, contractor, and institutional business in addition to their regular retail sales to consumers, but which make no sales to other retailers.

Under the language of the amendment both these types of firms would be prevented from obtaining the same prices as wholesalers on commodities which they buy and sell in wholesale quantities.

Yet the wholesalers who would, because of some sales to retailers, receive prefcrential price treatment are in direct competition with these two types.

Enforcement of this amended section would destroy hundreds of large retail hardware establishments in the United States whose sales to industrial plants, contractors, and institutions aggregate a much larger volume than their strictly retail sales. It would further destroy a large number of business concerns generally known in the trade as distributors or mill supply houses, which sell almost solely to industrial plants.

In each case where a differential was established and wholesalers would exert great pressure to have such steps taken, such concerns would be denied the right to purchase commodities on a basis which would enable them to meet the competition of the wholesalers who sell to the same types of customers.

These classifications would also destroy wholesale houses owned solely by retailers. There are in the United States a number of wholesale hardware houses which are owned by hardware retailers and which serve only those stock-holding retailers.

The language "* * * (1) as a wholesaler on purchases for sale to retailers only, not owned or controlled directly or indirectly by the purchaser * * *" would prevent such wholesalers from buying on the same basis as privately owned wholesale establishments.

Yet these dealer-owned wholesale hardware houses have demonstrated their ability to distribute hardware commodities at a much lower cost to the ultimate consumer than do old-line wholesale establishments.

Likewise these classifications would prevent, where wholesale price differentials are established, the grouping of purchases by retailers which effect a saving for the manufacturer and therefore result in lower prices to such retailers and subsequently to the consumer.

This practice is general in the hardware trade on many commodities in connection with which retailers do not require the services of the wholesaler. These lower prices enable such retailers (1) to more nearly meet the competition of quantity buyers such as syndicate stores, and (2) the competition of regular wholesalers in sales to contractors, industrial plants, and the like. * * *

As amended, it becomes a measure primarily for the protection and preservation of the wholesaler, and would place the hardware retailer in a more difficult position than he now is.

It is hardly conceivable that the large purchaser, such as a mail-order house or syndicate of stores, will ever be required to pay the same prices for merchandise as does the very small retailer. To some extent the quantity purchased will doubtless always govern the prices paid.

The primary hope for preservation of the retailer lies, first, in limiting such quantity prices so they will not become excessive and tend to monopoly. But it is equally important that the retailer be left free to attain, as nearly as possible, the same quantity prices allowed these large competitors.

LET US DO SOMETHING FOR THE TEXTILE INDUSTRY AND ITS EMPLOYEES

Mr. CITRON. Mr. Speaker, passage of a national textile act is an absolute necessity if an already disorderly industry is not to be plunged into a state of absolute anarchy. One of our basic consumers' goods industries, the stabilization of textiles is not one whit less important than the stabilization of steel or coal. We cannot evade the fact that over 1,000,000 wage earners are normally attached to textiles and that these workers are faced with certain starvation unless the Government affords them a minimum amount of protection.

A SERIOUS STATE OF AFFAIRS

Break-downs in code standards have been legion. The violation of established labor standards is proceeding apace, the last few months bringing reports of more and more textile concerns who have slashed wages, increased hours, increased work loads, and otherwise have disregarded fair standards of decent working and living conditions.

The direct method of cutting wages is not the only manner in which textile workers are seeing their weekly stipends diminished. The stretch-out is one of the most insidious of the indirect wage-cutting tactics of modern industry. Congressmen must not forget that a national textile act, providing for the establishment of a living wage, where the manufacturers have dropped below such a standard, is the only way in which textile workers can be protected against the increasing cost of living. As the prices of commodities necessary to their everyday lives increase, the purchasing power of their few dollars decreases. This becomes particularly acute when we consider the extremely low wages customarily paid in the industry. Textile workers are among the lowest-paid workers in American industry.

COMMITTEE ON LABOR HAS RECOMMENDED PASSAGE OF A BILL

I beg, therefore, that Congress give close, sincere, and studied attention to the proposed regulatory legislation known as the National Textile Act, which the Labor Committee reported favorably. The part of the country I come from is in dire straits. Not only New England workers, but New England manufacturers, are faced with the complete demoralization of the textile industry in this part of the country unless some equalization of labor standards is provided for.

TEXTILE INDUSTRY CAN ONLY BE SAVED BY CONGRESSIONAL ACTION

The duty of the legislators of the United States Congress toward their constituents, and toward 1,000,000 industrial workers, demands that we act favorably and quickly on this proposed textile legislation. We owe allegiance to all the people in our constituencies, not to a special and favored few. We can prove that we respect this sacred bond of allegiance by legislating in favor of the majority of the people concerned with this act, for the National Textile Act is not only imperative if the future welfare of the textile workers is to be safeguarded, it is also necessary if the manufacturers themselves are not to be torn apart by anarchic inner strife and cutthroat competition.

THE NEW DEAL ATTACK UPON THE RIGHT OF PETITION

Mr. FENERTY. Mr. Speaker and my colleagues of the House, it appears to me that this bill is an unwarranted interference with the personal liberty of the free citizen as we have known it for a hundred and fifty years, and is such a restriction upon the people's rights as even the New Deal should blush to recommend. The substance and intent of the bill is to chloroform and make impossible the organized efforts of responsible citizens to influence the election or defeat of elective Federal officials, the enactment or defeat of any legislation or appropriation by the Congress, the repeal or nonrepeal of any existing law, or the adoption or defeat of any proposed amendment to the Constitution of the United States.

Whatever its ostensible purpose, its real intent and purpose would seem to be to hinder the activities of organizations now claiming widespread popular support and to prevent them from reaching the ears of Congressmen with their petitions. The National Union for Social Justice, the Townsend clubs, the American Legion, the Veterans of Foreign Wars, certain labor organizations, and other groups would be tremendously hampered in securing a legislative hearing because of the unreasonable restrictions which this proposed legislation would seek to impose. How, for example, is it physically possible for any organization which depends for its existence on the small contributions of interested citizens to prepare the regular and repeated statements and lists required by this bill with regard to those who have in any way, great or small, contributed to the organization or its representative? When you consider that a violation of the provisions of this bill, if enacted, carries a fine of $5,000 or imprisonment for 12 months, or both, it begins to appear as if the New Deal has learned nothing from its imprisonment of the New Jersey tailor for charging a few cents less than the code price for pressing a pair of trousers and from the repeated decisions of the Supreme Court of the United States in protecting the free citizen from similar encroachments on his liberty.

The question now involves not the prevention of lobbying but the vastly more important one as to whether or not we shall retain the vestiges of freedom that are left to us. Even those who are most vigorous in their opposition to any of the organizations I have mentioned should concede to them the right of petition—the opportunity to make their views known and have their voices heard. As was once written, I may disagree with what you say, but I shall fight to the death for your right to say it.

This is not the first time, Mr. Speaker, that the New Deal administration has sought to make it impossible for certain of its citizens to communicate with their own Representatives in Congress without obtaining the permission of a New Deal bureau and revealing the nature and character of their communications; and if it is illegal, as it is under some of this New Deal legislation, for a constituent in certain circumstances to advocate his views to his own Representative in Congress without obtaining the permission of a New Deal bureau, what is to be said of the Congressman who, presumably knowing the law, asks such constituent for his opinion with regard to such legislation or its constitutionality? Does he thereby become particeps criminis; and if so, will such a law be upheld by the courts? The trouble with so much of the legislation which emanates from the White House today and is passed here with so little thought and foresight is that it strikes at the heart of representative government and the effective right of petition by organized citizens and leads directly or indirectly to bureaucracy and autocratic dictatorship.

This bill is merely an extension of the restrictive tendency apparent in other administration measures, a tendency from which we here should not depend upon the wisdom of the Supreme Court to rescue the Nation. It is a sad day for free America when our people may not have the liberty to speak or write to their own selected Representatives without becoming liable to fine or imprisonment on the ground that they have somehow violated the sacred ukase of a New Deal bureau or administrator. Certainly such a condition is suggestive of Soviet Russia rather than the America of our fathers.

When you consider, further, that there is nothing in this bill to curtail the lobbying activities of President Roosevelt's own pet lobbyists, nothing to prevent administration employees from coming here and sitting in the galleries and attempting to influence legislation desired by the White House, you can see the real viciousness of this bill. If it is proper for the President to influence legislation, why is it improper for the veterans, the National Union, the Townsend groups, or any other of the humble citizens who have none of the power that surrounds the President?

The time has come, Mr. Speaker, for America to return to the old and secure ideals of opportunity and freedom. The cure for the evils of this autocratic administration is not less liberty but more. The cure for the evils of democracy is more democracy. Certainly every man who believes in freedom of speech and the right of petition should vote to defeat this iniquitous measure and table the conference report, so that, at least while we are here this year, the freedom and traditions which the New Deal has so seriously endangered by its socialistic and totalitarian experiments may not be entirely and forever destroyed.

FLAG DAY ADDRESS

Mr. TURPIN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address made by me at the Flag Day exercises at Betsy Ross House, Philadelphia, on June 14, 1936, under auspices of Patriotic Order Sons of America, and broadcasted over a national hookup of the National Broadcasting Co.:

As we gather today at this—one of America's most cherished and historic spots, one of her most sacred shrines, the birthplace of our American flag, the home of Betsy Ross whose esthetic dream and loving handiwork brought forth an emblem never to be surpassed in beauty nor excelled in its significance—it is fitting, as we pay humble tribute and loving homage to our flag on this revered ground where our immortal Washington accepted her gift to the newly born Nation as the flag of his country, of your country, and of mine; it is fitting that these ceremonies should be under the auspices of one of our country's earliest patriotic organizations.

Ever since the inception of the Patriotic Order Sons of America in 1847 its sons have shed their blood upon the battlefields of all our wars, have given their lives in the furtherance of Christian principles and human rights, and are organized to carry on in time of peace or war the unfinished work our country's hero dead have bequeathed to all posterity. It demands, without apology to native born or to the alien within our borders, that our Constitution, which, next to the word of God, is accepted as the most inspired work ever composed by man; that our Constitution shall be respected and its precepts adhered to.

It upholds and respects the right of every human being to worship God according to the dictates of his own conscience; it believes firmly in equal rights to all men, with special privileges to none.

It labors constantly to advance the free American public-school system so that every child may have an education and be able to take his place in our social life and body politic.

The Patriotic Order Sons of America believes in free speech and in the freedom of the press, but abhors those who abuse these privileges in an effort either to overthrow or to disrupt our Government, to misuse this freedom to encourage class hatred and create unrest and discontent among our people, or to foster a disregard of our laws, the church, or the God to whom our churches are dedicated.

OUR FLAG IS A FLAG OF PEACE AND GOOD WILL

The American flag is not a symbol of war; it is a flag of peace. We seek only peace and friendly relations with the nations of the world. While other nations are filled with hatred and suspicion, one toward the other, and continents are in a state of turmoil and unrest; while their borders are dotted with forts and patrolled by armies, America gives to them a glorious example of good will toward men with its 3,000 miles of border lines that are without a single fort, a single gun, or a single soldier along its entire length.

America does not seek to dominate nor to acquire possessions. America stopped the atrocities of Spain; it took Cuba under its care, freed it of yellow fever and pestilence, gave to it our American free public-school system, taught it government, and then gave to Cuba its freedom.

Also, America, having conquered Spain, instead of demanding gold, paid to Spain $20,000,000 for the Philippines, taught their people civilization, and then gave to the islands their independence.

Never has the stain of lust or selfishness marred our beloved Star-Spangled Banner. America, in the 160 years of existence, is the only land, in all this time, that has not changed its form of government. It is for you and for me, fellow Americans, to see that it is not changed.

America has been the haven of the oppressed from its earliest days. In years agone we have welcomed those of all other countries to our shores. We respect those who having come here have renounced all allegiance to other countries and sworn allegiance to our flag and all that it stands for and have become good citizens.

But, much as we sympathize with the less fortunate of other countries today, our portals must be closed to further immigration—not because of racial prejudice, not because of class distinction, not because of differences of color or creed, but because we have more Americans, native and naturalized, within our borders now than we can find employment for.

For its own preservation and for its own people America must be for Americans.

Yes; our flag is a flag of liberty, of freedom, of peace, and of justice. Yet we must not forget that only through the sacrifices of those who have fought and died under the Colors of our country has it been able to acquire and preserve that liberty, that freedom, and that peace which we now enjoy.

THROUGH SACRIFICE WE ENDURE

As we affectionately salute our national banner today, let us pause to recall not only the battles that Washington and his men fought to bring forth a new nation of free men but let us also remember the physical sufferings of his little volunteer army—as poorly clad, cold, hungry, impoverished by the long sieges, facing without shelter the snows and winds of winter, they still fought on throughout the years, inspired by the sight of the new flag, which reminded them of the principles to which it was dedicated and for which they were fighting—not so much for themselves but for posterity, for you and for me, for our children, and for our children's children.

Let us not forget that the preservation of our Union—of which both the North and the South are so justly proud today—was brought about by the sacrifice of years and many thousands of lives. American bone opposing American bone, American flesh defying American flesh, American blood flowing freely to conquer American blood; it was not until the army of the South had been almost annihilated and the southland itself devastated that our flag was again crowned with victory and the Stars and Stripes once more waved over a united America.

Again in 1898, when the roll of the army drum, the fife's shrill note, the blare of the bugle, the clanking of steel, and the tramp of marching feet was heard throughout the northland—when once more the rays of the southern sun were reflected by the buttons of brass and the glint of the defending bayonet throughout the southland; again in our Nation's history an army of northern boys marched South and once more an army of southern boys marched North, until meeting on the common battlefields on which their fathers had met in deadly conflict—the army of the North swinging to the left and the army of the South wheeling to the right—stood shoulder to shoulder under Old Glory, demonstrating to the world that we were indeed and in fact a reunited country with but one flag.

In 1917, when the call to our colors was sounded, again our boys from the hillsides and from the dales, from the mountain tops and from the valleys, from the North and from the South, and from the East and from the West gathered in the camps of war. They sailed away singing, "We Won't Come Back 'Til Its Over, Over There." And upon the appearance of the American flag in France the exhausted Allies saluted it and cheered with thrills of renewed hope and courage.

Anxious years rolled by. Finally upon the horizon of the crimsoned seas could be seen the returning ships. As the boats pulled into the docks, the old flag—battle-torn and bullet-pierced; accustomed to shrieking shot and bursting shell; its silken threads shattered by the vibrations of booming cannon and the roar of musketry; soiled by the smoke of contending armies and stained by the blood of our American youth—was once more unfurled on its homeland shores, to be tenderly caressed by the homeland winds. As the boys came down from the ships they did not march with the elastic step the playing of the martial bands inspired. Great, awful gaps in the ranks of the marching troops brought home to America the full significance of

"Crosses, row on row,
On Flanders Field where poppies grow."

These great gaps represented more than a hundred and thirty thousand American boys who marched away but never returned; they represented a large part of 200,000 others who were wounded in action. Today over 700,000 of these boys are peacefully sleeping within the walls of the silent city of the dead under the bronze marker and the little soldier flag of red, white, and blue. Once again the Stars and Stripes—through the patriotism of American manhood—brought peace to a troubled world.

NOT THREATENED ALONE BY WAR

Not alone are countries threatened by armed forces of other nations; they are also menaced in times of peace—by propaganda. Much has been said lately about abolishing the Supreme Court. Let us pray that this will never happen.

If our laws are wrong, let us repeal them or change them; if our Constitution is wrong, let us amend it—but any attempt to jeopardize the Supreme Court should be viewed with alarm. To abolish the Supreme Court means to do away with the Constitution that we as a nation have cherished since its inception.

Whether or not they are conscious of what they are doing—those who advocate this measure are working hand in hand with the Communists. For with the abolishment of the Supreme Court all acts of Congress when approved by a President would become final—and from them there could be no appeal.

It would only be necessary then for a President—ambitious for greater power, with a subservient Congress, to pass a law changing the term of office of the President from 4 years to life—to pass to his eldest son at death—and we would automatically be back into a kingdom, a kingdom from which our forefathers fought so heroically and unflinchingly to free us, or, in a lesser degree, to put our Nation into the hands of a dictatorship such as is now ruling foreign lands.

The future of our Government is not so much in the hands of the Government itself as it is in the patriotism that swells

within the heart of each individual citizen. We are not unmindful that millions of patriots of every creed, of every nationality, fill the homes of the cities and hamlets throughout our land today; but, lest they forget, we cry out to them, "Americans, oh Americans, wake up!"

A smoldering fire is always a threat of conflagration. Americans should continue to organize and to show their contempt for those who have no respect for our Constitution, for our flag, or for the country it represents. They should be alert, and in every lawful manner seek to put out any communistic smoldering.

UNGRATEFUL BENEFICIARIES

America, with its millions of square miles of territory, does not have a square foot of land to which a Communist is welcome, nor long must he be allowed to stand upon it if he is here. If communism is so fine, then let him stay in a communistic country and enjoy it, or, if he is already in America, we'll send him back and make him happy, for America should be a most miserable and unhealthy place for him.

We should be alarmed that the communistic seed so stealthily sown within our gates is finding fertile soil within our colleges, our schools, and, be it said in shame, in some of our homes, dangerously misleading the youth of the land.

The Communist does not respect our churches; he does not fear our laws or the police who enforce them; he does not fear our jails. The only thing he does fear is deportation—deportation back to the communistic country from which he came. And that must be his lot.

Had our flag, which is so peacefully acknowledging the caresses of the summer winds above this gathering today, ever been unfurled in a war of aggression; had its Stars and Stripes ever been stained by the blood of American youth in a war of oppression; had its silken folds ever been shattered or torn in battles fought to conquer weaker nations, and take from them that to which we had no right; had it ever been flung out on the battlefields at any time except for the birth and preservation of our Nation—except in the cause of freedom and liberty—or to aid the oppressed—then in a small way we might understand the attitude of some of our American youth of today.

In our schools and colleges we find the youth of our land, who, enjoying all the privileges and benefits brought about by the sacrifices of their forefathers, who enjoy a freedom and liberty such as no other country can give, announce that they would not go to war to preserve their homes and their native land against either foreign foe or domestic enemy.

Theirs is a selfish life—willing to accept all that has been handed down to them through the sacrifices of those who have gone before—yet in return they are not willing to carry on.

I recall one Bergdoll who said the same thing in 1917—and who today is a man without a country—and not a welcome guest in any land. I would suggest to these boys that they organize—make themselves known—name their organization after Bergdoll—and then join him on foreign shores.

It would not have been good for the physical comfort of boy or man a decade ago to publicly show disrespect to our national emblem—yet today it is a common occurrence to read that children—who surely do not know better—that children have been instructed by their elders to refuse to salute the Red, White, and Blue floating over the American schoolhouse that is giving to them a free education and an opportunity in life such as they could receive under no other banner.

I wonder if these same people who teach these children to refuse to affectionately salute our flag—I am wondering if they also teach their children not to salute their mother with a kiss of affection, or not to doff their hats to those entitled to this courtesy.

PRAY THAT WAR SHALL BE NO MORE

While the honor of our flag must be maintained and our Government respected—let our prayers be that our flag will never be unfurled in war again—but if it is, then only in defense of our own America and not through entangling alliances.

Oh, come with me to almost any State in the Union, to the veterans' hospitals of cold, gray stone, listen to the tap of the cane as the blind walk by, visit the wards where row upon row of beds hold those who have seen no sky other than the ceiling above their heads since the last battle in which they fought and who have seen nothing of the outside world except that glimpsed through a window; listen to the hollow cough of the gassed and the tubercular who, living without hope, still smile.

Witness the shell-shocked lads whose minds have become deranged because of the awful havoc of the battlefield, see the countless maimed whose bodies have been mutilated by bullet and bursting shell, who greet you with an empty sleeve or supported by crutches, with trouser leg pinned up, salute you.

Look out upon the broad lawns surrounding the hospitals and see the torn and emaciated forms in wheel chairs, visiting with loved ones who have found it possible to call upon them for a few brief hours but with whom they may never return to their homes again. See the loving mothers and sisters, wives, and children, with tear-stained faces, as they leave their loved ones behind them waiting until a kindly providence ends their suffering, and I am sure you will pray that wars shall be no more.

LOYAL AMERICAN MOTHERHOOD

Let us rejoice, even in the sadness of realizing the awful cost in human life that our Nation might be free and endure, in the sadness of realizing the suffering of those to whom the war will never end until their eyes are mercifully closed in death; let us rejoice that our American mothers, the silent defenders of our Nation's welfare, who gave their sons in defense of human rights, that these patriotic American mothers, themselves in the gloaming of life, sequestered by tender memories of boyhood's affections, that these mothers at the close of this significant day, as the setting sun and storm-swept sky blend into peaceful twilight, when the dull red glow of the rising moon softens the deepening shadows of eventide and the great worlds beyond burst forth as myriads of starry jewels to adorn the wondrous love of their Creator, that these loyal American mothers will kneel in their humble homes and, raising their faces, their arms, their voices to Heaven, will thank God that they have reared such sons that when liberty and freedom were endangered that their sons were patriotic and brave enough to do and to dare and to fight, yes, and to die, for flag, for God, for home, and native land.

Let us today rededicate ourselves to the proposition that a government of the people, by the people, and for the people shall not perish from the earth.

Let us cherish our flag and defend it against all enemies from within or without but never may it be the aggressor.

Let us resolve today as we meet on this consecrated ground, that in the midst of our acute economic depression and the afflictions that go with it, we will continue to uphold the same principles as shown by our immortal Washington and his men under more trying conditions, and, above all, to maintain the traditions of our flag and the ideals that have been handed down to us, to repledge our loyalty to our flag and all that it represents and to our free American institutions.

THE MEANING OF FLAG DAY

Mr. MERRITT of New York. Mr. Speaker, under leave to extend my remarks I include the following address by me, at the annual Flag Day ceremonies of the American Legion at Fort Totten, N. Y., June 14, 1936:

"A nation is made great, not by its fruitful acres, but by the men who cultivate them; not by its mines, but by the men who work in them; not by its railways, but by the men who build and run them. America was a great land when Columbus discovered it; Americans have made of it a great nation."

But America is still in the making. What its future destiny will be depends upon the loyalty and devotion of every citizen to its free institutions. The greatest danger that threatens us as a Nation, is the indifference of all classes of citizens to the vital issues which affect us as individuals, and as members of a great free democracy. To overcome this indifference, and arouse all classes of citizens from their fancied security, is the purpose of Flag Day.

It is not our desire to arouse within our citizens the ambition and avarice that has converted Europe into a bloody shambles. Our only ambition as Americans should be to make our beloved land so free that every man would be able to find opportunity for development, and to assure to his children the protection of that flag, which symbolizes every aspiration for freedom and equality that man can cherish.

To do this it is not necessary to emulate the example of militarism set by European nations. We do not need a great standing army, nor an immense fleet of vessels to guard our shores, but we should maintain a sufficient force on land and sea to protect our commerce, to defend us from any possible invasion by unscrupulous foes, to hold the respect of foreign nations, and enable every American to point with just pride to that starry flag not only at home, but everywhere the wind may unfold its beauty, as the banner of freedom and the sure protection of all who claim its shelter in the sacred name of humanity.

As long as there is discord and oppression in the world we shall have wars and rumors of war, until the leaven of right dealing between man and man, and between nation and nation, shall cover the earth as the waters cover the great deep. Wise men recognize this truth and prepare for possible calamity. As a people, we are in no immediate danger of foreign invasion, but no power can insure us against that black cloud of war which may break upon us at any moment, scattering ruin and desolation in its path. It is the unexpected that happens, and not to take all possible precautions against unexpected danger, such as embroilment with foreign nations, is the sheerest folly a people can be guilty of.

Recently in an address at the Ohio State convention of the Reserve Officers' Association Assistant Secretary of War Woodring made this statement: "We know that little real progress has been made toward abolishing war. Even a casual survey of present-day world conditions impresses upon us the fact that very few of the grave problems causing dangerous international friction have been solved since the last great war.

"There exists in Europe today the sad spectacle of 10,000,000 more men under arms than at the end of the World War. Great

modern superforts line the frontiers. Asia and Africa are torn with strife and unrest.

"Increasing dictatorships throughout the world are rapidly destroying the last vestiges of that personal liberty which 18 years ago we hoped would act as an effective check against wars.

"Under such conditions, how can any true-thinking American criticize the people of this country who, through their Representatives in Congress, demand the protection of adequate military preparedness, people who realize that our military effectiveness must be such that whatever aggressive nation, or combination of nations, threatens us with war shall find us so well prepared that it will not dare attack us."

But, my comrades, there are things that are much more to be deplored than war: The lusts and passions; the covetous spirit that craves for what is not its own; the cruelties and injustices that we wink at, because they put money in our purses; the grinding face of the poor; and the inhumanity of man to man, these are things worse than war, and you may be sure that God will keep his greatest curse for the evils out of which war springs, rather than for the blood poured out upon the battlefield. There are men today who are crying "Peace, peace", but no true man should ever pray for peace, unless he has himself fought for justice among all men.

And there are other things awaiting our endeavor. There is today a great association of the allied veterans of the World War, of which the American Legion is a part. The organized veterans of seven other nations as well make up the international organization. Its personnel is composed of men who have come through the service of war to a great desire for peace. The veterans of these eight nations in this great organization are working in association with all their powers for a better understanding among the nations such as will clear the path for permanent and lasting peace. Thereafter the nations of the world may take eyes off each other and develop each its own ideal through the medium of its own culture. Here in America there will be busy streets of cities, where men and women shall go about their work securely, content and confident, each one, of justice and of liberty. There will be pleasant avenues of homes, and highways leading out among flourishing farms. Athletic fields there will be, and libraries, and above all schools; nor shall any child any longer be kept out of school. And here and there along the streets you will see the clubhouses of the veterans whose service helped to bring these things about. And as your gaze climbs higher you will see floating above the clubhouses of the veterans the flag of America, and above all the schools you will see the flag of America, and above all office and public buildings the flag of America; until the blue of its field enlarges into the blue of the heavens, and the stars of that field take on the splendor of the eternal stars above. And as our eyes are fixed upon our radiant flag symbolizing the unity of our free and mighty people, may there come from our hearts a prayer of thanksgiving to the God of our fathers, for the continuance of His goodness and mercy, and may we as a people prove worthy.

Flag of our great Republic—hallowed by noblest deeds and loving sacrifice, guardian of our honor, an inspiration in every battle for the right—whose stars and stripes stand for beauty, purity, truth, patriotism, and the Union. We salute thee, and for thy defense, the protection of our country, and the conservation of the liberty of the American people, we pledge our hearts, our lives, and our sacred honor.

HOW SMALL STOCKHOLDERS WERE CREATED AND USED BY THE UTILITY HOLDING COMPANIES

Mr. GRAY of Indiana. Mr. Speaker, in reviewing my remarks on public-utility legislation to safeguard the people against the holding-company monopoly under consideration before Congress July 1, August 1, and August 22, 1935, I find certain paragraphs explaining the sale of stock to their customers and which are of special interest at this time.

If these small stockholders in the utility holding companies only knew the facts and how and for what deliberate purpose they were sold stock they would have resented with indignation the call made upon them to write or wire their Congressman to oppose or vote against the bill.

STOCKHOLDERS DELIBERATELY CREATED FOR A PURPOSE

Looking ahead for the last 25 years to the developments of electricity seen coming, the public-utility holding company interests have been organizing to monopolize and control the production and distribution of electric power and have been building up their defense behind unsuspecting individual stockholders.

Under this investigation it was found the policy carried out through an army of utility employees to sell and scatter a certain amount of their stock among single individual stock investors and then to have their employees frequently contact or keep in touch with these small stockholders to urge the importance of upholding their companies to maintain the value of their shares of stock.

HOW STOCKHOLDERS ARE CREATED

Classified lists have been made and kept of all persons to whom stock was sold not only for the purpose of frequent contacts and to receive holding-company literature but for the purpose of prompting and calling them to aid in their defense against any unfavorable legislation. This system of creating scattered stockholders to be held ready and in waiting in every legislative and congressional district was known as the "Illinois plan" and was first perfected and sponsored by the Insull public-utility corporations.

As before explained, this plan was later adopted as the model plan and system by the National Utility Association, which completed its organization in 1927 to oppose so-called unfriendly legislation in Congress, at that time for a trial of public ownership. This policy of public-utility corporations, using the employees to sell stock and to scatter shares among individual men, is all set forth in the summary report of the Federal Trade Commission, under Senate Resolution No. 83, and explains by whom and the system under which Congress is being bombarded on this bill at this time.

HOW STOCKHOLDERS ARE USED

It was from behind the breastworks of these small public-utility stockholders that Samuel Insull and Martin J. Insull joined the electric-power monopoly in its fight in Congress in 1927 against the development of Muscle Shoals as a step to try out public ownership. But the small stockholders of the Insull Public Utility Corporation must be exonerated from opposition to this bill. They have been busy keeping trace of Samuel Insull in his wanderings in Europe and over the seven seas, trying to escape trial in America, and only to be extradited and returned to trial and found "guilty but not proven" under the technicalities of corporate law.

DEFENDING IN THE NAME OF OTHERS

The holding companies appearing here made no defense in their own names. They are assuming to rise above interest of self. In their concern for the small stockholders they are assuming to forget self. They are assuming to forget the high salaries and the millions collected in dividends forced from the operating companies, which are in fact in danger, and not the small stockholders.

They are pleading only the cause of the small stockholders; the cause of the widows and orphans; the cause of churches, schools, and benevolent orders—the buyers of their watered and diluted stocks, induced under a policy program to create sympathy-appealing investors. And the pity of it all, the tragedy of it all, and the humiliation of it all is that those great utility holding corporations are organizing these small stockholders to whom they have deliberately sold stock to use and hold as hostages and behind whom to make their defense.

This is a subterfuge as old as history. Every man who has enslaved another man has enslaved him under the claim and plea that it was to better the condition of the enslaved. Every marauding despotic king, conquering and subjugating a defenseless people, has conquered them under the claim that it was for the benefit of the conquered. Every burden and imposition heaped upon men has been under the claim and pretext that it was for the benefit of the burdened.

This was an organized defense plan and known as customer ownership and investment, built up under a special sales campaign, to place a few shares of nonvoting stock in the hands of unsuspecting electricity consumers first, in the hands of the more influential, and through their influence to the people generally.

THE STRATEGY OF CREATING AN ARMY OF NONVOTING STOCKHOLDERS

The policy of this sale of nonvoting stock was to create a financial or self-interest in a great number of persons to

whom an appeal could be made for the support of utility corporations on the grounds of having a common interest, and thereby to harness them in their defense.

This strategy of creating an army of small nonvoting stockholders was carried out and directed by a customer-ownership committee, under Emery E. Wilson, chairman of the National Electric Light Association, the corporation organized over all utility companies. This chairman of the customer-ownership committee, explaining this plan on March 9, 1925, to the Academy of Political Science, or, more properly speaking, the strategy of politics, said:

At last (we have) found the material to make impregnable the wall around private (utility) business (Federal Trade Report 71–A, pp. 11 and on).

Danger from losing control of this vast army of small scattered stockholders was shrewdly safeguarded against by selling them only nonvoting stock, making them, in fact, voiceless investors and leaving them helpless and at the mercy of Wall Street gamblers and manipulating financiers.

THE ORGANIZATION OF 5,000,000 SMALL SHAREHOLDERS ADMITTED TO CONTROL CONGRESSIONAL ELECTIONS

Phillip H. Gadsden, chairman of the committee of utility executives, called before the lobby committee to answer for directing the expenditure of $5,000,000 in lobby funds during the consideration of the utility bill has admitted that 2,000,000 of these stockholders were scattered through congressional districts. Later, speaking to newspapermen, as a challenge to and defying Congress, Mr. Gadsden declared that there were 5,000,000 stockholders; that each stockholder would control two or more votes, giving the utilities 10,000,000 voting strength, an irresistible balance of power to sway the election in every congressional district.

Under this unconsciously drilled and trained army these recruited customer-stockholders, instilled with the spirit of their own interest, the people, the electric-consuming public have been encompassed and held as helpless as the plebians and slaves of Rome were held in subjection and from revolt by the Roman legion soldiers.

With this army of made-to-order stockholders, kept and held mobilized and ready as a balance of power at the polls, in every legislative and congressional district, it was only necessary to recount and parade them before the members of the legislature, or the Members of Congress in Washington, to reflect a made-to-order public opinion and to bring Members of the legislature or Congress to a stern realization of the voting strength of constituents favoring utility holding companies during the consideration of the holding company bill and the balance of power they must reckon with back home. (See House of Representatives lobby hearings.)

THE DOLLINGS AND INSULL STOCKHOLDERS RECALLED

The small individual stockholders, who have given up their good money, may wake up some morning only to find their treasured stock as worthless as the Dollings stock, or as worthless as the Insull stock, which swept away the life savings of millions of honest people.

The small individual investors are making a colossal mistake in allowing themselves to be led to oppose those who are trying to save them from the salary grabbers and manipulators feeding upon the earnings and incomes and the property behind their stock.

While the utility holding companies were assuming to forget self and their own interests and pleading the cause of the small stockholder and the widows and orphans as investors, the following from the lobby committee hearings was published in the Washington News August 15, 1935, at page 43:

One of the investors in H. C. Hopson's Associated Gas & Electric Co., who bought in at $60 a share with her life's savings, has taken to circularizing members of the Senate lobby committee.

Her mimeographed letter, signed by Vanita Crofoot, and giving her address in Seattle, urged support of the Wheeler-Rayburn utility bill "or its equivalent." The letter continues:

"I should gladly welcome Government control even to the extent of the Government owning such companies in order to protect future investors. I placed my life earnings in the Associated Gas & Electric Co., paying $60 a share, and now it is quoted on the New York Curb at 11/16. The company's statements do not warrant this drop.

"The Associated Gas & Electric Co. has sent me several communications asking me to write Senators and Representatives of the evils of the Wheeler-Rayburn bill. On the contrary, I wish to urge you to vote for the annihilation of the holding companies because of the benefits that will accrue to the stockholders of the future."

THE ONLY HOPE FOR SMALL STOCKHOLDERS

With the shadows of the Dollings and Insull companies and their movements, manipulations, and final failures hanging low in the investment horizon, the duty of this Congress is plain if the common people are to be protected from exploitation. There is only one hope remaining for the small individual stock investor holding shares in great corporations. There must be intervention by the State and Nation to stay the hands of speculation and high finance and to compel open operations and administration and observance of honesty among corporations. Gambling and stock manipulation, watered and diluted stock issues, thrown upon the market without supporting assets, confiscatory salaries and fees are incompatible with security and a stable basis for investments.

The one and only hope of the small stockholders is to allow the operating distributing companies—the companies producing light, power, and heat—to keep and hold their earning and incomes to pay dividends to the stockholders and to keep the company property intact, necessary to maintain the value of their shares.

The only hope for the small stockholders is to protect the operating companies from the high salaries and tributes exacted by the so-called holding companies.

MEMBERS OF CONGRESS TERRORIZED AND STAMPEDED

It was this avalanche of letters and telegrams carrying a mail-order demand that terrorized and stampeded Members of Congress to desert lifelong association and principle and drove them to vote for the utilities.

So real and actual was this manufactured demand made to appear before Members of Congress that Members of the House, whose conception of duty and highest aim and ambition is to abide the will of their constituents, were frustrated and terrorized. And resolving all doubts in favor of what they believed was a bona-fide expression of popular will in their district voted—many reluctantly—to sustain the holding companies. And having once taken a position, may now be slow to change their votes, as showing a wavering position.

THE SHOWER OF TELEGRAMS

Great and impressive as was this army of made-to-order holding company stockholders, it was made to appear even greater by telegrams showered upon Congressmen during the consideration of the holding company bill, signed by names taken from telephone directories, assuming to come from people favoring holding companies, but unauthorized and without knowledge of the signers. The hearings of the Senate lobby committee show that the holding company agents in one district of the State of Pennsylvania spent over $8,000 sending out unauthorized telegrams assuming to come from anxious constituents, all protesting against the elimination of unnecessary holding companies.

Thus thousands were added to the army of made-to-order stockholders by an even greater make-believe army, brought and paraded before Members of Congress, shaking and trembling in their political boots, a strategy as resourceful and effective as Benedict Arnold's military maneuver of marching his army around a hill and presenting an unending column before the enemy.

This recruited army of unsuspecting stockholders has long been kept and held mobilized in formative line and in readiness to march on notice under and carrying the colors in defense of the public-utility corporations and under the command and leadership of utilty lawyers and legislative lobbyists.

It will flash before the mind of every man acquainted with or having knowledge of these utility stock manipulators that had these shares been of special, preferred value as the utility employees were made to represent, the stock would have been gobbled up by the managers and not a single share sold to customers.

The number of these specially created stockholders remains indefinite, undisclosed, but estimated as from two to three million individual men and women and spread through legislative and congressional districts to constitute a balance of political power and a voting strength at the polls capable of electing friendly candidates or of defeating unfriendly Members of Congress and legislatures. (Federal Trade Commission Report 71–A, pp. 31, 32.)

The lobby investigation made after the close of the consideration of the utility bill shows that these small stockholders were deliberately sold stock by the utility holding companies under a carefully prepared but secret plan to create an army of individual men and women and hold them ready to be used as tools and cat's-paws in defending their monopoly of electricity whenever an effort was made to break their strangle hold.

This lobby investigation further shows that these small stockholders were kept and held in waiting for this purpose, and the order in the form of an urgent request for them to write or wire their Congressman was sent out by the big holding companies of the East. They used the army of small stockholders to conceal themselves from Congress and to make it appear that the opposition to Government regulation or control of electricity was coming from the people.

Unless the Government comes in to regulate and control holding companies and protect these small stockholders from the stock manipulators and gamblers, these small stockholders will go the way of the Insull and the Dolling stockholders under which millions lost their savings of a lifetime.

The pity and tragedy of it all is that these small stockholders created for the special purpose of using them as a screen to shield the holding companies and behind which to make their defense are being misled to oppose the Government in its efforts to protect them and save them from the loss of their money and hard-earned savings.

TAX MONEY—WHERE AND FROM WHOM IT IS COLLECTED; WHERE AND BY WHOM IT IS SPENT

Mr. HOFFMAN. Mr. Speaker, the present administration points with pride to the relief funds being distributed throughout the United States, apparently desiring that you believe that it provides these funds in some mysterious manner without increasing the burden of taxation upon you, your children, or your grandchildren and that these funds come from some source other than the taxpayer's pocket.

The administration assumes that the expenditure of these funds is an act of generosity on the part of the President. One would think, reading their propaganda, that the President and his advisers are giving of their own money to those receiving these public funds.

True, many States and municipalities have received public grants, but the funds so received were the taxpayer's money, not the money of the President, and all too often the amount originally allocated has been trimmed at various stages on its downward course until the sum received by the local unit or individual represented altogether too small a part of the sum originally intended for it or him. Too many political henchmen took their toll as the relief funds went through the mill.

The money disbursed for relief or relief projects is your money, regardless of the fact that you may not have recognized the fact that it was being taken from you by taxation, direct or indirect; and, of taxation, President Roosevelt said:

> Taxes are paid in the sweat of every man who labors. If they are excessive, they are reflected in idle factories, tax-sold farms, and hence in hordes of hungry tramping the streets and seeking jobs in vain. Our people and our business cannot carry its excessive burdens of taxation.

The foregoing quotation from the President may contain the answer to the idle factories, the tax-sold farms, and the increase in unemployment, which has not been materially lessened by the President's demand for, and expenditure of, billions of dollars collected from the taxpayers. Why does he not follow his own prescription uttered when he was criticizing a Republican administration?

THE MONEY—WHERE DOES IT COME FROM AND WHERE DOES IT GO? WHO PAYS IT AND WHO GETS IT? AND WHY IS YOUR TAX MONEY PAID TO THOSE WHO ARE RECEIVING IT RATHER THAN TO OTHERS?

Many national newspapers recently carried a full page showing the amount collected in internal revenue from various States and the amount paid to those States from the United States Treasury for direct relief. They are so important in bringing home to us the actual situation and an understanding of what is being done and of how the administration is purchasing support for its policies by the use of other people's money in buying votes, that here again is given the amount collected from these States for the United States Treasury and the amount paid to them from the United States Treasury:

For year ending June 30, 1935

Alabama:	
Received from the U. S. Treasury	$17,298,104
Paid into the U. S. Treasury	12,709,165
Alabama received, over and above what it paid	4,588,939
Arizona:	
Received from the U. S. Treasury	6,902,501
Paid into the U. S. Treasury	1,745,295
Arizona received, over and above what it paid	5,157,206
Arkansas:	
Received from the U. S. Treasury	16,948,000
Paid into the U. S. Treasury	3,178,317
Arkansas received, over and above what it paid	13,769,683
Mississippi:	
Received from the U. S. Treasury	12,700,000
Paid into the U. S. Treasury	2,533,879
Mississippi received, over and above what it paid	10,166,121
Montana:	
Received from the U. S. Treasury	9,084,000
Paid into the U. S. Treasury	6,165,173
Montana received, over and above what it paid	2,918,827
Nebraska:	
Received from the U. S. Treasury	12,825,000
Paid into the U. S. Treasury	12,454,094
Nebraska received, over and above what it paid	370,906
Nevada:	
Received from the U. S. Treasury	2,307,000
Paid into the U. S. Treasury	2,126,621
Nevada received, over and above what it paid	180,379
New Mexico:	
Received from the U. S. Treasury	7,700,000
Paid into the U. S. Treasury	1,038,463
New Mexico received, over and above what it paid	6,661,537
Utah:	
Received from the U. S. Treasury	8,270,000
Paid into the U. S. Treasury	6,304,221
Utah received, over and above what it paid	1,965,779
West Virginia:	
Received from the U. S. Treasury	17,600,000
Paid into the U. S. Treasury	10,605,166
West Virginia received, over and above what it paid	6,994,834

These 10 New Deal States received from the Federal Treasury $52,774,211 more than they paid into it. The President said that we must not rob Peter to pay Paul, but he has no objection to taking money from industrial Republican States to give to Democratic Western and Southern States, and, doubtless, untold sums will soon be thrown into the remaining Republican States to swing their votes in favor of the policies of the administration.

Arkansas, the State of Democratic floor leader, Senator JOE ROBINSON, received from the Federal Treasury $13,769,683 more than it paid in. Apparently "the laborer is worthy of his hire."

The practical, political significance of the foregoing figures is apparent when it is remembered that these 10 States have 20 Senators in Congress and that those Senators are the fighting nucleus of the New Deal. They are the ones who are carrying out the President's policy of putting across this method of enriching the people of their States at the national expense.

Note the situation in connection with my home State:

Michigan paid into the U. S. Treasury	$135,853,971.41
It received from the U. S. Treasury	49,075,534.00
	86,778,437.41

It received $86,778,437.41 less than it paid in. For each dollar received by Michigan from the Federal Government it paid to the Federal Government $2.7685. But Michigan is a Republican State! What do you honestly think of this plan of taking Michigan's money and distributing it for relief in these and other States?

No doubt this policy of corrupting the voters by extending relief and special advantages to various classes will be continued, and, if successful, in a short time, perhaps within the next 4 years, the President will find himself so entrenched, so powerful in national affairs, that he will be able, in the event of the death of members of the Supreme Court—no uncertain contingency, for all the Justices are well past middle age—not only to change, because of death, the members of that Court but, by the appointment of New Dealers, of—as George N. Peek, the President's former Administrator of the Triple A code, has designated them—"collectivists" or "internationalists", obtain legal sanction for those theories of government which will make him our dictator.

It has long been considered a crime for any individual, using his own money, to buy votes or political support or to purchase support of legislative measures. How much more reprehensible it is to use the money taken from the taxpayers, ostensibly for the purpose of relief, to purchase political support.

In his message to Congress on January 3 of this year the President, among other things, said:

> Shall we say to the several millions of unemployed citizens who face the very problem of existence—of getting enough to eat—"We will withdraw from giving you work, we will turn you back to the charities of your communities and to those men of selfish power who will tell you that perhaps they will employ you if the Government leaves them strictly alone"? Shall we say, "Your problem is a local one, except that perhaps the Federal Government, as an act of mere generosity, will be willing to pay to your city or to your county a few grudging dollars to help maintain your soup kitchens"?

History discloses that it was a previous Democratic administration which gave us the soup kitchens on a national scale. The experience of the last few years demonstrates that, despite the spending of billions of dollars for relief, for made work, no appreciable improvement has been made in the unemployment situation.

Always, in previous depressions, the unemployed have been cared for by local communities and by their States. This is the first time in the history of our country that the Nation engaged in wholesale corruption. This is the first time the voters have been told, in unmistakable terms, that if they or their communities desired to share in the distribution of the relief funds, in the funds for local projects and local improvements, they should "vote right" with the administration; that they should support the Democratic ticket.

Big Jim Farley, National Democratic Committee chairman, and incidentally a Cabinet officer, has pointed out the answer to the President's question, and his answer is, and it is known at this time to practically everyone, that these funds are used for Democratic voters and Democratic communities.

Not long ago I put into the RECORD a stereotyped form which required one seeking employment on relief work to state when and how much he had contributed to his local Democratic committee. Could anything be more vicious, more destructive of our Government?

The President asked—I quote again:

> Shall we say to the several millions of unemployed citizens who face the very problem of existence—of getting enough to eat—"We will withdraw from giving you work, we will turn you back to the charities of your communities and to those men of selfish power who will tell you that perhaps they will employ you if the Government leaves them strictly alone"?

Why should he ask this question? His political manager, Jim Farley, and those working under them have already answered it—to the knowledge, but to the disgust, of every thinking man and woman who knows that this Government of ours has said, in substance and in effect, to the unemployed, to those in need, "We will withdraw from giving you work unless you vote right."

Here on the floors of Congress practically every relief bill that comes up contains appropriations that we all know will be used to further the advancement of the present administration and those claiming power under it, and many are forced to vote to continue that corruption or to vote against a relief bill.

Here are the figures which prove where the relief money is going. Note the favoritism shown the States friendly toward the administration. The first five States listed below are represented by Democratic Senators, except that California has one so-called Republican Senator—he supported Roosevelt. Those States can be counted upon to cast the electoral vote for the New Deal in the next election. The last five are Republican States. Note the vast difference in relief per family.

State	Families on direct relief in 1935 (average of March and July figures)	Federal direct relief to States in 1935	Average per family of Federal funds
California (Democratic)	183,854	$91,680,011	$499
Louisiana (Democratic)	46,350	18,564,020	400
Montana (Democratic)	21,045	9,084,850	432
Colorado (Democratic)	46,724	19,746,708	423
Nevada (Democratic)	2,125	2,307,225	1,086
Delaware (Republican)	3,934		163
Rhode Island (Republican)	16,525	3,038,106	184
Maine (Republican)	19,807	5,661,016	286
New Hampshire (Republican)	11,216	2,158,515	192
Vermont (Republican)	6,943	1,759,747	253

How long, O Lord, how long will the voters stand idly by and see their money used by a great national party to purchase political support, to perpetuate itself in power, to take the first steps toward a dictatorship which will reach its destination and be an actuality in 4 more short years, if this administration is returned to power?

Are we dreaming? No; we are not. Not long ago the President said:

> Remember well that attitude and method—the way we do things, not just the way we say things, is nearly always the measure of our sincerity.

Every act of this administration is a part of a patterned whole, and it is no idle dream to say that at the present time only by the decisions of the Supreme Court in the N. R. A. and Triple A cases are men enabled to conduct their businesses and to farm their lands unhampered by the autocratic rule of an Executive officer—a dictatorship in fact if not in name.

Do you remember when the Marine Band was withdrawn from a meeting of the Women's Patriotic Conference on National Defense because a speaker had criticized the New Deal? Do you remember that just a few days ago the Army Band and companies of soldiers marched in a political parade at Baltimore when and where the President made a political speech?

The Army has been used to give color to and to aid a Democratic political rally. How long will it be before it will be used to police the polling booths to determine the result

of an election? How long will it be before the members of the C. C. C. camps are mobilized as a political force? Are not some of them being so used at the present time?

Many people say, "Why criticize?" and "What have you to offer?" We criticize because the system is wrong. There is not any doubt about it, and it can end only in disaster; and I offer the same constructive suggestion that I would if I were driving with a drunken, speeding driver, namely, "Slow up and watch where you are going." To the Government I say, "Cut out these needless, useless expenditures. Quit taking the money of Michigan to give to the people of some other State for the building of useless projects. Quit paying Michigan's money to unnecessary officials for expenditure on needless, worthless projects."

Michigan and Kansas have pointed the way. Their budgets are balanced. Put the Nation on a like basis. By so doing, at least 15 to 20 percent of the dollar which you pay for taxes, direct or indirect, can be saved. The 15 or 20 cents thus saved you will buy far more than the 5 or 10 cents given back to you by the Government out of the dollar which it collected from you.

Restore liberty. Deny to the President the lawmaking power which he has exercised by sending down to Congress his "must" bills. Take away from him the authority, through Executive order, to rule this country and spend the people's money. Deny his request that he be given billions of dollars of your money to be expended under his direction by a Tugwell, a Hopkins, or a Wallace. Kick out of the Nation's Capital the Frankfurters. Kick out all that horde of professors, of theorists, none of whom knows the cause of sweat, the feeling of a blister or a callous; none of whom ever accomplished anything of moment in industry, finance, or agriculture; all of whom believe that they are the Lord's anointed, ordained to save the world rather than America.

Let us return once more to the thought that America is for Americans who believe in the principles of a government established by our fathers and written in the Constitution, equal justice for all and the practice of the Golden Rule.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed the following resolution.

Senate Resolution 323

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. DUNCAN U. FLETCHER, late a Senator from the State of Florida.

Resolved, That a committee of six Senators be appointed by the Vice President to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate do now take a recess until 10 o'clock antemeridian tomorrow.

THE LATE HON. DUNCAN U. FLETCHER

Mr. SEARS. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SEARS. Mr. Speaker, it is with sincere regret that I announce the death of Senator DUNCAN U. FLETCHER at 10:30 a. m. today. Within less than 6 weeks Florida has lost two Senators. DUNCAN U. FLETCHER, for more than 27 years Florida's United States Senator, played an active part in life and has left behind him friends who will never forget his activities. He loved his State. He loved his friends, but above and beyond that he had a national and an international mind.

At this time I could not pay to him the tribute that he deserves, but at a later date I hope I may have the privilege of appearing before my colleagues and paying tribute to Senator FLETCHER.

I offer a resolution, Mr. Speaker, which I send to the desk.

The Clerk read as follows:

House Resolution 554

Resolved, That the House has heard with profound sorrow of the death of Hon. DUNCAN U. FLETCHER, a Senator of the United States from the State of Florida.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of five Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER appointed the following committee: Mr. SEARS, Mr. GREEN, Mr. CALDWELL, Mr. PETERSON of Florida, and Mr. WILCOX.

ADJOURNMENT

The SPEAKER. The Clerk will read the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The resolution was agreed to; accordingly (at 5 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Thursday, June 18, 1936, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RAMSPECK: Committee on the Civil Service. S. 2293. An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States; without amendment (Rept. No. 3111). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHANDLER: Committee on the Judiciary. H. R. 12064. A bill to amend the Bankruptcy Act of July 1, 1898, to prevent loss of assets and excessive charges in connection with certain reorganizations, compositions, and extensions, and to aid the district courts in the administration thereof, and for other purposes; without amendment (Rept. No. 3012). Referred to the Committee of the Whole House on the state of the Union.

Mr. EKWALL: Committee on Irrigation and Reclamation. S. 4062. An act to provide for a survey of the Cabinet Gorge on the Clark Fork of the Columbia River; without amendment (Rept. No. 3014). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 571. Joint resolution to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam; without amendment (Rept. No. 3016). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. House Joint Resolution 596. Joint resolution to enable the States of Pennsylvania, Ohio, Illinois, Indiana, West Virginia, Kentucky, and Tennessee to conserve and stabilize the coal-mining industry within said States; with amendment (Rept. No. 3017). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 11217. A bill to amend section 76 of the Judicial Code, as amended, with respect to the terms of the Federal district court held at Tallahassee, Fla.; with amendment (Rept. No. 3018). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. H. R. 12796. A bill to amend the act entitled "An act to provide for the times and places for holding court for the eastern district of North Carolina", approved May 10, 1928, as amended (U. S. C., 1934 edition, title 28, sec. 179; U. S. C., Supp. I, title 28, sec. 179); without amendment (Rept. No. 3019). Referred to the House Calendar.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 3869. An act to authorize payment of the amounts due on delinquent homestead entries on certain Indian reservations; with amendment (Rept. No. 3021). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 4551. An act to authorize the addition of certain names

to the final rolls of the Blackfeet Tribe of Indians in the State of Montana; with amendment (Rept. No. 3022). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUCK: Committee on Ways and Means. H. R. 12324. A bill to amend section 723 (a) of the Revenue Act of 1932, as amended; with amendment (Rept. No. 3023). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 4493. An act to provide for the construction, extension, and improvement of public-school buildings in Uintah County, Utah; without amendment (Rept. No. 3024). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMACK: Committee on Ways and Means. H. R. 12876. A bill to waive any exclusive jurisdiction over premises of resettlement or rural rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes; with amendment (Rept. No. 3025). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BEITER: Committee on War Claims. H. R. 12972. A bill to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels; without amendment (Rept. No. 3015). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON: A bill (H. R. 13001) to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes; to the Committee on Ways and Means.

By Mr. LUCAS: A bill (H. R. 13002) providing for the examination and survey of Meredosia Bay, on the Illinois River, Ill.; to the Committee on Rivers and Harbors.

By Mr. O'CONNOR: Resolution (H. Res. 552) pertaining to motions to suspend the rules; to the Committee on Rules.

By Mr. RAMSPECK: Resolution (H. Res. 553) granting rule for consideration of H. R. 3251, an act extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes; to the Committee on Rules.

By Mr. ELLENBOGEN: Joint resolution (H. J. Res. 633) to appoint a nonpartisan committee to formulate a permanent Federal relief program; to the Committee on Rules.

By Mr. KNUTSON: Joint resolution (H. J. Res. 634) to enable farmers to pay off their seed and feed loans by working on farm-to-market roads; to the Committee on Agriculture.

By Mr. LUCKEY: Joint resolution (H. J. Res. 635) making an appropriation for the establishment and maintenance of the Great Plains Forest Experiment Station (during the fiscal year 1937); to the Committee on Appropriations.

By Mrs. O'DAY: Joint resolution (H. J. Res. 636) to authorize the Director of the Mint to prepare a medal commemorative of the 50 years of continuous effort and service of Carrie Chapman Catt for the betterment of the status of women in the United States; to the Committee on Coinage, Weights, and Measures.

By Mr. BLOOM: Concurrent resolution (H. Con. Res. 60) to authorize the Clerk of the House in the enrollment of H. R. 12624 to insert additional language in connection with Senate amendment no. 14; to the Committee on Appropriations.

By Mr. PATMAN: Concurrent resolution (H. Con. Res. 61) authorizing the printing of additional copies of the hearings held before the special committee of the House of Representatives appointed to investigate the lobbying activities of the American Retail Federation; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial from the General Assembly of Pennsylvania, to enact the Guffey-Vinson bill, designed to regulate the bituminous coal industry; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEAM: A bill (H. R. 13003) for the relief of Henry Hillgameyer; to the Committee on Naval Affairs.

By Mr. LORD: A bill (H. R. 13004) granting a pension to Laura A. Gundlach; to the Committee on Invalid Pensions.

By Mr. MOTT: A bill (H. R. 13005) for the relief of Dorothy Krick; to the Committee on Claims.

By Mr. MURDOCK: A bill (H. R. 13006) for the relief of B. N. Reddington; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

11114. By Mr. McCORMACK: Memorial of the General Court of Massachusetts, memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather; to the Committee on Labor.

11115. By Mr. SADOWSKI: Petition of the Roumanian Branch, No. 4503, I. W. O., of Dearborn, Mich., protesting against the activities of the Black Legion; to the Committee on the Judiciary.

11116. Also, petition of the Roumanian American Citizens Club, of Dearborn, Mich., protesting against the activities of the Black Legion; to the Committee on the Judiciary.

11117. Also, petition of a mass meeting held at C. R. Hall, Detroit, Mich., endorsing the Benson-Dickstein concurrent resolution calling for investigation of the Black Legion; to the Committee on Rules.

11118. By Mr. TINKHAM: Resolution memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather; to the Committee on Labor.

11119. By Mr. TONRY: Resolution of Holy Name Society of St. Patrick's Church, Brooklyn, N. Y., opposing legislation proposing a bridge or tunnel across the Narrows of New York Bay from Staten Island to the Bay Ridge section of Brooklyn, N. Y.; to the Committee on Interstate and Foreign Commerce.

11120. By the SPEAKER: Petition of John H. Brown, of Topeka, Kans.; to the Committee on Banking and Currency.

SENATE

THURSDAY, JUNE 18, 1936

(Legislative day of Monday, June 15, 1936)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar days Tuesday, June 16, and Wednesday, June 17, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Borah	Chavez	Gerry
Ashurst	Brown	Clark	Gibson
Bachman	Bulkley	Connally	Glass
Bailey	Bulow	Copeland	Guffey
Barbour	Burke	Couzens	Hale
Barkley	Byrd	Davis	Harrison
Benson	Byrnes	Dieterich	Hastings
Bilbo	Capper	Duffy	Hatch
Black	Carraway	Frazier	Hayden
Bone	Carey	George	Holt

King	Metcalf	Radcliffe	Townsend
La Follette	Minton	Reynolds	Truman
Lewis	Moore	Robinson	Tydings
Loftin	Murphy	Russell	Vandenberg
Lonergan	Murray	Schwellenbach	Van Nuys
Long	Neely	Sheppard	Wagner
McAdoo	Norris	Shipstead	Walsh
McGill	Nye	Smith	Wheeler
McKellar	O'Mahoney	Steiwer	
McNary	Pittman	Thomas, Okla.	
Maloney	Pope	Thomas, Utah	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], and the Senator from Nevada [Mr. MCCARRAN] are absent because of illness, and that the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the Senator from Kentucky [Mr. LOGAN], the Senator from Louisiana [Mr. OVERTON], and the Senator from Indiana [Mr. VAN NUYS] are unavoidably detained from the Senate.

Mr. MCNARY. I announce that the Senator from California [Mr. JOHNSON] is absent because of illness, and that the Senator from Vermont [Mr. AUSTIN], the Senator from Iowa [Mr. DICKINSON], the Senator from New Hampshire [Mr. KEYES], and the Senator from Maine [Mr. WHITE] are necessarily absent.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

THE LATE SENATOR DUNCAN U. FLETCHER

Mr. LOFTIN. Mr. President, I have here a poem written by Horace C. Carlisle, of Alabama, on the late Senator Fletcher, which I ask unanimous consent to have placed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

SENATOR FLETCHER

S-enator Duncan U. Fletcher is dead—
E-veryone's friend, but no mortal man's foe—
N-ational leader, of well-deserved fame,
A-lways, to all men, at all times, the same—
T-rue and tried statesman—yet, when called to go
O-ut from this life, he was quick to respond,
R-eady for service in God's great beyond.

D-uring his long public-service career,
U-ntil the last day before he passed on,
N-one in the Senate strove harder to do
C-heerfully all that their friends wished them to.
A-lways an optimist—facing the dawn—
N-ow he can rest—in perpetual ease—

U-nder the shade of Eternity's trees.

F-aithful, till death, was he to every trust—
L-ife meant, to him, more than just to exist—
E-very day, thought he, was duly designed
T-o be in history's archives enshrined,
C-arefully ordered to keep humankind
H-opeful—determined, like him, to resist
E-verything wrong, but to fearlessly fight—
R-eady to die, if need be—for the right.

—*Horace C. Carlisle.*

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The VICE PRESIDENT announced his signature to the following enrolled bills and joint resolutions, which had previously been signed by the Speaker of the House of Representatives:

S. 3371. An act for the relief of John Walker;
S. 3441. An act for the relief of C. T. Hird;
S. 3956. An act for the relief of Jacob Kaiser;
H. R. 300. An act for the relief of F. P. Bolack;
H. R. 686. An act for the relief of John Collins;
H. R. 796. An act for the relief of A. E. Clark;
H. R. 993. An act for the relief of Frank A. Boyle;
H. R. 2213. An act for the relief of Charles P. Shipley Saddlery & Mercantile Co.;
H. R. 2262. An act for the relief of William H. Locke;
H. R. 2387. An act for the relief of Julia Miller;
H. R. 2400. An act for the relief of Blanche Knight;
H. R. 2495. An act for the relief of Thomas Berchel Burke;
H. R. 2496. An act for the relief of Thomas J. Moran;
H. R. 2497. An act for the relief of William H. Hildebrand;
H. R. 3160. An act for the relief of Irene Magnuson and Oscar L. Magnuson, her husband;
H. R. 3388. An act for the relief of Jessie D. Bowman;
H. R. 3694. An act for the relief of Florence Byvank;
H. R. 3907. An act for the relief of James L. Park;
H. R. 4085. An act for the relief of Joseph Watkins;
H. R. 4219. An act for the relief of John J. Ryan;
H. R. 4373. An act for the relief of Albert Gonzales.
H. R. 4565. An act for the relief of Lucile Smith;
H. R. 4619. An act for the relief of Joseph Salinghi;
H. R. 4699. An act for the relief of Estelle M. Gardiner;
H. R. 4955. An act for the relief of the estate of Jennie Brenner;
H. R. 5635. An act confering jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation;
H. R. 5752. An act for the relief of May Wynne Lamb;
H. R. 5870. An act for the relief of K. S. Szymanski;
H. R. 5900. An act for the relief of Joseph E. Moore;
H. R. 6702. An act for the relief of Annie E. Daniels;
H. R. 7270. An act for the relief of Clara Imbesi and Domenick Imbesi;
H. R. 7555. An act for the relief of W. N. Holbrook;
H. R. 7743. An act for the relief of Mrs. David C. Stafford;
H. R. 7764. An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes;
H. R. 8028. An act for the relief of the Great Northern Railway Co.;
H. R. 8033. An act for the relief of Juanita Filmore, a minor;
H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes;
H. R. 8200. An act for the relief of the seamen of the steamship *Santa Ana;*
H. R. 8220. An act for the relief of Helen Mahar Johnson;
H. R. 8671. An act for the relief of R. H. Quynn, lieutenant, United States Navy;
H. R. 8759. An act to amend the act known as the Perishable Agricultural Commodities Act, 1930, approved June 10, 1930, as amended;
H. R. 9926. An act for the relief of Robert B. Barker;
H. R. 10225. An act for the relief of W. D. Lovell;
H. R. 10435. An act for the relief of Emma Hastings;
H. R. 10527. An act for the relief of Harris Bros. Plumbing Co.;
H. R. 10677. An act for the relief of Cora Fulghum and Ben Peterson;
H. R. 10712. An act to authorize the transfer of land from the War Department to the Territory of Hawaii;
H. R. 10916. An act for the relief of Carl Hardin, Orville Richardson, and W. E. Payne;
H. R. 11072. An act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;
H. R. 11203. An act for the relief of Andrew Smith;
H. R. 11218. An act to provide for the disposition of tribal funds now on deposit, or later placed to the credit of the Crow Tribe of Indians, Montana, and for other purposes;
H. R. 11262. An act for the relief of Brooks-Callaway Co.;
H. R. 11461. An act for the relief of the estates of N. G. Harper and Amos Phillips;
H. R. 11522. An act to amend the charter of the National Union Insurance Co. of Washington in the District of Columbia;
H. R. 11643. An act to amend certain provisions of the act of March 7, 1928 (45 Stat. L. 210–212);
H. R. 11819. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;
H. R. 11820. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

H. R. 11916. An act to authorize the transfer of a certain piece of land in Muhlenberg County, Ky., to the State of Kentucky;

H. R. 12006. An act to authorize a preliminary examination of the Kennebec River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12033. An act authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles in Mono County in the State of California;

H. R. 12074. An act to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.;

H. R. 12202. An act to provide for a preliminary examination of Six Mile Creek in Logan County, Ark., with a view to flood control and to determine the cost of such improvement;

H. R. 12240. An act to authorize a preliminary examination of the tributaries, sources, and headwaters of the Allegheny and Susquehanna Rivers in the State of Pennsylvania, where no examination and survey has heretofore been made, with a view to the control of their floods and the regulation and conservation of their waters;

H. R. 12305. An act to define the jurisdiction of the Coast Guard;

H. R. 12311. An act for the relief of the P. L. Andrews Corporation;

H. R. 12408. An act for the relief of Robert D. Baldwin;

H. R. 12461. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H. R. 12514. An act authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay, from a point in Baltimore County, Md., over Hart Island and Miller's Island to a point near Tolchester, Kent County, Md.;

H. R. 12622. An act for the relief of Dr. Harold W. Foght;

H. R. 12685. An act granting the consent of Congress to the county of Horry, S. C., to construct, maintain, and operate a free highway bridge across the Waccamaw River, at or near Red Bluff, S. C.;

H. R. 12896. An act to provide for the transfer of the surplus decommissioned lightship, *No. 82* to United States Ship Constitution Post, No. 3339, Veterans of Foreign Wars;

H. J. Res. 415. Joint resolution to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States;

H. J. Res. 444. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally", approved August 27, 1935;

H. J. Res. 522. Joint resolution for the relief of William W. Brunswick;

H. J. Res. 583. Joint resolution authorizing the Veterans' Administration to prepare and publish a compilation of all Federal laws relating to veterans of wars of the United States; and

H. J. Res. 589. Joint resolution to authorize the Secretary of the Treasury to permit the transportation of bonded merchandise by other than common carriers under certain conditions.

FIRST DEFICIENCY APPROPRIATIONS, 1936—FILING OF CONFERENCE REPORT DURING RECESS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Senate, which was read and ordered to lie on the table, as follows:

UNITED STATES SENATE,
Washington, June 18, 1936.

To the PRESIDENT OF THE SENATE:

Under the order of yesterday Mr. ADAMS filed with me, as Secretary of the Senate, during the recess the conference report on H. R. 12624, the First Deficiency Appropriations Act, 1936.

Very truly yours,

EDWIN A. HALSEY, *Secretary.*

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 22, 25, 38, 51, 64, 67, 68, 69, 70, 71, 72, 78, 80, 81, 89, 90, 91, 93, 94, 98, 99, 105, 107, 111, 121, 123, 124, 126, and 153.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 17, 21, 27, 28, 32, 34, 35, 36, 44, 46, 47, 48, 50, 53, 54, 56, 57, 58, 59, 60, 61, 62, 63, 65, 76, 77, 79, 82, 83, 84, 85, 86, 87, 92, 95, 96, 97, 100, 101, 102, 103, 106, 109, 110, 112, 113, 114, 116, 117, 118, 119, 120, 125, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, and 150, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In line 1 of the matter inserted by said amendment, strike out the word "contestant," and insert in lieu thereof "contestee,"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: Strike out the word "expended" and insert in lieu thereof "June 30, 1938"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Senate Office Building: For repairing and painting four hundred thirty-five corridor doors, for painting all outside window frames, and painting one hundred and four rooms, $44,180, to remain available during the fiscal year 1937."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: Strike out the sum of "$51,180" and insert in lieu thereof the sum of "$7,000"; and in line 1 strike out the following: "Senate Office Building:"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Study of Executive Agencies: The President of the United States is hereby authorized to allocate, out of funds appropriated by the Emergency Relief Appropriation Act of 1935 (49 Stat. 115), not to exceed $100,000 for the expenses of a committee designated by him to make a study of the emergency and regular agencies of the executive branch of the Government for the purpose of making recommendations to secure the most efficient organization and management of that branch of the public service. Such committee shall ascertain whether the activities of any such agency conflict with or overlap the activities of any other such agency and whether, in the interest of simplification, efficiency, and economy, any of such agencies should be coordinated with other agencies or abolished, or the personnel thereof reduced, and make recommendations with respect thereto. Copies of the report or reports of such studies and recommendations, together with the essential facts in connection therewith, shall be transmitted to the President and to Congress."

And the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In line 7 of the matter inserted by said amendment, after the word "approved", insert the following: "June 5"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"ARKANSAS CENTENNIAL COMMISSION

"To provide for the contribution of the United States to the commemoration of the admission of the State of Arkansas into the Federal Union, to be paid to the Arkansas Centennial Commission of the State of Arkansas, to be expended by said Commission for such purposes as it may deem appropriate in connection with such commemoration, $75,000."

And the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In line 4 of the matter inserted by said amendment after the word "or" insert "other positions"; and in line 5 strike out the words "or hereafter"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lines 11 and 12 of the matter inserted by said amendment, strike out the following: "special counsel fees, consulting engineering fees, and"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "not to exceed $250,000 for the employment of persons or organizations by contract or otherwise in the District of Columbia and elsewhere for special accounting, statistical, and mechanical services determined necessary by the Board, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) and the provisions of laws applicable to the employment and compensation of officers and employees of the United States, but such sum of $250,000 shall not be available for any contract for a period of service exceeding six months;"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment, insert: "$1,500"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"This title may be cited as the Emergency Relief Appropriation Act of 1936.

"To continue to provide relief, and work relief on useful projects, in the United States and its Territories and possessions (including projects heretofore approved for the Works Progress Administration which projects shall not be subject to the limitations hereinafter specified in this paragraph), $1,425,000,000, to be used in the discretion and under the direction of the President, together with such unexpended balances of funds appropriated and made available by the Emergency Relief Appropriation Act of 1935 as the President may determine, which are hereby reappropriated and made available for the purposes of this paragraph, to remain available until June 30, 1937 (except as herein otherwise authorized)."

And the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: Strike out the word "Title" from said amendment and insert in lieu thereof the word "paragraph"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"The departments, agencies, or establishments having supervision of projects for which funds from the foregoing appropriation are made available shall not knowingly employ aliens illegally within the limits of the Continental United States on such projects and they shall make every reasonable effort consistent with prompt employment of the destitute unemployed to see that such aliens are not employed, and if employed and their status as such alien is disclosed they shall thereupon be discharged."

And the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"No Federal project shall be undertaken or prosecuted under the foregoing appropriation unless and until an amount sufficient for its completion has been allocated and irrevocably set aside for its completion."

And the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Appointments to Federal positions of an administrative or advisory capacity under the foregoing appropriation in any State shall be made from among the bona-fide residents of that State so far as not inconsistent with efficient administration."

And the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "Works Progress Administration with the approval of the President"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter stricken out by said amendment, insert a comma; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"No part of the foregoing appropriation shall be used to pay the salary or expenses of any person who is a candidate for any State, District, County, or Municipal office (such office requiring full time of such person and to which office a salary attaches), in any primary, general or special election, or who is serving as a campaign manager or assistant thereto for any such candidate."

And the Senate agree to the same.

Amendment numbered 54½: That the House recede from its disagreement to the amendment of the Senate numbered 54½, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"The Federal Emergency Relief Administrator is hereby authorized and directed to liquidate and wind up the affairs of the Federal Emergency Relief Administration under the Act of May 12, 1933, as amended, and funds available to it shall be available for expenditure for such purpose until June 30, 1937."

And the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "by the President"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$35,000"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: In lieu of the sum of "$402,000" named in said amendment insert "$227,000"; and in lieu of the figures "1938" insert "1937"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In line 6 of the matter inserted by said amendment strike out the words "to be immediately available and" and in line 7 strike out the word "expended" and insert in lieu thereof "June 30, 1937"; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"War Minerals Relief Commission: For payment of awards made by the Secretary of the Interior in accordance with the Act of Congress approved May 18, 1936 (Public, Numbered 602, Seventy-fourth Congress) amending section 5 of the War Minerals Relief Act of March 2, 1919, as amended, February 13, 1929, fiscal year 1936, to remain available during the fiscal year 1937, $500,000: *Provided*, That all awards made by the Secretary of the Interior for payment under this appropriation shall be certified to the General Accounting Office for settlement through that office."

And the Senate agree to the same.

Amendment numbered 88: That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"Central Valley Project, California: For continuation, $6,900,000, to remain available until June 30, 1937, of which $6,000,000 shall be available for construction of Friant Reservoir and irrigation facilities therefrom in the San Joaquin Basin and $250,000 for administrative expenses (including personal services in the District of Columbia and elsewhere), to be available for the same purposes as those specified for projects included in the Interior Department Appropriation Act for the fiscal year 1937 under the caption "Bureau of Reclamation" and to be reimbursable under the Reclamation Law: *Provided*, That not to exceed $25,000 may be expended for personal services in the District of Columbia."

And the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"Marine Band: To carry into effect the provisions of the Act entitled 'An Act to authorize the attendance of the Marine Band at the Arkansas Centennial Celebration, at Little Rock, Arkansas, the Texas Centennial, at Dallas, Texas, and the National Confederate Reunion, at Shreveport, Louisiana, between the dates from June 6 to June 16, 1936, inclusive', approved June 3, 1936, $11,500."

And the Senate agree to the same.

Amendment numbered 108: That the House recede from its disagreement to the amendment of the Senate numbered 108, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"International Boundary Commission, United States and Mexico, United States Section—Rio Grande Diversion Dam: For beginning the construction of a diversion dam in the Rio Grande wholly in the United States, with appurtenant connections to existing irrigation systems, as authorized by law, fiscal year 1937, $1,000,000, under a total estimated cost not to exceed $1,400,000, to be immediately available and to be available also for the same objects of expenditure and under the same authority specified for other projects of the Commission in the second paragraph under the caption 'International Boundary Commission, United States and Mexico' contained in the Department of State Appropriation Act, 1937."

And the Senate agree to the same.

Amendment numbered 115: That the House recede from its disagreement to the amendment of the Senate numbered 115, and agree to the same with an amendment, as follows: In line 5 of the matter inserted by said amendment, strike out "1939" and insert in lieu thereof "1937"; and the Senate agree to the same.

Amendment numbered 122: That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: ", and he is hereby authorized, when deemed by him desirable and advantageous, to employ, by contract or otherwise, the personal services of temporary professional, technical, or nontechnical employees to such extent as may be required to carry out the purposes of this paragraph, without reference to civil service laws, rules, regulations, or to the Classification Act of 1923, as amended"; and the Senate agree to the same.

Amendment numbered 151: That the House recede from its disagreement to the amendment of the Senate numbered 151, and agree to the same with an amendment, as follows: In lines 7 and 8 of the matter inserted by said amendment, strike out the words "its creation shall have been specifically authorized by Congress", and insert in lieu thereof "established by or pursuant to law"; and the Senate agree to the same.

Amendment numbered 152: That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"(c) The appropriation made by section 2 of the Independent Offices Appropriation Act, 1937, for carrying out sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act is hereby made available to the Department of Agriculture for the purposes of carrying out such Act with respect to land devoted to growing trees for the production of gum turpentine and gum rosin."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 29, 30, 41, and 49.

ALVA B. ADAMS,
CARTER GLASS,
KENNETH MCKELLAR,
FREDERICK HALE,
HENRY W. KEYES,
Managers on the part of the Senate.

J. P. BUCHANAN,
EDWARD T. TAYLOR,
W. B. OLIVER,
C. A. WOODRUM,
JOHN J. BOYLAN,
CLARENCE CANNON,
JOHN TABER,
ROBERT L. BACON,
Managers on the part of the House.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2119. An act for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased;

S. 4552. An act to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation;

S. 4622. An act to amend section 2 of the act entitled "An act granting the consent of Congress to the Alabama State Bridge Corporation to construct, maintain, and operate bridges across the Tennessee, Tombigbee, Warrior, Alabama, and Coosa Rivers, within the State of Alabama", approved May 26, 1928; and

S. 4737. An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes.

The message also announced that the House had passed the bill (S. 283) for the relief of Beatrice I. Manges, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 6258. An act for the relief of D. E. Woodward;

H. R. 9153. An act for the relief of Evelyn Harriett B. Johnstone;

H. R. 10101. An act to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes; and

H. R. 12419. An act to apply laws covering steam vessels to seagoing vessels of 300 gross tons and over propelled by internal-combustion engines.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 1392. An act to extend the provisions of certain laws to the island of Puerto Rico;

H. R. 10104. An act to authorize a study of the park, parkway, and recreational-area programs in the United States, and for other purposes.

H. R. 11690. An act relating to the admissibility in evidence of certain writings and records made in the regular course of business;

H. R. 12599. An act to provide more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property wherever situated, belonging to the United States of America, by granting to the several States jurisdiction and authority to apply their State workmen's compensation laws on all property and premises belonging to the United States of America; and

H. R. 12799. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundred and fiftieth anniversary of Sir Walter Raleigh's colony on Roanoke Island, N. C., known in history as the lost colony, and the birth of Virginia Dare, the first child of English parentage to be born on the American continent.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3440) to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9484) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5730) to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11915) to amend the Coastwise Load Line Act, 1935.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 8597) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BLAND, Mr. SIROVICH, Mr. RAMSPECK, Mr. LEHLBACH, and Mr. WELCH were appointed managers on the part of the House.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 653. An act for the relief of George R. Brown;

H. R. 820. An act for the relief of James A. Henderson;

H. R. 1435. An act for the relief of Sarah L. Smith;

H. R. 2115. An act for the relief of First Lt. R. G. Cuno;
H. R. 2335. An act for the relief of Cora Akins;
H. R. 2430. An act for the relief of Henry H. Carr; Robert E. Wise, Stanley Wise Ellis, and Peyton L. Ellis; and Hilory Wise and Flora A. Wise;
H. R. 2435. An act for the relief of the Citizens State Bank of Marianna, Fla.;
H. R. 3179. An act for the relief of Jesse Ashby;
H. R. 3777. An act for the relief of the Herald Publishing Co.;
H. R. 3913. An act for the relief of Edith M. Powell;
H. R. 5178. An act for the relief of Gladys E. Faughnan, guardian;
H. R. 5815. An act for the relief of Bruce Bros. Grain Co.;
H. R. 6105. An act for the relief of the New Amsterdam Casualty Co.;
H. R. 6444. An act for the relief of Jane Alice Everson;
H. R. 6488. An act for the relief of Wayne M. Cotner; and
H. R. 12800. An act to regulate interstate commerce in bituminous coal, and for other purposes.

HOUSE BILL PLACED ON THE TABLE

The bill (H. R. 12800) to regulate interstate commerce in bituminous coal, and for other purposes, was read twice by its title and ordered to lie on the table.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Claims:
H. R. 653. An act for the relief of George R. Brown;
H. R. 820. An act for the relief of James A. Henderson;
H. R. 1435. An act for the relief of Sarah L. Smith;
H. R. 2115. An act for the relief of First Lt. R. G. Cuno;
H. R. 2335. An act for the relief of Cora Akins;
H. R. 2430. An act for the relief of Henry H. Carr; Robert E. Wise, Stanley Wise Ellis, and Peyton L. Ellis; and Hilory Wise and Flora A. Wise;
H. R. 2435. An act for the relief of the Citizens State Bank of Marianna, Fla.;
H. R. 3179. An act for the relief of Jesse Ashby;
H. R. 3777. An act for the relief of the Herald Publishing Co.;
H. R. 3913. An act for the relief of Edith M. Powell;
H. R. 5178. An act for the relief of Gladys E. Faughnan, guardian;
H. R. 5815. An act for the relief of Bruce Bros. Grain Co.;
H. R. 6105. An act for the relief of the New Amsterdam Casualty Co.;
H. R. 6444. An act for the relief of Jane Alice Everson; and
H. R. 6488. An act for the relief of Wayne M. Cotner.

WELFARE OF AMERICAN SEAMEN

Mr. COPELAND. Mr. President, there is on the table a message from the House of Representatives asking for a conference on House bill 8597. Conferees should be appointed on the bill. I therefore ask the Chair to lay before the Senate the action of the House.

Mr. ROBINSON. I have no objection to that being done.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 8597) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. COPELAND. I move that the Senate insist on its amendment, agree to the conference asked by House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. COPELAND, Mr. SHEPPARD, and Mr. MCNARY conferees on the part of the Senate.

TRUSTEES UNDER INDENTURES—REPORT OF SECURITIES AND EXCHANGE COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, part 6, Trustees Under Indentures, of a report on the Commission's study and investigation of the work, activities, personnel, and functions of protective and reorganization committees, which, with the accompanying report, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolutions of the House of Representatives of the State of Pennsylvania, which were ordered to lie on the table:

Resolution 25

Whereas there exists in many cities of Pennsylvania substandard housing conditions and a shortage of housing accommodations for families of low income; and
Whereas there is need for a clear definition of policy on the part of the Federal Government as to its program of improving substandard housing conditions in cooperation with the State and local governments; and
Whereas low-cost housing and slum-clearance programs have been started in Pennsylvania and in other States with the aid of the Housing Division of the Public Works Administration; and
Whereas a continuing Federal program is necessary in order to secure enactment of proper housing legislation for Pennsylvania and in order to effectively attack the evil effects of bad housing conditions; and
Whereas there has been introduced in the Congress of the United States the Wagner-Ellenbogen housing bill known as the United States Housing Act of 1936, which if enacted will provide for a long-term decentralized Federal housing program which will make available to Pennsylvania funds for the continuation and initiation of their low-cost housing programs with adequate protection to private enterprise; and
Whereas several city councils, mayors, and housing authorities as well as many civic organizations in the State of Pennsylvania have endorsed said legislation and memorialized the President, the Senate, and the House of Representatives to enact said measure: Therefore be it
Resolved, That the House of Representatives of the General Assembly of the Commonwealth of Pennsylvania memorializes the Congress of the United States that the United States Senate be and it is hereby requested to enact at the earliest date possible the United States Housing Act of 1936, being Senate bill no. 4424, introduced by Senator ROBERT F. WAGNER, and that the House of Representatives enact the identical measure introduced in said House by Congressman HENRY ELLENBOGEN, of Pennsylvania, and being H. R. 12164; and be it further
Resolved, That the President of the United States be and is hereby requested to use the influence of his great office to further the enactment of this measure; and be it further
Resolved, That the Senators and Congressmen of the State of Pennsylvania, be, and are hereby, requested to do everything within their power to carry out the purpose of this resolution; and be it further
Resolved, That a copy of this resolution be sent to the President and to the Vice President of the United States, the Speaker of the House of Representatives, and to Senators JAMES J. DAVIS and JOSEPH GUFFEY, and the Representatives from the State of Pennsylvania.

Whereas there is pending in the Congress of the United States the Guffey-Vinson bill designed to regulate the bituminous-coal industry in which are employed 400,000 miners throughout this Nation; and
Whereas the bituminous-coal industry has been severely crippled by the economic depression and by loss of markets and is in desperate need of assistance: Therefore be it
Resolved, That the House of Representatives of the Commonwealth of Pennsylvania hereby memorializes the Congress of the United States to speedily enact the Guffey-Vinson bill for the regulation of the bituminous-coal industry, in order that aid may be given said industry as soon as possible.
Resolved, That a copy of this resolution be transmitted to the Senate and House of Representatives of the United States by the chief clerk of this house.

The VICE PRESIDENT also laid before the Senate, resolutions adopted by the General Court of Massachusetts, favoring the enactment of legislation requiring the marking of articles made of imitation leather, which were referred to the Committee on Manufactures.

(See resolutions printed in full when presented by Mr. WALSH on the 16th instant, p. 9521, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the executive committee of the Cleveland (Ohio) Central Council of the American League Against War

and Fascism, favoring a prompt examination and investigation of the Black Legion, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Woman's Christian Temperance Union of Highland, N. Y., favoring the enactment of the so-called Culkin bill, to regulate the motion-picture industry, eliminate unfair trade practices, and maintain higher moral standards of production in that industry, which was ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by Old Glory Council No. 38, Sons and Daughters of Liberty, New York City, N. Y., favoring the prompt enactment of the so-called Reynolds-Starnes immigration restriction and alien deportation-registration bill, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Brooklyn (N. Y.) Metal Trades Council, favoring an investigation of the activities of the Black Legion, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Young Men's Council of the United States at New York City, N. Y., protesting against the enactment of the so-called Nye-Kvale bill, pertaining to the Reserve Officers' Training Corps, which were referred to the Committee on Military Affairs.

He also presented a resolution adopted by Asbestos Workers Local Union No. 12, New York City, N. Y., favoring the enactment of the so-called Wagner-Ellenbogen low-cost housing bill, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 11176. A bill increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark. (Rept. No. 2409); and

H. R. 11180. An act to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes (Rept. No. 2410).

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (H. R. 12328) to authorize the acceptance of certain lands in the city of San Diego, Calif., by the United States, and the transfer by the Secretary of the Navy of certain other lands to said city of San Diego, reported it without amendment and submitted a report (No. 2411) thereon.

Mr. COPELAND, from the Committee on Commerce, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

S. 4780. A bill to extend the laws governing inspection of vessels, and for other purposes (Rept. No. 2412); and

H. J. Res. 597. Joint resolution authorizing an investigation by the United States Bureau of Fisheries of the pilchard (Sardinia caerulea) fisheries and fishing industry along the Pacific coast of the United States (Rept. No. 2435).

Mr. ADAMS, from the Committee on Banking and Currency, to which was referred the bill (S. 4663) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and sixtieth anniversary of the arrival of General Washington and the Continental Army at Morristown, N. J., after their inspiring victories at Trenton and Princeton, and the establishment of cantonments in Morristown for the duration of the war, reported it with amendments and submitted a report (No. 2413) thereon.

Mr. NYE, from the Committee on Military Affairs, to which was referred the bill (H. R. 11922) to amend the act of May 25, 1933 (48 Stat. 73), reported it without amendment and submitted a report (No. 2414) thereon.

Mr. VANDENBERG, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted a report as indicated:

S. 4779. A bill to amend the act of Congress approved May 27, 1935 (Public, No. 73, 74th Cong.), authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.; and

H. R. 9092. A bill to provide for the preliminary examination of the Saginaw River and its tributaries in Saginaw County, Mich., with a view to the controlling of floods (Rept. No. 2415).

Mr. BLACK, from the Committee on Education and Labor, to which was referred the bill (S. 4754) to waive any exclusive jurisdiction over premises of resettlement or rural rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes, reported it without amendment and submitted a report (No. 2416) thereon.

Mr. MURPHY, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 291) amending section 11 of the Soil Conservation and Domestic Allotment Act, reported it without amendment and submitted a report (No. 2422) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (H. R. 10440) for the relief of certain officers of the Foreign Service of the United States, who while in the course of their respective duties suffered losses of personal property by reason of war or other causes, reported it without amendment.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2185. A bill for the relief of the estate of Marcellino M. Gilmette (Rept. No. 2428);

H. R. 2323. A bill for the relief of Dean Scott (Rept. No. 2429);

H. R. 3248. A bill for the relief of Nathan A Buck (Rept. No. 2430);

H. R. 3598. A bill for the relief of Evangelos Karacostas (Rept. No. 2418);

H. R. 7393. A bill for the relief of Ralph P. Kellogg (Rept. No. 2419);

H. R. 7822. A bill for the relief of Lucretia Norris (Rept. No. 2431);

H. R. 7947. A bill for the relief of Rev. Harry J. Hill (Rept. No. 2420);

H. R. 8330. A bill for the relief of William Blakeley, or Blakley, as administrator of the estate of Joseph Blakeley, deceased (Rept. No. 2421);

H. R. 8482. A bill for the relief of Jacob G. Akerman (Rept. No. 2432);

H. R. 11668. A bill to credit the account of Everett P. Sheridan (Rept. No. 2433); and

H. R. 11861. A bill for the relief of Cleveland L. Short (Rept. No. 2434).

Mr. BENSON, from the Committee on Claims, to which was referred the bill (H. R. 10697) for the relief of George Houston, reported it without amendment and submitted a report (No. 2417) thereon.

He also, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 11331) to authorize the sale and conveyance by the Department of the Interior to the State of Minnesota of the southwest quarter northwest quarter section 3, township 159 north, range 35 west, fifth principal meridian, in the State of Minnesota, reported it without amendment and submitted a report (No. 2436) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 4117) for the relief of Phoenix-Tempe Stone Co., reported it without amendment and submitted a report (No. 2427) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 307) providing for an investigation of the ocean trade routes between the United States and South America, reported it with an amendment.

WALLAIPAI INDIANS OF ARIZONA—PRINTING OF HISTORICAL REPORTS, ETC.

Mr. HAYDEN, from the Committee on Printing, to which was referred Senate Resolution 316 (submitted by Mr. HAYDEN on June 3, 1936), reported it without amendment, and it was agreed to, as follows:

Resolved, That certain historical reports and documents, together with extracts from certain other publications relating to the Wallaipai Indians of Arizona, be printed as a public document.

JURISDICTION OF UNITED STATES COURT FOR CHINA—CHANGE OF REFERENCE AND REPORT

On motion of Mr. PITTMAN, the Committee on Foreign Relations was discharged from the further consideration of the bill (H. R. 12257) to extend the jurisdiction of the United States Court for China to offenses committed on the high seas, and it was referred to the Committee on the Judiciary.

Mr. NEELY, from the Committee on the Judiciary, to which was referred the bill (H. R. 12257) to extend the jurisdiction of the United States Court for China to offenses committed on the high seas, reported it without amendment and submitted a report (No. 2424) thereon.

[S. Rept. No. 2424, 74th Cong., 2d sess.]

The Committee on the Judiciary, to whom was referred the bill (H. R. 12257) to extend the jurisdiction of the United States Court for China to offenses committed on the high seas, after consideration thereof, report the bill favorably to the Senate with the recommendation that it do pass.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, D. C., April 24, 1936.

Hon. SAM D. MCREYNOLDS,
Chairman, Committee on Foreign Affairs,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: At the request of the Attorney General, I introduced on April 13 H. R. 12257, to extend the jurisdiction of the United States Court for China to offenses committed on the high seas, which has been referred to your committee.

I therefore am transmitting to you herewith the communication from the Attorney General which accompanied the draft of the proposed legislation. I shall appreciate it very much if your committee will give consideration to the bill. A copy of the measure is enclosed herewith.

Very sincerely yours,

HATTON W. SUMNERS.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., March 25, 1936.

Hon. HATTON W. SUMNERS,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: I enclose herewith a draft of a bill to extend the jurisdiction of the United States Court for China to offenses committed on the high seas.

In pursuance of provisions of treaties between the United States and China ministers and consuls of the United States were vested by law with certain judicial authority and empowered to try criminal cases in which the defendant was a citizen of the United States and the offense was alleged to have been committed in China (act of June 14, 1878, 20 Stat. 131; U. S. C., title 22, secs. 141 and 142). Consular courts were established in China to exercise this jurisdiction.

In 1906 the United States Court for China was created (act of June 30, 1906, 34 Stat. 814; U. S. C., title 22, sec. 191), which took over some of the functions of the consular courts, including jurisdiction over criminal cases involving a possible penalty of imprisonment for a term of over 60 days or a fine of over $10. The headquarters of the court are at Shanghai.

While a citizen of the United States, charged with the commission of a crime in China, may thus be tried in that country, yet if the crime is committed on the high seas, even if in waters adjacent to China, it is necessary to transport the defendant to the United States for trial. This anomalous situation was brought to my attention by the State Department.

It appears desirable to extend the jurisdiction of the United States Court for China so as to embrace crimes committed on the high seas. The effect of such a measure would be to confer on that tribunal concurrent jurisdiction over such an offense, so that the prosecution may be conducted either in China or in the United States, whichever course appears desirable.

The proposed bill is intended to accomplish this purpose. I shall be glad if you will introduce it and lend it your support.

Sincerely yours,

STANLEY REED,
Acting Attorney General.

This bill amends section 1 of Public Law No. 403 (34 Stat. 814; U. S. C., title 22, sec. 191) and in accordance with clause 2a, rule 13, there is inserted in this report section 1 of Public Law No. 403 (with amendatory language in italics), which is as follows:

[PUBLIC—No. 403]

An act creating a United States Court for China and prescribing the jurisdiction thereof

Be it enacted, etc., That a court is hereby established, to be called the United States Court for China, which shall have exclusive jurisdiction in all cases and judicial proceedings whereof jurisdiction may now be exercised by United States consuls and ministers by law and by virtue of treaties between the United States and China, except insofar as the said jurisdiction is qualified by section 2 of this act; *and to concurrent jurisdiction of all offenses committed on the high seas in cases in which the person or persons charged with such offenses shall be found in or be brought first into China.*

The said court shall hold sessions at Shanghai, China, and shall also hold sessions at the cities of Canton, Tientsin, and Hankau at stated periods, the dates of such sessions at each city to be announced in such manner as the court shall direct, and a session of the court shall be held in each of these cities at least once annually. It shall be within the power of the judge, upon due notice to the parties in litigation, to open and hold court for the hearing of a special cause at any place permitted by the treaties, and where there is a United States consulate, when, in his judgment, it shall be required by the convenience of witnesses, or by some public interest. The place of sitting of the court shall be in the United States consulate at each of the cities, respectively.

That the seal of the said United States Court for China shall be the arms of the United States, engraved on a circular piece of steel of the size of a half dollar, with these words on the margin, "The Seal of the United States Court for China."

The seal of said court shall be provided at the expense of the United States.

All writs and processes issuing from the said court, and all transcripts, records, copies, jurats, acknowledgments, and other papers requiring certification or to be under seal, may be authenticated by said seal, and shall be signed by the clerk of said court. All processes issued from the said court shall bear test from the day of such issue.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK:

A bill (S. 4785) to eliminate unnecessary expense in the administration of the estates of deceased and incompetent veterans, and for other purposes; to the Committee on Finance.

By Mr. ROBINSON:

A bill (S. 4786) to authorize the Secretary of Agriculture to make such adjustments and revisions found to be due on contracts entered into by the Government with crop producers under the Agricultural Adjustment Act; to the Committee on Agriculture and Forestry.

By Mr. BAILEY:

A bill (S. 4787) to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensation of Government officers and employees; to the Committee on Claims.

By Mr. MALONEY:

A bill (S. 4788) granting an increase in pension to Julia T. Root; to the Committee on Pensions.

(Mr. WHEELER introduced Senate Joint Resolution 292, which was ordered to lie on the table, and appears under a separate heading.)

By Mr. COPELAND:

A joint resolution (S. J. Res. 293) to authorize further stay in pending proceedings under the immigration and naturalization laws against certain groups of foreign-born persons; to the Committee on Immigration.

FEDERAL COORDINATOR OF TRANSPORTATION

Mr. WHEELER. Mr. President, I ask consent to introduce a joint resolution providing for the continuation of the office of Federal Coordinator of Transportation until September 17, 1936, for the purpose of completing any pending investigations and reports. The joint resolution also provides that any funds now in the Treasury available to the Coordinator shall continue to be available, and they are appropriated by the joint resolution to carry out the purposes of the measure. The joint resolution then provides that the money

left over shall be returned to the railroads. It does not provide for the payment of any more money by the railroads or anyone else. I ask that the joint resolution lie on the table, and I intend to call it up at a later date.

I call this measure to the attention of Senators because of the fact that I want them to examine it. There has been so much opposition to the continuance of the Coordinator on the part of the railroads that it became apparent that we could not get through this body or through the House of Representatives at this late time in the session the amended joint resolution which was reported from the Committee on Interstate Commerce. Not only did the railroad executives oppose it but the labor organizations opposed it, notwithstanding the fact that there is no provision in it of any kind or character which would in any wise affect labor. They oppose it because when they entered into an agreement with the railroads with reference to being laid off in the event of consolidations, there was a tacit agreement between the railroads and their employees that the employees would oppose a continuance of the Coordinator's office even for the purpose of having future investigations made. The joint resolution I am offering, however, does not even permit the Coordinator to make any further investigations. It merely provides for a continuance of the Coordinator's office for a period of 90 days, with a view of closing up the business on hand and returning to the railroads the money which has been paid in, and which has not been used by the Coordinator.

I desired to make this statement so that those who are interested in the matter may have an opportunity to examine the joint resolution between now and possibly tomorrow.

The VICE PRESIDENT. Without objection, the joint resolution will be received and lie on the table.

The joint resolution (S. J. Res. 292) requiring the completion of pending investigations and reports by the Federal Coordinator of Transportation, and for other purposes, was read twice by its title and ordered to lie on the table.

AMENDMENT TO MERCHANT MARINE BILL

Mr. GUFFEY submitted an amendment intended to be proposed by him to the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, which was ordered to lie on the table and to be printed.

FUNERAL EXPENSES OF THE LATE SENATOR FLETCHER

Mr. LOFTIN submitted the following resolution (S. Res. 324), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. DUNCAN U. FLETCHER, late a Senator from the State of Florida, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

REPORT OF THE FINANCE COMMITTEE

Mr. CLARK, from the Committee on Finance, to which was referred the bill (S. 4785) to eliminate unnecessary expense in the administration of the estates of deceased and incompetent veterans, and for other purposes, reported it without amendment and submitted a report (No. 2423) thereon.

[S. Rept. No. 2423, 74th Cong., 2d sess.]

The Committee on Finance, to whom was referred the bill (S. 4785) to eliminate unnecessary expense in the administration of the estates of deceased and incompetent veterans, and for other purposes, having had the same under consideration, report it without amendment and recommend that the bill do pass.

PURPOSE AND NECESSITY OF THE BILL

The purpose of this amendment to the Adjusted Compensation Payment Act, 1936, is to eliminate unnecessary hardship and expense to the veterans or their heirs in the case of veterans who have died or become incompetent after making application for payment of adjusted-service certificates, but before delivery to them of the bonds and checks to which they are entitled in payment of such certificates. Many such cases now exist. Out of approximately 3,150,000 veterans who have filed applications for payment, it is estimated that about 10,000 have died before receiving delivery of their bonds and checks. It is expected that as time goes on many of those veterans, numbering about 350,000, who have not yet filed applications, will do so. Since on an average 73 veterans die every day, there will accordingly be many other cases arising in the future in which veterans will die after applying for payment of their certificates, but before receiving such payment.

The Comptroller General of the United States has held that in case a veteran has died before receiving payment of his certificate for which he has made application the delivery of bonds and check to anyone other than a legal representative of the deceased veteran is not authorized under the Adjusted Compensation Payment Act. Under that ruling, the heirs of any such veteran would have to undergo the expense and delay of obtaining the appointment of a legal representative of his estate as a prerequisite to obtaining possession of the bonds and check.

The purpose of the present amendment to the act is to obviate the necessity of any such action in cases when a legal representative would not otherwise be appointed. By reason of the financial circumstances of many veterans, there will be numerous cases in which no legal representative of the deceased or incompetent veterans' estate would in the normal course be appointed. Many such estates will involve a comparatively small amount of money, and in a great number of cases the assets in such estates will consist to a large extent, if not entirely, of the sum due and payable on an adjusted-service certificate. To subject such estates to the costs incident to their administration through judicial proceedings would cause undue hardship and unnecessary expense.

Under the proposed amendment, the Secretary of the Treasury would be authorized to determine the person or persons lawfully entitled, in the case of a deceased or incompetent veteran, to payment of the amount certified, and payment of the bonds issued, under the Adjusted Compensation Payment Act, without the necessity of the appointment of a legal representative of the estate of a veteran or of any other person, and without the necessity of compliance with the requirements of State law in respect of the administration of estates.

Ample precedent exists for the action contemplated by the proposed amendment. In the case of the usual type of Government obligations the Treasury Department has for a considerable period of time been recognizing assignments of registered bonds, without administration, by the persons entitled to the bonds under the laws of the State where the deceased registered owner was domiciled, in cases where the value of the estate of the deceased registered owner does not exceed $500, or the laws of that State do not require administration of his estate. Such cases are provided for by Treasury Department Circular No. 300, dated July 31, 1923. Treasury Department Circular No. 560, dated June 6, 1936, containing regulations issued under the authority of section 4 of the act to govern adjusted-service bonds, makes provision for the payment of such bonds, without requiring administration of the estate of a deceased veteran or the appointment of a legal guardian of an incompetent veteran. Provisions similar to those in the proposed amendment are also contained in section 205 of the Social Security Act (title 42, U. S. C., sec. 405) and section 3(f) of the World War Adjusted Compensation Act, as amended (title 38, U. S. C., sec. 618e).

EXPLANATION OF THE BILL

Under the Adjusted Compensation Payment Act, the amount found to be due on an adjusted-service certificate is certified to the Secretary of the Treasury and is paid by the issuance of bonds and a check for the odd amount under $50. It is provided that payment shall be made to the veteran or his estate and the bonds shall be redeemable at the option of the veteran or his estate and upon redemption shall, in case of death or incompetence of the veteran, be paid to the representative of his estate. The bill provides that as to both types of payment the Secretary of the Treasury may determine the person or persons lawfully entitled thereto without the necessity of compliance with Sate law relating to administration of estates. Thus payment could be made without subjecting the heirs to the expense and hardship of obtaining the judicial appointment of a legal representative either of the veteran's estate or of the estate of another person who, by reason of the death of the veteran, succeeded to his interest in the bonds.

Some checks have already been drawn by disbursing officers in the names of deceased veterans and in order that such checks may readily be cashed by the person determined by the Secretary to be entitled to receive payment of the check, it is provided that endorsement of such check may be made on behalf of the Secretary in the name of the veteran. Thus the treatment to be accorded the heirs and dependents of the veteran in connection with the issuance of bonds and check, the cashing of the check, and the payment of the bonds on redemption, would be uniform and expeditious. The bill would also preclude any review of the determination by the Secretary of the Treasury of the persons lawfully entitled to any payment, either by any other officer or employee of the United States or, except in the case of prior judicial determination, as for example, where a legal representative of the estate had already been appointed by any State or Federal court.

POSTMASTER AT RANSOMVILLE, N. Y.—RECONSIDERATION AND RECOMMITTAL

Mr. McKELLAR. Mr. President, as in executive session, I ask unanimous consent to reconsider the vote by which the Senate, on June 16, 1936, confirmed the nomination of Robert L. Molyneux to be postmaster at Ransomville, N. Y., and that

the nomination be recommitted to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. Without objection, it is so ordered.

AIR CORPS OF THE ARMY—CONFERENCE REPORT

Mr. SHEPPARD. I ask consent for the present consideration of the conference report on House bill 11140, which was submitted by me on the 8th instant.

There being no objection, the Senate proceeded to consider the report, which was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11140) to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: Strike out the word "immediately" in the matter inserted by said amendment, and the Senate agree to the same.

MORRIS SHEPPARD,
DUNCAN U. FLETCHER,
ROBERT D. CAREY,
Managers on the part of the Senate.

JOHN J. MCSWAIN,
LISTER HILL,
WILLIAM N. ROGERS,
DONALD H. MCLEAN,
CHARLES A. PLUMLEY,
Managers on the part of the House.

The report was agreed to.

WELFARE OF AMERICAN SEAMEN—CONFERENCE REPORT

Mr. COPELAND submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8597) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That section 13 of the Act of March 4, 1915, be amended to read as follows:

"'SEC. 13. (a) That no vessel of one hundred tons gross and upward, except those navigating rivers exclusively and the smaller inland lakes and except as provided in section 1 of this Act, shall be permitted to depart from any port of the United States unless she has on board a crew not less than 75 per centum of which, in each department thereof, are able to understand any order given by the officers of such vessel, nor unless 65 per centum of her deck crew, exclusive of licensed officers and apprentices, are of a rating not less than able seamen. Every person shall be rated an able seaman, and qualified for service as such on the seas, who is nineteen years of age or upward, and has had at least three years' service on deck at sea or on the Great Lakes, on a vessel or vessels to which this section applies, including decked fishing vessels, and vessels in United States Government service; and every person shall be rated an able seaman, and qualified to serve as such on the Great Lakes and on the smaller lakes, bays, or sounds who is nineteen years of age or upward and has had at least eighteen months' service on deck at sea or on the Great Lakes or on the smaller lakes, bays, or sounds, on a vessel or vessels to which this section applies, including decked fishing vessels and vessels in the United States Government service; and graduates of school ships approved by and conducted under rules prescribed by the Secretary of Commerce may be rated able seamen after twelve months' service at sea after graduation: *Provided*, That no boy shall be shipped on any vessel to which this section applies unless he meets the physical qualifications contained in regulations to be prescribed by the Secretary of Commerce and that no boy shall be placed on the lookout or at the wheel except for the purpose of learning, and that in narrow and crowded waters or in low visibility none below the rating of able seaman shall be permitted at the wheel: *Provided further*, That no deck boy shall be held qualified to fill the place of ordinary seaman until he has had at least six months' service as deck boy: *Provided further*, That upon examination, under rules prescribed by the Department of Commerce as to eyesight, hearing, and physical condition, such persons or graduates are found to be competent: *Provided further*, That upon examination, under rules prescribed by the Department of Commerce as to eyesight, hearing, physical condition, and knowledge of the duties of seamanship, a person found competent may be rated as able seaman after having served on deck twelve months at sea or on the Great Lakes, but seamen examined and rated able seamen under this proviso shall not in any case compose more than one-fourth of the number of able seamen required by this section to be shipped or employed upon any vessel.

"'(b) Application may be made to any board of local inspectors for a certificate of service as able seaman, and upon proof being made to said board by affidavit and examination, under rules approved by the Secretary of Commerce, showing the nationality and age of the applicant, the vessel or vessels on which he has had service, that he is skilled in the work usually performed by able seamen, and that he is entitled to such certificate under the provisions of this section, the board of local inspectors shall issue to said applicant a certificate of service as able seaman, which shall be retained by him and be accepted as prima-facie evidence of his rating as an able seaman.

"'(c) Each board of local inspectors shall keep a complete record of all certificates of service issued by them and to whom issued and shall keep on file the affidavits and records of examinations upon which said certificates are issued.

"'(d) The collector of customs may, upon his own motion, and shall, upon the sworn information of any reputable citizen of the United States setting forth that this section is not being complied with, cause a muster of the crew of any vessel to be made to determine the fact, at which muster said reputable citizen must be present; and no clearance shall be given to any vessel failing to comply with the provisions of this section: *Provided*, That the collector of customs shall not be required to cause such muster of the crew to be made unless said sworn information has been filed with him for at least six hours before the vessel departs, or is scheduled to depart: *Provided further*, That any person that shall knowingly make a false affidavit for such purpose shall be deemed guilty of perjury and upon conviction thereof shall be punished by a fine not exceeding $500 or by imprisonment not exceeding one year, or by both such fine and imprisonment, within the discretion of the court. Any violation of any provision of this section by the owner, master, or officer in charge of the vessel shall subject the owner of such vessel to a penalty of not less than $100 and not more than $500: *Provided further*, That the Secretary of Commerce shall make such rules and regulations as may be necessary to carry out the provisions of this section, and nothing herein shall be held or construed to prevent the Board of Supervising Inspectors, with the approval of the Secretary of Commerce, from making rules and regulations authorized by law as to vessels excluded from the operation of this section: *And provided further*, That no certificate of service as able seaman shall be issued by any board of local inspectors until after examination of the applicant therefor, under rules and regulations prescribed by the Secretary of Commerce, as to his efficiency, and upon proof, as a result of such examination, that he has been trained in and is acquainted with the duties entitling him to such rating. No seaman shall be considered an "able seaman" within the meaning of the laws of the United States relating to the manning of vessels unless he is in possession of such certificate issued by the board of local inspectors. All certificates as "able seaman" and "lifeboatman" issued by the several boards of local inspectors or other Federal officers prior to the passage of this act shall, within six months thereafter, be surrendered to such boards of local inspectors for cancelation, and there shall be issued in lieu thereof to all able seamen and lifeboatmen found qualified by such examination new certificates as required by law: *Provided*, That if due to inability on the part of the Department of Commerce to carry out the provisions of this subsection with regard to all seamen, the Secretary of Commerce may, in his discretion, extend the time for a period not to exceed three months. Such new certificates shall be stamped with the seal of the board of local inspectors, placed partially over the signature of the applicant for such certificate; and there shall be attached thereto a photograph of the applicant. Any other safeguards which, in the judgment of the Secretary of Commerce, may be necessary and advisable to establish the authenticity of the certificate, are hereby authorized.

"'(e) No vessel to which this section applies may be navigated unless all of the complement in her engine department above the rating of coal passer or wiper and below the rating of licensed officer shall be holders of a certificate of service as a qualified member of the engine department. The local inspectors of the Bureau of Marine Inspection and Navigation shall, upon application and examination as to competence and physical condition, as prescribed by the Secretary of Commerce, issue such a certificate of service. An applicant for such rating shall produce to such inspectors definite proof of at least six months' service at sea in a rating at least equal to that of coal passer or wiper in the engine department of vessels required by this Act to have such certificated men.

"'(f) As to the certificates of service or efficiency, the Secretary shall promulgate rules covering the form, contents, and manner of issuance, which shall include a provision that copies of these and all documents pertaining thereto be filed in the local offices and in the central office in Washington.

"'(g) That the boards of local inspectors of the Bureau of Marine Inspection and Navigation shall, without examination (except food handlers who must be free from communicable disease), issue to all members of the crews of merchant vessels of the United States (except licensed officers), certificates of service for ratings other than as able seaman or a qualified member of the engine department, which certificates shall authorize them to serve in the

capacities specified in such certificates: *Provided*, That such certificates shall not issue before oath has been taken before one of the said inspectors that the applicant therefor will faithfully and honestly perform all the duties required of him by law, and carry out the lawful orders of his superior officers on shipboard and, in the case of a radio operator, shall produce to the local inspectors his unexpired license issued by the Federal Communications Commission to act in that capacity: *And provided further*, That when a certificate has been revoked or suspended under the provisions of subsection (h) of this section, a new certificate shall not be issued until a board of local inspectors shall determine that the issue of such new certificate is compatible with the requirements of good discipline and safety at sea.

"'(h) That all certificates of service or efficiency issued by the Bureau of Marine Inspection and Navigation shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section 4450 of the Revised Statutes.

"'(i) It shall be unlawful to employ any person, or for any person to serve aboard any merchant vessel of the United States below the rating of licensed officer, who has not a certificate of service issued by a board of local inspectors, and anyone violating this section shall be liable to a penalty of $100 for each offense.

"'(j) This section is not to amend or repeal any of the provisions of chapter 3 of title 47, United States Code—Telegraphs, Telephones, and Radio Telegraphs.

"'(k) Nothing herein shall be construed to impose, sanction, or permit any condition of involuntary servitude nor to prevent any seaman from leaving the service of any vessel when in a safe harbor to the same extent and with like effect as under the provisions of existing law.

"'(l) This section shall take effect six months after the enactment of this Act: *Provided*, That if it is found impracticable on the part of the Department of Commerce to furnish the certificates herein provided, the Secretary of Commerce may, in his discretion, extend the effective date for a period not exceeding three months.'

"SEC. 2. That section 2 of the Act of March 4, 1915, is hereby amended to read as follows:

"'SEC. 2. That in all merchant vessels of the United States of more than one hundred tons gross, excepting those navigating rivers, harbors, lakes (other than Great Lakes), bays, sounds, bayous, and canals, exclusively, the licensed officers and sailors, coal passers, firemen, oilers, and water tenders shall, while at sea, be divided into at least three watches, which shall be kept on duty successively for the performance of ordinary work incident to the sailing and management of the vessel. The seamen shall not be shipped to work alternately in the fireroom and on deck, nor shall those shipped for deck duty be required to work in the fireroom, or vice versa; nor shall any licensed officer or seaman in the deck or engine department be required to work more than eight hours in one day; but these provisions shall not limit either the authority of the master or other officer or the obedience of the seamen when in the judgment of the master or other officer the whole or any part of the crew are needed for maneuvering, shifting berth, mooring, or unmooring, the vessel or the performance of work necessary for the safety of the vessel, her passengers, crew, and cargo, or for the saving of life aboard other vessels in jeopardy, or when in port or at sea, from requiring the whole or any part of the crew to participate in the performance of fire, lifeboat, or other drills. While such vessel is in a safe harbor no seaman shall be required to do any unnecessary work on Sundays or the following-named days: New Year's Day, the Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day, but this shall not prevent the dispatch of a vessel on regular schedule or when ready to proceed on her voyage. And at all times while such vessel is in a safe harbor, eight hours, inclusive of the anchor watch, shall constitute a day's work. Whenever the master of any vessel shall fail to comply with this section and the regulation issued thereunder, the owner shall be liable to a penalty not to exceed $500, and the seaman shall be entitled to discharge from such vessel and to receive the wages earned. But this section shall not apply to vessels engaged in salvage operations: *Provided*, That in all tugs and barges subject to this section when engaged on a voyage of less than six hundred miles, the licensed officers and members of crews other than coal passers, firemen, oilers, and water tenders may, while at sea, be divided into not less than two watches, but nothing in this proviso shall be construed as repealing any part of section 4463 of the Revised Statutes. This section shall take effect six months after the enactment of this Act.'

"SEC. 3. Section 4551 of the Revised Statutes (U. S. C., title 46, sec. 643) is amended to read as follows:

"'SEC. 4551. (a) Every seaman upon a merchant vessel of the United States of the burden of one hundred gross tons or upward, except vessels employed exclusively in trade on the navigable rivers of the United States, shall be furnished with a book, to be known as a "continuous discharge book", which shall be retained by him and which shall contain the signature of the seaman to whom it is so furnished and a statement of his nationality, age, personal description, photograph, and home address. Such books shall be in such form and issued by the shipping commissioners and collectors and deputy collectors of customs at ports where no shipping commissioners have been appointed in such manner as the Director of Bureau of Marine Inspection and Navigation, subject to the approval of the Secretary of Commerce, shall determine. Any person, corporation, or association, other than a shipping commissioner, or collector or deputy collector of customs, who shall issue or cause to be issued any such book or imitation thereof, or any person, other than the real owner, who uses or endeavors to use any such book, or who makes any statement or endorsement in any such book not herein authorized, shall be deemed guilty of a misdemeanor and shall be imprisoned not less than one month nor more than three months, in the discretion of the court.

"'(b) Upon the discharge of any seaman and the payment of his wages, the shipping commissioner shall enter in the continuous discharge book of such seaman the name of the vessel, the nature of the voyage (foreign or coastwise), the class to which the vessel belongs (steam, motor, sail, or barge), the date and place of the shipment and of the discharge of such seaman, and the rating then held by such seaman. Whenever a seaman is discharged in any collection district where no shipping commissioner has been appointed, the master of the vessel shall perform the duties of such commissioner and shall make the proper entries in such continuous discharge book; and when the seamen are not required by law to be signed on and discharged before a shipping commissioner, the master shall make such proper entries in the discharge book. Any master who fails to make such entries shall be fined the sum of $50 for each such offense. This subsection shall take effect as to vessels engaged in foreign and intercoastal voyages six months after the enactment of this Act and as to all other vessels within one year after the enactment of this Act.

"'(c) There shall be maintained in the Bureau of Marine Inspection and Navigation in Washington a record of every discharge book and certificate issued under the provisions of this Act, together with the name and address of the seaman to whom it is issued, his next of kin, and a certified copy of all discharge entries in such book, which copy shall be forwarded to such Bureau by the shipping commissioner or person duly authorized to act as such before whom such holder is discharged.

"'(d) In case of the loss of a book by shipwreck or other casualty the seaman shall be supplied with another discharge book, in which shall be entered all data contained in the last book so far as this may be available from copies of records kept by the Bureau of Marine Inspection and Navigation; in other cases of loss the seaman may obtain a duplicate of such book containing the same entries upon payment of a sum equivalent to the cost thereof to the Government, to be determined from time to time by the Secretary of Commerce.'

"SEC. 4. (a) The local inspectors of the Bureau of Marine Inspection and Navigation shall inspect the crew quarters of every American vessel, at least once in each month, or at such times as such vessel shall enter an American port, and shall satisfy themselves that such quarters are of the size required by law or regulations issued thereunder, are properly ventilated and in a clean and sanitary condition, and are equipped with the proper plumbing and mechanical appliances required by law or regulations issued thereunder, and that such plumbing and mechanical appliances are in good working order and condition.

"(b) Whenever it shall be found that the crew quarters of any such vessel are not of the size required by law or regulations issued thereunder or are not properly ventilated or are not in a clean and sanitary condition or are not equipped with the proper plumbing and mechanical appliances required by law or regulations issued thereunder, or that such plumbing and mechanical appliances are not in good working order and condition, the appropriate board of local inspectors shall withdraw the certificate of inspection of such vessel and refuse to reissue the same until such improper conditions have been corrected; and the master or other licensed officer of such vessel who shall have willfully or negligently permitted such vessel to be in such improper condition shall be subject to a penalty of not more than $500.

"(c) This section shall take effect ninety days after the enactment of this Act.

"SEC. 5. (a) From and after the enactment of this Act all licensed officers and pilots of vessels of the United States shall be citizens of the United States, native-born, or completely naturalized.

"(b) From and after six months after the enactment of this Act upon each departure of any such vessel from a port of the United States, 75 per centum of the crew, excluding licensed officers, shall be citizens of the United States, native-born, or completely naturalized, unless the Secretary of Commerce shall, upon investigation, ascertain that qualified citizen seamen are not available, when, under such conditions, he may reduce the above percentages.

"(c) If any vessel while on a foreign voyage is for any reason deprived of the services of any member of the crew, such position or vacancy caused by the promotion of another to such position may be supplied by a person other than defined in paragraph (a) and (b) until the first call of such vessel at a port in the United States where such replacements can be obtained.

"(d) The owner, agent, or officer of any such vessel, who shall employ any person in violation of the provisions of this section, shall be subject to a penalty of $500 for each offense.

"SEC. 6. That any person who (1) shall receive or have in his possession any certificate, license, or document issued to vessels or officers or seamen by the Bureau of Marine Inspection and Navigation or by any officer or employee of the United States authorized by law to represent such Bureau, to which he is not lawfully entitled, with intent unlawfully to use the same; or (2) shall use or exhibit or attempt to use or exhibit any such certificate, license, or document to which he is not lawfully entitled; or (3) without lawful authority shall alter or change, or attempt to change, any

such certificate, license, or document by addition, interpolation, deletion, or erasure; or (4) shall forge, counterfeit, or steal, or shall attempt to forge, counterfeit, or steal, any such certificate, license, or document; or (5) shall unlawfully have in his possession or knowingly use any such altered, changed, forged, counterfeit, or stolen certificate, license, or document; or (6) shall print or manufacture, or cause to be printed or manufactured, any blank form of such certificate, license, or document without first obtaining the authority of the Bureau of Marine Inspection and Navigation; or (7) shall have in his possession without lawful excuse, and with intent unlawfully to use the same, any blank form of such certificate, license, or document; or (8) shall in any manner transfer, or cause to be so transferred, or negotiate such transfer of, any blank form of such certificate, license, or document, or any such altered, changed, forged, counterfeit, or stolen certificate, license, or document, or any such certificate, license, or document to which the party transferring or receiving the same is not lawfully entitled; or (9) shall aid or abet the perpetration of any of the foregoing acts shall for each offense, upon conviction thereof, be fined not more than $5,000 or imprisoned for not more than five years, or both.

"SEC. 7. The Secretary of Commerce shall enforce this Act as to all vessels of the United States subject to the provisions of this Act through collectors of customs and other Government officers acting under the direction of the Bureau of Marine Inspection and Navigation, and shall make such rules and regulations as he may deem necessary to carry out the provisions of this Act.

"SEC. 8. No provision of this Act and no amendment made by this Act shall apply to fishing or whaling vessels or yachts: *Provided, however,* That the provisions of law herein amended shall continue in effect insofar as they are applicable to said vessels or yachts with like force and effect as if this Act had not been passed.

"SEC. 9. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of the provisions thereof, shall not be affected thereby.

"SEC. 10. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act."

And the Senate agree to the same.

ROYAL S. COPELAND,
MORRIS SHEPPARD,
CHAS. L. MCNARY,
Managers on the part of the Senate.

WILLIAM I. SIROVICH,
ROBERT RAMSPECK,
FREDERICK R. LEHLBACH,
RICHARD J. WELCH,
Managers on the part of the House.

The report was agreed to.

EXCHANGE OF TELEGRAMS BETWEEN MR. SNELL AND GOVERNOR LANDON

Mr. MCNARY. Mr. President, when the chairman of the Republican national convention at Cleveland telegraphed to Gov. Alfred Mossman Landon, of Kansas, that he had just been nominated by acclamation for the exalted office of President of the United States, Mr. Landon replied in a telegram of acknowledgment to the convention, which begins as follows:

The message conveyed by the telegram from the convention moves me deeply.

I ask unanimous consent to have this exchange of telegrams between the Honorable BERTRAND H. SNELL, chairman of the Republican National Convention of 1936, and Gov. Alfred Mossman Landon, of Kansas, the nominee of the Republican Party for President of the United States, printed in the CONGRESSIONAL RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

CLEVELAND, OHIO, *June 11, 1936.*

GOV. ALFRED M. LANDON,
Topeka, Kans.:

The Republicans of the Nation, in convention assembled on June 11, 1936, have just nominated you by acclamation as their candidate for the high office of President of the United States.

This unprecedented vote of confidence in your leadership on behalf of constitutional government established by our fathers insures your triumphant election next November.

BERTRAND H. SNELL,
Chairman, Republican National Convention.

STATE HOUSE,
Topeka, Kans., June 12, 1936.

HON. BERTRAND H. SNELL,
Chairman, Republican National Convention,
Cleveland, Ohio.

MR. CHAIRMAN AND DELEGATES OF THE REPUBLICAN PARTY IN NATIONAL CONVENTION ASSEMBLED: The message conveyed by the telegram from the convention moves me deeply.

When the summons of which it tells is duly delivered, I shall respond, and, humbly relying upon Him in whom is the source of all true strength, I shall take the responsibility.

You have given me heart to face this responsibility by the splendid work you have done in your convention.

Your deliberations are the living proof that there are men and women able enough and brave enough to see the facts of our national problems and to meet them in the American way.

This is the spirit inherent in our party name. The Republican Party of Thomas Jefferson was dedicated to establish the rights and institutions of free men upon this continent. The Republican Party of Abraham Lincoln was dedicated to the maintenance of a government of the people, by the people, and for the people. You have dedicated the Republican Party of today to giving new life and reality to these eternal principles in the light of changing needs and conditions.

Let us accept all of the obligations of this legacy and unite to make it serve as noble a purpose in our time as ever it served in the times out of which the earlier Republican parties were born.

We shall succeed by bringing to our task the same devotion to human welfare and the common good which inspired those in whose steps we now follow.

Your declaration of principles is a charter of political freedom and economic justice. It keeps faith with the cherished belief of our people in a future that will be better than the present or the past.

Let us put our trust in the courage and the common sense of the American people, in their love of liberty and of justice, never doubting their firm resolve to repossess themselves of their Government under a leadership worthy to serve the cause of our beloved country.

And to prove our faith in the fitness of the American people to govern themselves, under a Constitution of their own making, let us go forward to meet the issue in the example of Mr. Lincoln, who "always addressed the intelligence of men, never their prejudice, their passion, or their ignorance."

This is the road to duty well and bravely done, as I believe—the road that leads to the victory for which we fight and pray we may deserve.

ALF M. LANDON.

COTTON EXPORTS—ADDRESS BY CHESTER C. DAVIS

Mr. MCKELLAR. Mr. President, I ask unanimous consent to have inserted in the RECORD an address on Cotton Exports and World Trade, delivered by Chester C. Davis, Administrator, Agricultural Adjustment Administration, in Memphis, Tenn., under the auspices of the Memphis Chamber of Commerce, on June 17, 1936. The address has to do with increasing our exports, especially of cotton. I commend it to the careful consideration of all Senators.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The vital importance to the South and to the Nation of maintaining a reasonable volume of cotton exports should be impressed with increasing emphasis upon every group in our economic structure. All of us have a tremendous stake in the future of our cotton export markets.

About 10 days ago, I was talking to a group of farmers and businessmen in Minnesota. In discussing some of the fundamental problems affecting foreign trade as they appeared to me after a 2 months' survey in Europe, I took occasion to mention the importance to Minnesota farmers of keeping open our foreign-trade outlets for cotton and tobacco.

I told them that 58 percent of our farm population lives in the 16 cotton States, and that the United States normally consumes less than half the total cotton production. A curtailment of the export markets for cotton and tobacco would ultimately have damaging repercussions upon farmers elsewhere. The land and labor devoted to cotton and tobacco, in the absence of a foreign market, would be compelled to seek alternative opportunities.

The farmers of the Middle West know that, forced to do it, much of the agricultural resources of the South could be utilized for dairy production and for the production of various types of feed for hogs. Lacking adequate foreign markets, the South's surplus acres would soon be compelled to shift to competition with the North and the West, and the distress would be equalized throughout agricultural America.

Thus it is clear that the maintenance of foreign markets for cotton is a national and not a regional problem. Moreover, it is not confined to agriculture. The dependence of industrial prosperity upon agricultural buying power has been demonstrated in so many ways during the past 3 years that no discussion of that plain economic fact seems necessary. Yet industrial labor, too, has a definite stake in the future of cotton exports. Your southern agricultural leaders and cotton shippers have recognized this fact, but it can't be repeated too often. Labor released from producing cotton for export would press against industrial wage scales elsewhere, and the direct result would be disastrous for labor.

Farmers all over America, the laborers in the mills and the mines, industry and business wherever located—all are vitally concerned about the problem of cotton exports. The thread of interdependence that runs through the pattern of our economic fabric is nowhere more apparent.

Because of its national importance, I would like to discuss with you briefly some of the factors which may determine the fate of our export markets for cotton. I would like to examine some of the mechanics which are being utilized by this Government in its vigorous efforts to maintain and encourage agricultural exports, and to examine also some of the proposals that have been made to modify, scrap, or substitute new methods for these efforts.

There is one basic principle upon which we can all agree. And that is that whatever methods are adopted to facilitate the movement of farm commodities into export, a basic consideration must always be the welfare of the primary producer. If a fair return is not received by the farmer for his product, he cannot be expected to continue to produce at a loss for either export or domestic markets. The objective of the A. A. A. for the past 3 years has been to protect the purchasing power of the farmer while at the same time making essential adjustments in the surplus crops to get out from under the load of unsalable supplies that brought on the price crisis of 1932 and early 1933.

Largely because of the operation of the adjustment programs, the cotton picture at the moment appears rather bright. There will be about 6,000,000 bales less American cotton in the world next August 1 than there was in August of 1932. The burden of the surplus which resulted in bankrupt prices that ruined thousands of cotton producers has been greatly lessened. The world supply of American cotton for the new cotton year should not be in excess of 20,000,000 bales, depending upon the size of the new crop. Meanwhile, world consumption of all cotton is on an encouraging upward trend. Most market forecasts are to the effect that an increased volume of American cotton can move during the coming season at prices somewhat above present levels.

The important question is in what manner and at what prices American cotton will be made available to foreign consumers in the years ahead. I went to Europe in April, believing that foreign cotton consumers were anxious to use American cotton and that the determining question was one of developing adequate trading opportunities. I talked with government officials, cotton importers, and our own business and official representatives in 11 countries. I came back more convinced than ever that the all-important job ahead, of maintaining and increasing our cotton exports, can be done successfully only if the Nation sees clearly that we must buy from abroad if we are to sell abroad and shapes its policies to that end.

Two policies are being advocated in high places today which, if adopted, would throttle international trade between the United States and the rest of the world; and international trade of the United States includes cotton exports as its first and most important item.

One of these policies would pledge the Nation "to protect the American farmer against the importation of all livestock, dairy and agricultural products, substitutes therefor, and derivatives therefrom. * * *"

Now, you know, and I know, that competitive agricultural products can come into this country only if domestic prices are higher than world prices by more than the amount of existing tariffs. A policy of national exclusion for agricultural products that shuts off competitive imports entirely would not in a normal year cut down our imports enough to make any material difference in our international trade balance.

That isn't the trouble. The real menace to our international trade, our cotton and other exports, is concealed behind that policy advocated ostensibly for agriculture. Are we so simple-minded as to believe that the principle of national isolation will be adopted for farmers only and that it will be withheld from the industrial groups that want a similar protection extended to them? The protected industrialists hope to see the farmers rally to that banner; they are not mentioned, but, like the traveling salesman's overcoat, they will be in the expense account just the same.

And the nation which adopts that principle of exclusion, of isolation, of national self-sufficiency, cannot hope to expand, or even to hold its agricultural exports. Such a policy is copying present-day European nationalism at its worst; if adopted, it will cut down our international trade just as it has done in Europe.

I referred to two policies which, if adopted, would cut down our international trade—our cotton exports. So much for the first one. The other would put the Government in the business of disposing of surpluses by bargaining for foreign markets selectively by countries both as to exports and imports. Again, I say, that is copying the disastrous European nationalism at its worst. It will work out in America as it has done in Europe—in two channels, both of them bad. These plans for selected and restricted trading are a dangerous importation of European plans of which the nations of Europe are already becoming thoroughly sick.

In the first place, Government barter, Government selection of imports and exports will result in decreased, not in increased trade. It has done so in Europe. Coupled as it is with the policy of national exclusion, of autarchy, as they call it in Europe, it will strike a crippling blow at our cotton exports, notwithstanding the fact that it is urged in the name of increased trade.

In the second place, the day the United States sets up a Government agency in charge of selecting which exports may be bartered from this country and selecting which imports may come in, that very moment it starts down the path which in Europe has led step by step to the most complete governmental regimentation of business, internal as well as external, the modern world has ever seen.

The experience of France with wheat is a striking example. By a system of exclusion, based on high tariffs and quotas, France maintained domestic prices under which its production of wheat increased. It changed rapidly from a wheat-importing to a wheat-exporting nation. An agency was created to assist in the disposition of the surplus. In the last 2 or 3 years two and one-half billion francs—about $170,000,000—has been spent trying to subsidize the export of wheat and its denaturing for livestock feed. France is now approaching the next stage. The new Minister of Agriculture goes into office with the pledge to create a Government grain monopoly in complete control of the internal as well as the external marketing of grain. Monopolies such as this, by the way, are general throughout Europe. They grow out of the adoption in Europe of the two policies I have described as now being offered for America.

There is no section of the United States that should be as mindful of the certain consequences of the operations of some of these restrictive policies proposed by economic isolationists as the people of this area assembled today in Memphis, the cotton capital of the Midsouth. I am fully convinced that a satisfactory volume of cotton exports can best be developed and maintained by pursuing a policy that liberalizes and increases international trade. It cannot be built satisfactorily or permanently under the proposed substitute system that shuts our markets to the goods our customers have to sell us, and sets up a new Government agency, under that handicap, to take charge of all our export and import transactions. On the contrary, not only must the present policies of reciprocal trade agreements be vigorously pressed, but these programs must be strengthened and supported by a strong, well-informed public opinion.

Moreover, certain laws enacted under the high protectionist regime of previous administrations must be modified to conform to the present efforts to reestablish the processes of international trade upon a sound and permanent basis.

Obviously, in a period of transition from an exorbitantly high-tariff policy to a program of rational protection, the change cannot be too abrupt. Early tariff measures could not take into account conditions or circumstances that have since developed. Specifically, I have in mind section 303 of the Tariff Act of 1930, which provided for countervailing duties where export subsidies or bounties are employed, or where the export price is lower than the home price in the country exporting goods into the United States.

Now, it is difficult to develop any particular emotional enthusiasm about a technical customs regulation such as section 303. But under a recent application of that section of German imports, the cotton farmers of the South stand to lose a large part of a good market. It is my hope that the effects of the application of this statute in this particular instance may somehow be overcome. I cite it as an example of the certain consequences that flow from legislation of this character. Undoubtedly, American industry must be protected against devices adopted by foreign competitors which would result in dumping large quantities of goods or commodities into the American market. But this particular section of the Tariff Act of 1930 does not permit exceptions to be made in cases where it is found that the prices at which a foreign country is selling its products, while lower than the domestic prices in the country of origin, are no lower than prices quoted by other countries which pay no subsidy or bounty on their exports.

In this case Germany, through the management of her currency, has maintained a fairly high domestic price level. In order to obtain exchange necessary with which to purchase imports, a system was devised which permitted foreign customers for certain German products to obtain what amounted to concessions from the domestic price level. Largely as a result of this system, which was actually helping us sell cotton to Germany because Germany was selling goods to us, that country has been able to double her takings of American cotton this year as compared with the previous season. You cotton men know that in 1934–35, Germany's purchases of American cotton dropped from more than a million bales a year to slightly above 400,000 bales. That lost market, to my mind, was chiefly responsible for the decline in prices of American cotton and the piling up of stocks in the 12-cent loan during that period.

Unfortunately, the way the law is written, the customs officials may have no alternative in this instance. But it is my own belief that the application of this statute in its present form is incompatible with the reciprocal tariff policy that is being followed by this administration with such success; and it is my hope that a remedy can be developed, because, to my mind, a market for four or five hundred thousand bales of cotton is more important to our national economy than its equivalent in imports of certain specialty products from Germany, most of which I am advised are largely noncompetitive with American manufactures.

These transactions have developed from the intensive drive by American shippers to find markets. There is a very real difference between trade of this nature and a program which would require the Federal Government to decide exactly what goods should be imported into this country and how much cotton or other commodities should be exported.

Let me give you an illustration of how that system of government-selected imports and exports would work. We won't even go into the question of how the Federal agency will parcel out the export business among the industrial and agricultural exporters desirous of getting it. We will see what would happen to American industry and business under Government-selected import control.

There is a limited market in this country for fabric gloves—a specialty product manufactured in Germany. Let us assume this Nation adopts the policy of bargaining for foreign markets selectively, both as to imports and exports. A distributer of gloves in the United States, say, one of the large mail-order houses, desires to import some of them. He first would have to get a permit from the "Federal bargaining agency." A competitor of this distributer then rushes to our "Federal bargaining agency." He, too, wants a permit to buy some German gloves. Then a third distributer and a fourth and a fifth and a hundredth—all apply for import permits. Each one is entitled to the permit if the first one was.

Long before this the American glove manufacturers will become disturbed. They will protest to the "Federal bargaining agency" that the excessive importation of German gloves is ruining their business and throwing American labor out of work.

The "Federal bargaining agency" will be forced, in the end, to establish a system of quotas covering not only the import gloves but the share of the market which it decides belongs to the American manufacturer who will thus be told how many gloves he can produce. That is the way the system tends to work in Europe.

Time does not permit discussion of all the complex elements that must compose a rational, statesmanlike foreign-trade policy. I believe the broad program now being pursued by this Government is best calculated to achieve a balance of trade through a general reduction of trade barriers that throttle international commerce throughout the world.

The people of America will hear much during the months ahead of how we can maintain cotton exports and other agricultural and industrial exports and at the same time pursue a course of drastic isolation. There is no magic formula, no sleight of hand by which such an objective can be accomplished.

While I was in Germany I talked with several German leaders in government and business about our cotton-trade problem. Among the interesting discussions was one with Dr. Schacht, Minister of Finance and head of the German bank. He, together with others, told me that Germany had been paying a higher price in their currency for Brazilian cotton of an inferior grade than they would have to pay for American cotton, but that they could pay for Brazilian cotton, while they found it very difficult to get dollar exchange with which to pay for cotton from the United States.

Everywhere in Europe I heard the same story. If America would regain or even hold its export sales abroad, it must buy from abroad. It is a lesson which apparently we have not yet learned in this country, and no one can tell what a troubled sea we are going to have to cross before we finally learn it.

There is a definite tie-up between our foreign-trade policy, the volume of our export sales, and our domestic agricultural policy. The farmers want, and, as far as I know, everyone else wants, to increase our exports. We can do it if we recognize the principle that the nation which would sell abroad must buy from abroad. In the meantime, I do not believe the farmers of America have changed their minds on the point that there is no good sense in breaking their prices and wasting their labor and their resources, producing more for a market than they can sell—and I haven't heard yet that the Supreme Court has held it unconstitutional to think or even to talk about that field.

I am gratified to learn of the high degree of participation in the new agricultural conservation program by the farmers of the South. This program offers an opportunity to rebuild the farm plant and to move in whatever direction world events make advantageous. Under the act, the State governments will, through the appropriate agency, assume a larger degree of responsibility for the administration of the program a year hence.

As desirable as the objectives of soil conservation are, the basic problem of markets for the South must be met through a vigorous and realistic foreign-trade policy which is a problem apart from the important task of getting our lands in order. The wise leadership of this administration is working in a thoroughly intelligent and realistic manner for a rational revision of our tariff structure. The success of these efforts is so important to the South and the Nation that, I repeat, a well-informed public support is essential.

While this program to restore international markets is being diligently pursued, the cotton producers and the producers of all other export agricultural commodities must join together and operate their farming plants in a manner which takes into account the current limitations upon export outlets. A new accumulation of unsalable surpluses would result in losing the notable gains that have been made.

I suspect that when the present agricultural conservation program is shifted to a State basis, careful consideration will need to be given to maintaining a balanced production, assuming, of course, that the States acting in unison have that power.

The problem of balancing agricultural production with the needs of our markets, domestic and foreign, is still with us. It may be obscured momentarily by court decisions and droughts and political campaigns, but, while the problem stands, the genius of the American people will be striving for the American way to solve it—and solve it they will.

ADDRESS BY MARRINER S. ECCLES

Mr. DUFFY. Mr. President, I ask leave to have printed in the RECORD an address delivered on March 27, 1936, by Marriner S. Eccles, Chairman of the Board of Directors of the Federal Reserve System, before the Business and Professional Men's Group, under the auspices of the University of Cincinnati.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I come before you tonight with a good deal of timidity. I appreciate, however, the opportunity of meeting with such a representative group of business and professional men who show by their presence here that they are seriously interested in public questions.

MY BACKGROUND AND ECONOMIC PHILOSOPHY

My experience in public life is of rather short duration. My background, I am sure, was a good deal like that of many of you. Up until the depression I had given little or no thought to public questions. I had spent 22 years in the business of making money, in conducting banking and business enterprises in the competitive field. I have known what it was to employ thousands of men, and I have known what it was to operate successfully banking and business enterprises. With the coming of the depression I was required to confront problems which were entirely new to me, and as the depth of the depression continued the seriousness of these problems dawned upon me. When I was put in the position of cutting salaries and wages, and of discharging or laying off faithful and old-time employees, I recognized at the same time that there was need for the services of all the men that were laid off because there were millions of people who needed and wanted the goods and services that they were able to provide.

I am not necessarily an altruist. I think I am a realist. I think the system of capitalistic democracy is, of necessity, an individualistic system, where there must be competition and self-interest. But at the same time, I think it has been brought home to us that our activities and our interests are much more closely associated with public interest than we had ever thought they were.

LLOYD GEORGE IN 1909

I was impressed the other day in rereading a speech made by the Honorable David Lloyd George in 1909, known as his "Limehouse Speech." I will read a very small part of it:

"It is rather a shame for a rich country like ours—probably the richest in the world, if not the richest the world has ever seen—that it should allow those who have toiled all their days to end in penury and possibly starvation. It is rather hard that an old workman should have to find his way to the gates of the tomb, bleeding and footsore, through the brambles and thorns of poverty. We cut a new path for him—an easier one, a pleasanter one, through fields of waving corn. We are raising money to pay for the new road—aye, and to widen it so that 200,000 paupers shall be able to join in the march. There are many in the country blessed by Providence with great wealth, and if there are amongst them men who grudge out of their riches a fair distribution toward the less fortunate of their fellow countrymen they are very shabby rich men."

THE ECONOMIC SYSTEM IN 1928 AND 1929—WHAT WAS WRONG

We thought in 1928 and 1929 that we had entered upon a new era, that we had banished poverty. As we look back and see what has happened since, it is only natural that we should try to analyze what was wrong with the system under which we operated and what, if anything, we can do about it. It is evident that there was not a shortage of anything at the time the depression struck. We were better equipped and better able to supply the needs and demands of the people of this country than we had ever been before in our history. Our productive facilities of all kinds and our manpower were recognized by everyone as being adequate to maintain a reasonably decent standard of living for the citizens of this country. The processes of production certainly did not break down. I think it has become evident to all of us that it was largely the system of distribution that broke down.

It was not a question of confidence, because confidence was at a high ebb. It was not a question of an unbalanced budget, and it was not a question of not being on the gold standard. We had everything that was considered to make for sound financial and sound business procedure. We had no inflation in the generally accepted sense. The index of prices generally was on a very stable basis.

It is true that we did have a speculative inflation. It is true that great sums of money were going into the stock market very largely through loans by others, surplus funds, excess cash holdings of individuals and corporations. The total amount of bank credit expansion was not impressive. There was no bank-credit inflation of sufficient amount to cause or create the speculative inflation that developed in the stock market and real-estate market.

BROOKINGS REPORT ON INCOME DISTRIBUTION

You have all heard about the Brookings report in connection with this subject. I want to read the condition that was pointed out in the report on page 37 of Income and Economic Progress.

"The consumptive requirements or wants of the people were far from satisfied during the period of our highest economic achievement. The value of the total national production of goods and services in 1929, if divided equally among the entire population, would have given to each person approximately $665. There were nearly 6,000,000 families with incomes less than $1,000; 12,000,000 with incomes under $1,500; over 16,000,000 with incomes under $2,000; and over 19,000,000, or 71 percent of the total, with incomes less than $2,500. A family income of $2,500, at 1929 prices, was a very moderate one, permitting few of the luxuries of life.

Hence it was clear that the consumptive requirements, and especially the wants, of the masses of the people were far from satisfied."

Speaking of what appears to be at least one of the reasons for some of our difficulties, the same report goes on to say:

"As to income distribution and its results, we found • • • the proceeds of the Nation's productive efforts going in disproportionate and increasing measure to a small percentage of the population—in 1929 as much as 23 percent of the national income to 1 percent of the people. We found the unsatisfied wants—needs according to any good social standard—of the 92 percent of all families who are now below the level of $5,000 annual income sufficient to absorb the product of all our unused capacity under present conditions of productivity and still demand much more from such unexplored potentialities as might thereafter be opened up. We found the incomes of the rich going in large proportion to savings and these savings strongly augmented by others impounded at the source by corporations through the practice of accumulating corporate surplus. These savings, after providing for such increase of capital goods as could be profitably employed, we found spilling over into less fruitful or positively harmful uses, ranging from foreign loans (bad as well as good) to the artificial bidding up of prices of domestic properties, notably corporate securities.

"Thus, we began to discern the answer to our question whether the basic defect in our economic system, not discovered in the technical processes of production, is to be found in the way in which we conduct the distribution of income. The answer is affirmative: This is the place at which we do find basic maladjustment."

BERLE AND MEANS ON THE CONCENTRATION OF WEALTH AND INCOME

Looking a little further, in the study made by Berle and Means, "The Modern Corporation and Private Property", they state that the concentration of income has been accompanied to quite an extent by the concentration of corporate wealth. They found that 200 big companies controlled 49.2 percent, or nearly one-half, of all nonbanking corporate wealth at the beginning of 1930, while the remaining half was owned by the more than 300,000 smaller companies. They go on to say that the actual extent to which the concentration of power has progressed is striking enough. More striking still, however, is the pace at which it is proceeding. In 1909, the assets of the 200 then largest nonbanking corporations amounted to only $26,000,000,000. By 1919 they had reached $43,700,000,000, an increase of 68 percent in 10 years. In the next 10 years, from 1919 to 1929, they increased to $81,100,000,000 or an increase of 85 percent. At this rate, it is estimated that in another 14 years one-half of the national wealth would be under the control of just a relatively few big companies.

Now, corporate profits were made and saved, that is, were not passed along in dividends to the stockholders. They were not passed along in lower prices to the extent that that would have been possible, or in higher wages. I am speaking of the corporate structure generally; I realize that there are many notable exceptions. What I am saying, I am saying as a corporation man. I am trying to look impartially, if I can, at the problem and see what it is possible for us to do to create a greater degree of stability in a capitalistic democracy.

TREASURY FIGURES ON DISTRIBUTION OF CORPORATE INCOME

Speaking made of the distribution of corporate income, I had some figures made up recently from the Treasury records of the total net corporate income from 1923 to 1933, inclusive. These figures cover income and dividends paid by the nonfinancial corporations reporting income. It does not include those reporting losses. These figures show a net income of $71,123,000,000. Dividends paid amounted to $45,433,000,000 and undistributed income to $25,691,000,000, or approximately 36 percent undistributed. Taking the corporations not reporting a net income for the same period, they paid out in excess of earnings $5,837,000,000. These figures include the depression years to the end of 1933.

CREDIT EXTENSION BY CORPORATIONS

It seems to me that here is a phenomenon that needs to be given some thought and consideration. We know that the amount of credit extended by banks to corporations diminished since the organization of the Federal Reserve banks until at the time of the depression in 1929 less than 13 percent of the total assets of the member banks were considered liquid eligible paper; that is, agricultural and commercial paper. At the present time this is less than 8 percent.

The credit field was to a very large extent absorbed by corporations. They have extended terms all the way down to the retailer and to the consumer. It seems to me that the prosperity that we had in the late twenties was due in no small measure to the use of credit, not that extended by the banking system, but to credit which was extended by our corporate structure, not only the large corporations which I have mentioned but by a great many small corporations as well. Some of these surplus funds, particularly of the larger corporations, went into the call market and stimulated, as we know, great speculation.

THE CONDITIONS LEADING TO GOVERNMENT INTERVENTION

Now, for a century and a half in this country we have always had reason to believe that we could not oversave as a Nation, that savings would go into new capital equipment. We had a shortage of capital through most of our history. We were a great frontier Nation. We were a debtor Nation until the time of the war. We had a rapidly increasing population. Our technical development was advancing slowly. There was a need for the population as a whole to consume a minimum over the standard of living, and to save and invest a maximum. We had high interest rates, except for short periods, over a good part of the last century and a half. It is true that we have had depressions during that period, some very serious ones, but from very different causes than the present one that we have been going through.

It now appears that, when surplus funds are saved or accumulated, whether by corporations or individuals, they go into the capital market and provide more facilities and produce more goods and provide more transportation than the people as a whole are able to buy; in other words, creating a situation where capacity gets out of balance with consumer buying-power, so that we have the paradoxical situation of an economy of abundance with millions of people out of work and idle factories and unused goods as the flow of money stops and slows up.

The volume of money times the velocity of turnover of that money measures our volume of business. In 1929 we had a volume of adjusted demand deposits eliminating the interbank balances of $22,744,000 in all banks. That excludes time or savings deposits. At the present time, there is approximately the same volume of adjusted demand deposits as at the peak in 1929. But in 1929 these deposits were not in the hands of the people who needed better houses, better furniture, better and more food, clothing, and education, as I have indicated by reference to evidence from the Brookings report on the distribution of income. We kept up prosperity by installment credit of all kinds at high rates to the masses of our people until it seemed to me that the point of saturation had been reached in the credit structure—not in the bank credit structure, but in the corporate credit structure. We know what happened.

Even in 1929 it is generally admitted that we lacked at least 20 percent of utilizing our capacity to produce, based upon the existing productive facilities and available labor. We know what the depression did to the banking system. In the process of deflation, bank deposits were decreased by about one-third as the result of credit contraction over which the individual banks had no control. This credit contraction brought about a similar reduction in the velocity or turnover of money, so that the national income dropped from more than $80,000,000,000 down to a low point of less than $40,000,000,000 in direct relationship to the volume and velocity of our money supply. And yet all during that period everything that is accepted as orthodox in order to give and maintain confidence was done. An effort was made to keep the Budget in balance through rigid governmental economy, at least for a time. We fought to preserve the gold standard at all hazards as though it were a very sacred thing. There was little Government interference. There was little legislation of a disturbing nature. And yet confidence did not come back. Why should it come back? Why should people with money invest that money in new productive enterprises when everything they had was becoming less valuable every day?

THE OBJECTIVES AND RESULTS OF GOVERNMENT SPENDING

The intervention by Government was an absolute necessity. Through Government spending we supplied buying-power that otherwise did not exist and thereby restored solvency. The money for Government spending was provided by the banks who purchased Government bonds, some in small amounts, at least for the first several years of the budgetary deficit. The bonds were also purchased by investors and insurance companies, but the bulk were purchased by banks. The credit which the banks were unwilling and unable to provide to private individuals and corporations, largely because there were no borrowers, they provided to the Government. This credit to the Government served to replace the deposits that were extinguished through the credit contraction by the banks during the depression until today we have demand deposits back to where they were in 1929. That can be accounted for entirely by the gold imports which were largely a result of devaluation, a small amount of silver purchasing for which silver certificates were issued in payment, and Government bonds and bonds guaranteed by the Government purchased by the banks, less the amount of private credit contraction which continued at banks even after the low point of deposits had been reached, had it not been for the credit which was extended to the Government and Government agencies and the gold imports, the volume of deposits would be less today than at the time of the banking holiday because the amount of outstanding credit by the banks outside of that extended to the Government is less than it was at that time.

This borrowing by the Government and the resultant spending is responsible for the business recovery that we have had. It is responsible for an increase in the Federal revenue of nearly $2,000,000,000. It is responsible for an increase in national income from a low point, $40,000,000,000, to the present income of about $60,000,000,000. Considering the results accomplished by this spending, the amount spent is insignificant in contrast to the wealth that it has resulted in creating.

SPENDING AND THE GOVERNMENT DEBT

At the time of the banking holiday, the Federal debt was approximately $21,000,000,000. There had been a deficit of nearly $1,000,000,000 in 1931 and a deficit of $3,153,000,000 in 1932. During the period of the twenties, we made four major reductions in the income-tax rates, the theory being that the lower the income tax the greater the prosperity and the surer we were that private capital would continue to take care of the unemployment problem.

The gross debt as of December 31, 1935, was approximately $30,000,000,000, an increase of between $9,000,000,000 and $10,000,000,000 from the period of the banking holiday. However, from the total debt of $30,000,000,000 must be deducted the United States interest in assets owned by the R. F. C. and other Government agencies estimated to be worth around $4,000,000,000. The Treasury balance was $2,200,000,000, exclusive of the stabilization fund, which is not in the money system. It is the gold profit held in the Treasury and has not been utilized. The net increase in the debt, then, excluding the stabilization fund, for that period of time is less than $6,000,000,000, or less than 1 month of the national income of 1928 or 1929. The total debt of $30,000,000,000, large as it is, is not much more than 4 months of the normal national income. In this connection, I think it is worthwhile noting that the interest rate on Government debt has dropped from 3.41 percent in 1932 to an average of 2.55 percent in 1935, and that the total interest charge has increased from $697,000,000 a year in 1932 to $751,000,000 a year in 1935, or an increase of only 8 percent in the total interest paid while the increase in the total debt was 44 percent.

A DEBT COMPARISON WITH ENGLAND

You have heard the comparison made with the English situation. I mention it only because England is spoken of as a country well able to manage her affairs, and of all the capitalistic countries under democracy she, perhaps, is the best example we have. The central Government debt of the United Kingdom is 158 percent of the national income of the United Kingdom in 1934, and it would take 1½ years of her income to pay it. Our debt was 38 percent of our national income in 1934. The debt of all public bodies, city, State, county, was 194 percent of the 1934 national income in Great Britain and our total public debt was 74 percent of our 1934 income. The interest we paid on the debt of all public bodies was 3 percent of the national income of 1934. Eight percent of the 1934 income of the United Kingdom would be necessary to pay the interest on her public debt.

RECOVERY IN REAL ESTATE

You are familiar with some of the figures showing the extent of recovery. As we have seen, I think, they are largely the result of the spending I have referred to and also of the credit that the Government has extended in stepping into the picture to relieve creditors as well as debtors. By the way, the great credit agencies of this Government are now collecting more than they are lending for emergency purposes; emergency loans are in the process of liquidation.

We know what has happened in the real-estate market, compared to what it was. Mortgages that looked worthless a couple of years ago look pretty good again. The loans the Government made through the R. F. C., the Home Owners' Loan Corporation, the Farm Credit Administration, and several other agencies, which looked very bad when they were made, are an entirely different picture today. A loan that is perfectly good on an $80,000,000,000 national income looks very bad on a national income of $40,000,000,000. The ability to pay debts and taxes relates to national income. Taxes are large or small according to the size of the national income, and debts may also be good or bad in the same way. So what we are primarily interested in is the maintenance of national income.

BUILDING NEW HOMES

I agree with most businessmen and bankers that a budgetary deficit, if continued, will create inflation. We have reestablished or restored our volume of money. Unfortunately, it is all too much concentrated and will not be used in putting people to work until the buying power and the demand for goods, generally speaking, will make industrial modernization and expansion profitable. However, one big field is open. That is the mortgage field for home construction, which, if it can be gotten underway on a long-term, low-interest, amortized basis, would be the means of creating our next period of real business activity. The Government is attempting to stimulate some activity in that field through inducing the agencies that have the funds to lend them. The banks now have a large part of the unused time funds for lending, and that is why banks must either get rid of their savings funds or put them to work. Insurance companies and mutual savings banks, of course, have large amounts of money. Those three agencies have lending capacities of several billions of funds for mortgages.

BALANCING THE BUDGET—RAISING TAXES

The reason that a continued budgetary deficit would create inflation beyond the control of the Federal Reserve System is that such a deficit financed by banks would continue to pile up bank deposits. The Government spends the money that it gets from credit extended by the banks, and the money gradually goes back into the profit system and is reflected in idle deposits. There was a tremendous increase in corporate profits last year, but very little increase in the average-wage levels, nationally speaking, and the price levels have remained pretty stable, outside of the prices of farm products and raw materials. You will see, therefore, that Government spending is resulting in a huge increase in idle deposits by corporations and wealthy individuals. It is a matter of logic that if we continue to build up idle deposits, it means that sometime or other they are going to flow over, and when they do you will have a speculative inflation at least. The stock market up to the present has been financed very largely without the use of bank credit.

We must look to a period of balanced budgets. The matter of a few billion dollars more added to bank deposits would not be material because time deposits are substantially below what they were in 1929. But we must look in the next year or two to a balanced Budget. Personally, I would like to see it by 1938. I think it can be brought about by an increase in the national income and in profits with a revision of the tax system somewhat along the lines that are now being proposed. I am in accord with the principle of the new tax proposals, although there are many of the details that I would take issue with. But to me the principle of forcing idle money in corporations into circulation is absolutely fundamental if we are to avoid inflation. That will tend to balance the Budget.

CAN WE QUIT GOVERNMENT SPENDING?

Many of us would say that the way to balance the Budget is quit spending. That cannot be done, and it should not be done so long as we have an army of unemployed people. You businessmen could not afford to have it done, because a too rapid contraction of Government spending could easily precipitate another deflation. We have not reached a stage in our recovery where we can stand any such shock as the loss of that buying power. Only as national income increases and private spending and private credit expansion takes hold can we socially, politically, or economically decrease Government spending by any great amount.

I am not speaking about the bonus nor about any other special legislation of that sort. I am speaking about unemployment relief and public works. I am not speaking about the methods of spending that have been used. There may be much difference of opinion on this point. Maybe we could get more for our money or could spend it more wisely where it could do more good. But so far as the actual amount of money being spent is concerned, to try to spend less would only mean that there would be less buying power and a lowered standard of living on the part of those unemployed, and God knows, generally speaking, what they get is not very excessive.

DUMPING THE UNEMPLOYED

If we expect capitalism to have the right to draw from the pool of unemployed when the services of men can be used profitably and then to have the liberty to dump them back into the pool of unemployment again, then the rights and liberties of those men, who through no fault of their own are put on relief, must be taken care of by all of us through the Government. The only salvation of capitalism is to recognize that the cost of unemployment must be borne in one form or another by all of us through Government. The thing that we cannot afford is not the cost of relief of $2,000,000,000 a year, nor is it the cost of a budgetary deficit of about $10,000,000,000 in the last 4 years; but the thing that we cannot afford is the wasting of our great resources of manpower and idle facilities, the loss of $40,000,000,000 national income in 1 year, such as 1932.

WAR DEBTS

Do you know that the per-capita debt in this country at the present time is less than it was in the year following the war, and that the per-capita wealth is far in excess of what it was at the end of the war? Do you know that we had a deficit in 1 year during the war of $9,000,000,000 and the next year of $13,000,000,000; a 2-year budgetary deficit of $22,000,000,000. It did not bankrupt us. We reduced that Government debt during the period of the twenties by about $10,000,000,000. While we were doing that we added tens of billions of dollars of new wealth in new capital facilities of all kinds, and we made some foreign loans, and we reduced income taxes four times. So far as our physical capacities were concerned, we could have paid it all off and known little about it.

SUMMING UP

I believe we can have a stable capitalistic democracy. I believe that it can be accomplished through recognizing that the Government is a compensatory agency in our present economy, not a competitor in the field of private business except possibly to extend credit in an emergency, but an agency to bring about better income distribution. When unemployment first develops it is an indication of an absence of buying power and this is a self-generating thing. That lack of buying power must be met in the beginning by having a program of public works, so that we will not lose in our economy the value of the services of our citizens. In this way the unemployed will be used on socially beneficial projects which are not entered into because of the profit motive alone. We should divert Federal funds in good times to retire the Government debt held by the banks to offset the private credit which the banks will be extending to corporations and others. That will be one of the most effective means of inflationary control that can be developed. In other words, the Governmental fiscal policy and the central bank policy, credit expansion and contraction should be coordinated. I think that within the Treasury and the Reserve System there is a real possibility of money management.

COMPLETION OF COMPILATION OF WRITINGS OF GEORGE WASHINGTON

Mr. BARKLEY. Mr. President, inasmuch as I have to leave the Chamber in order to attend a conference, I ask unanimous consent that the Committee on the Library be discharged from the further consideration of House Joint

Resolution 606 and that it be considered and acted upon at this time.

Mr. LA FOLLETTE. Mr. President, before unanimous consent is granted, may I inquire what is the purport of the joint resolution?

The VICE PRESIDENT. The clerk will read the joint resolution.

The Chief Clerk read the joint resolution (H. J. Res. 606) amending section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935, as follows:

Resolved, etc., That section 5 of Public Resolution No. 6, Seventy-fourth Congress, approved March 4, 1935, is hereby amended by striking out "December 31, 1936" and inserting in lieu thereof "December 31, 1937."

Mr. BARKLEY. The joint resolution simply extends for 1 year the authority of the George Washington Bicentennial Commission, among other things, to complete the compilation and printing of the writings of George Washington.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

THE CALENDAR

The VICE PRESIDENT. Under a special order of the Senate, unobjected bills on the calendar will now be called, commencing at no. 2218. The clerk will call the first bill in order.

BILLS PASSED OVER

The bill (S. 4673) to authorize the Attorney General to provide instruction and information on the subject of crime control was announced as first in order.

Mr. BULKLEY. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4370) to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 8940) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, and acts amendatory thereof and supplementary thereto" was announced as next in order.

Mr. SCHWELLENBACH. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

RESIDENCE REQUIREMENTS UNDER NATURALIZATION LAWS

The bill (H. R. 4900) to amend the naturalization laws in respect of residence requirements, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second paragraph of the fourth subdivision of section 4 of the Naturalization Act of June 29, 1906, as amended (U. S. C., Supp. III, title 8, sec. 382), is amended by striking out the period at the end thereof and inserting a comma and the following: "except that in the case of an alien declarant for citizenship employed by or under contract with the Government of the United States or an American institution of research recognized as such by the Secretary of Labor, or employed by an American firm or corporation engaged in whole or in part in the development of foreign trade and commerce of the United States or a subsidiary thereof, no period of residence outside the United States shall break the continuity of residence if (1) prior to the beginning of such period (whether such period begins before or after his departure from the United States) the alien has established to the satisfaction of the Secretary of Labor that his absence from the United States for such period is to be on behalf of such Government, or for the purpose of carrying on scientific research on behalf of such institution, or to be engaged in the development of such foreign trade and commerce or whose residence abroad is necessary to the protection of the property rights in such countries of such firm or corporation, and (2) such alien proves to the satisfaction of the court that his absence from the United States for such period has been for such purpose."

SEC. 2. No period of residence outside the United States during the 5 years immediately preceding the enactment of this act shall be held to have broken the continuity of residence required by the naturalization laws if the alien proves to the satisfaction of the Secretary of Labor and the court that during all such period of absence he has been under employment by, or contract with, the United States, or such American institution of research, or American firm or corporation, described in section 1 hereof, and has been carrying on the activities described in this act in their behalf.

LOANS TO SHIPOWNERS—SAFETY AT SEA

The Senate proceeded to consider the bill (S. 4187) to amend the Reconstruction Finance Corporation Act for the purpose of making loans to shipowners for increasing safety of life at sea on existing vessels, which had been reported from the Committee on Banking and Currency with an amendment, on page 2, line 6, after the word "at", to strike out "3½" and insert "4", so as to make the bill read:

Be it enacted, etc., That section 5 of the Reconstruction Finance Corporation Act, as amended, is hereby amended by adding at the end thereof the following new paragraph:

"The Reconstruction Finance Corporation is further authorized and empowered to make loans to American shipowners for the purpose of making such improvements on existing American passenger vessels owned by them as may be required in accordance with law for safeguarding life and property. Such loans shall be made only after the Department of Commerce has recommended that the improvements are necessary for safeguarding life and property and that the proposed expenditures are justified. Such loans shall be repaid in not more than 10 annual payments with interest at 4 percent per annum."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 4028) for the relief of certain officers of the United States Navy and the United States Marine Corps was announced as next in order.

Mr. CLARK. Mr. President, may we have an explanation of that bill?

Mr. ROBINSON. Mr. President, the author of the bill is not present at the moment, so I suggest that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4702) to amend the Soil Conservation and Domestic Allotment Act, was announced as next in order.

Mr. VANDENBERG. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

ELSIE O'BRINE

The bill (H. R. 8521) for the relief of Elsie O'Brine, was considered, ordered to a third reading, read the third time, and passed.

THOMAS J. ENGLISH

The bill (H. R. 6951) for the relief of Thomas J. English was considered, ordered to a third reading, read the third time, and passed.

JULIA LONG

The bill (H. R. 8321) for the relief of Julia Long was considered, ordered to a third reading, read the third time, and passed.

MERWIN A. KIEL

The bill (H. R. 8322) for the relief of Merwin A. Kiel was considered, ordered to a third reading, read the third time, and passed.

EMMA M. PEARSON

The bill (H. R. 5754) for the relief of Emma M. Pearson was considered, ordered to a third reading, read the third time, and passed.

FRANCISCO M. ACAYAN

The bill (H. R. 2155) for the relief of Francisco M. Acayan was considered, ordered to a third reading, read the third time, and passed.

S. JOHN HEGSTAD

The bill (H. R. 6668) for the relief of S. John Hegstad was considered, ordered to a third reading, read the third time, and passed.

CAROLINE M. HYDE

The bill (H. R. 7818) for the relief of Caroline M. Hyde was considered, ordered to a third reading, read the third time, and passed.

EARL J. THOMAS

The bill (S. 4264) for the relief of Earl J. Thomas was considered, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1391) to authorize and direct the United States Commissioner of Fisheries to undertake fish culture and related activities in Puerto Rico, authorizing appropriations therefor, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

GEORGE B. MARX, INC.

The bill (H. R. 7727) to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Court of Claims of the United States be, and it is hereby, given jurisdiction to hear and determine the claims, legal or equitable, of George B. Marx, Inc., a New York corporation and assignee or successor of George B. Marx, growing out of or arising under or from the suspension and cancelation of a certain contract no. 4241, dated August 6, 1918 (order no. 110016), which claims are for reimbursement and payment for services performed and goods furnished under said contract and order, for goods manufactured or in process of manufacture, and for materials and equipment bought, contracted, or committed for, by George B. Marx under the said contract, which contract was made by the United States with the said George B. Marx for the construction of a quantity of carts for carrying wire for the use of the Signal Corps, United States Army; and to enter decree or judgment upon said claims, notwithstanding the bars or defenses of any settlement, release, or adjustment heretofore made or of any assignment of said claims by George B. Marx to George B. Marx, Inc., or of laches, lapse of time, or of any statute of limitations: *Provided, however*, That the United States shall be given credit for any sum heretofore paid the said George B. Marx on said claims.

SEC. 2. The record or any part of the record of the proceedings and hearings had before the Committee on War Claims of the House of Representatives, on H. R. 1611 in the second session of the Seventy-first Congress, and the third session of the Seventy-first Congress, together with any and all exhibits, affidavits, or inventories presented to or filed with the said War Claims Committee of the House of Representatives in connection with said act, and together with any and all Government reports, statements, inventories, and other documents, on file in the War Department or any other department of the Government or elsewhere, having a bearing upon the claim embodied in said act, may be introduced before the Court of Claims with the full force of depositions subject to objections as to materiality and relevancy.

SEC. 3. Such claims may be instituted at any time within 4 months from the approval of this act. Proceedings in any suit brought in the Court of Claims under this act, appeals therefrom, and payment of any judgment therein shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

BILLS PASSED OVER

The bill (H. R. 9058) for the relief of the Baker-Whiteley Coal Co. was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. GIBSON. Mr. President, let it go over for the time being. I have not the papers in the case here, but have sent for them. The author of the bill is not present.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3958) to prevent the pollution of the navigable waters of the United States, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3959) to amend section 13 of the act of March 3, 1899, relating to the deposit of refuse in the navigable waters of the United States, and section 3 of the Oil Pollution Act, 1924, was announced as next in order.

Mr. VANDENBERG. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4342) to create a Division of Stream Pollution in the Bureau of Public Health Service, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 12522) for the relief of Grier Lowrance Construction Co., Inc., was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

BILL INDEFINITELY POSTPONED

The bill (H. R. 2619) for the relief of R. E. Sutton, Lula G. Sutton, Grace Sutton, and Mary Lou Drinkard was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. BLACK. Mr. President, it is impossible to explain the bill, because the claimants are not at all satisfied with the award. I ask that the bill may be indefinitely postponed.

The VICE PRESIDENT. Without objection, the bill is indefinitely postponed.

BILL PASSED OVER

The bill (S. 4695) to authorize completion, maintenance, and operation of certain facilities for navigation on the Columbia River, and for other purposes, was announced as next in order.

Mr. GERRY. Over.

Mr. McNARY. Mr. President, may I be advised who objected to the bill?

The VICE PRESIDENT. The Senator will have to ask the clerks. Objection was made, but Senators who object do not rise and it is impossible to determine who has objected. Will the Senator who objected inform the Senator from Oregon?

Mr. GERRY. Mr. President, I objected. The bill is too important to be considered on a mere call of the calendar. I have not had a chance to study it.

The VICE PRESIDENT. On objection, the bill will be passed over.

GAME MANAGEMENT SUPPLY DEPOT

The joint resolution (S. J. Res. 171) providing for establishment of a game-management supply depot and laboratory, and for other purposes, was announced as next in order.

Mr. POPE. Mr. President, House Joint Resolution 366, an identical measure, has passed the House. I ask that it may be substituted for the Senate joint resolution just stated, and be considered at this time.

Mr. McKELLAR. Mr. President, I have no objection, but will the Senator state what the joint resolution provides?

Mr. POPE. Yes. At the present time at Pocatello, Idaho, there is what is called a game-management supply depot for storing poisons to be used for various purposes. At the present time the Department is renting a building at Pocatello, Idaho, and paying the sum of $2,400 each year for the purpose of keeping the supplies. The joint resolution would authorize the purchase of a tract of land and the construction of a building. It is believed that the amount paid for the rental of the building now being used will pay for the construction of the building provided for. There is no provision in the joint resolution for an appropriation, and I hope the Senator will take note of that fact.

This is really a departmental measure. The Department is anxious to secure its passage, if possible, because it believes in the long run it will save money for the Department and will make it much more convenient for the Department in the handling of the supplies and dealing with the predatory animals.

Mr. McKELLAR. Mr. President, I ask the Senator to let it go over until we can look into it further.

The VICE PRESIDENT. On objection, the joint resolution will be passed over.

INVESTIGATION OF TRAFFIC CONDITIONS

The bill (H. R. 10591) to authorize the Secretary of Agriculture to investigate and report on traffic conditions, with recommendations for corrective legislation, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized and directed to use, during the fiscal years ending June 30, 1936, and June 30, 1937, such part as may be necessary of the administrative fund of the Bureau of Public Roads, but not to exceed a total of $75,000, for study and research of traffic conditions and measures for their improvement, and to cooperate

with Federal, State, District of Columbia, and municipal authorities, and other agencies, in connection with such study and research: *Provided*, That not to exceed $5,000 of the said sum may be used for printing necessary for the purposes of the work authorized and directed by this paragraph.

SEC. 2. The Secretary of Agriculture is hereby authorized and directed to make a preliminary report to Congress within the next 9 months of the results of the above study and research, and of the status of uniform motor-vehicle traffic laws throughout the country, and not later than June 30, 1937, to make a complete report, with his recommendations, including suggestions for legislation, which will promote the necessary uniformity in such laws.

RELIEF FOR GOVERNMENT CONTRACTORS

The Senate proceeded to consider the bill (H. R. 7293) to amend the act approved June 16, 1934, entitled "An act to provide relief to Government contractors whose costs of performance were increased as a result of compliance with the act approved June 16, 1933, and for other purposes", which had been reported from the Committee on Education and Labor with amendments.

The first amendment was, in section 1, page 2, line 2, after the word "contractor", to strike out "or another subcontractor"; in line 10, after the word "part", to strike out "thereof, if" and insert "thereof. If"; in line 24, after the word "incurred", to insert "prior to or"; on page 3, line 7, after the word "examined", to insert "and investigation of the facts upon which the claim is based, is made", so as to make the section read:

Be it enacted, etc., That an act approved June 16, 1934, be amended and reenacted to read, as follows:

"That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle on a fair and equitable basis claims of persons who entered into a contract or contracts with the United States prior to August 10, 1933, including all subcontractors and materialmen performing work or furnishing material or necessary fuel direct to the contractor under such contracts, for additional costs incurred by reason of compliance on and after August 10, 1933, with a code or codes of fair competition approved by the President under section 3 of the act approved June 16, 1933, known as the National Industry Recovery Act, or by reason of compliance with an agreement with the President executed under section 4 (a) of said act in the performance after August 10, 1933, of the contract or any part thereof. If, however, a contractor or subcontractor became a signator to or complied with any code or codes effective before August 10, 1933, then the additional costs incurred by reason of compliance therewith shall be allowed from the date of such compliance. In the event that such contract was performed wholly or in part by a surety on the bond of the contractor or of a subcontractor the claim may be presented by and settlement made with such surety, but such surety shall have no greater rights than would have accrued to the contractor or subcontractor had such contractor or subcontractor completed the contract. Any contractor or subcontractor or completing surety desiring an adjustment and settlement with respect to any such contract under this act for increased costs incurred prior to or after August 10, 1933, by reason of compliance with the codes or reemployment agreements shall file with the department or administrative establishment concerned a verified claim itemizing such additional costs, and any subcontractor or any such contractor may file his claim directly with the head of the department or independent establishment concerned or through the contractor. After the claim has been examined, and investigation of the facts upon which the claim is based, is made by the head of the department or independent establishment concerned or such person or persons as he shall designate, the claim shall be transmitted to the Comptroller General of the United States, accompanied with an administrative finding of fact and recommendation with respect to the claim.

The amendment was agreed to.

The next amendment was in section 2, on page 3, line 14, to strike out the word "In" and insert "The additional cost incurred shall be deemed to be the amount by which the actual cost of performance by the contractor, subcontractor, or materialman subsequent to June 16, 1933, exceeding the prevailing cost of labor and material at the time or times the contract was entered into with the United States: *Provided, however*, That in", so as to make the section read:

SEC. 2. The additional cost incurred shall be deemed to be the amount by which the actual cost of performance by the contractor, subcontractor, or materialman subsequent to June 16, 1933, exceeded the prevailing cost of labor and material at the time or times the contract was entered into with the United States: *Provided, however*, That in no event shall any allowance exceed the amount by which the cost of performance of such part of the contract as was performed subsequently to June 16, 1933, was directly increased by reason of compliance with a code or codes of fair competition, or with an agreement with the President, as aforesaid.

The amendment was agreed to.

The next amendment was, in section 4, on page 4, line 14, at the end of the section, to insert a proviso, so as to make the section read:

SEC. 4. No claim hereunder shall be considered or allowed unless presented within 6 months from the date of approval of this act, or, at the option of the claimant, within 6 months after the completion of the contract, except in the discretion of the Comptroller General for good cause shown by the claimant: *Provided*, That, upon the rejection in whole or in part by the Comptroller General of the United States of any claim founded upon this act, the Court of Claims of the United States shall have jurisdiction to hear, determine, and render judgment upon said claim, if said claim is made before the Court of Claims of the United States within 90 days after its rejection by the Comptroller General of the United States, in the same manner as provided under section 145 of the Judicial Code.

The amendment was agreed to.

The next amendment was, in section 6, on page 5, line 11, after the word "conduct", to strike out the quotation mark.

The amendment was agreed to.

The next amendment was, in section 2, on page 5, line 12, to renumber the section, and in line 17, after the word "act", to insert quotation marks.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

FLOOD CONTROL ON LACKAWANNA RIVER

The bill (H. R. 12007) to authorize a preliminary examination of the Lackawanna River with a view to the control of its floods, was considered, ordered to a third reading, read the third time, and passed.

FLOOD CONTROL ON THE PENOBSCOT RIVER, MAINE

The bill (H. R. 12007) to authorize a preliminary examination of the Penobscot River, Maine, and its tributaries, with a view to the control of their floods, was considered, ordered to a third reading, read the third time, and passed.

FLOOD CONTROL ON ANDROSCOGGIN RIVER

The bill (H. R. 12008) to authorize a preliminary examination of the Androscoggin River, in Maine and New Hampshire, and its tributaries, with a view to the control of their floods, was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 12056) authorizing the State of Iowa, acting through its State highway commission, and the State of Nebraska, acting through its department of roads and irrigation, to construct, maintain, and operate a free or toll bridge across the Missouri River at or near Dodge Street in the city of Omaha, Nebr., was announced as next in order.

Mr. BENSON (and other Senators). Over.

The VICE PRESIDENT. The bill will be passed over.

JOHN GELLATLY

The bill (H. R. 8824) for the relief of the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually, was announced as next in order.

Mr. ROBINSON. Mr. President, I ask that the bill go over.

Mr. COPELAND. Mr. President, will the Senator withhold his objection for a moment?

Mr. ROBINSON. Yes; just for a moment.

Mr. COPELAND. I ask that there may be included in the RECORD as a part of my remarks a memorandum concerning this matter. A statement was placed in the RECORD the last time the calendar was called.

Mr. ROBINSON. I understand there were two affidavits presented to the committee on the last hearing respecting this bill and that they were not left on file with the committee. Has the Senator those affidavits?

Mr. COPELAND. They are at my disposal. I do not have them in hand at the moment.

Mr. ROBINSON. Will not the Senator have the affidavits printed in the RECORD in connection with his remarks?

Mr. COPELAND. Very well. I ask that the statement to which I have referred may be printed as a part of my remarks and that during the day I may hand to the official reporters, for inclusion in the RECORD, the affidavits referred to by the Senator from Arkansas.

There being no objection, the statement and affidavits were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 12, 1936.*

To the Honorable Members of the United States Senate:

Facts regarding incorrect statements made by Dr. C. G. Abbot, Secretary of the Smithsonian Institution, and Senator JOSEPH ROBINSON, member of the Board of Regents of the Smithsonian Institution, as to my late husband, John Gellatly, myself, and the Gellatly art collection.

In the first place, to answer Dr. Abbot's incorrect statement on the first page of the adverse report Senator ROBINSON had printed in the RECORD. My husband's deceased wife died 17 years before Mr. Gellatly's marriage to me. She had nothing whatever to do with the purchase of the Gellatly art collection. The only items in that collection that she did purchase were several paintings and a few other items which she bought as furnishings for her home, and which long after her death my husband placed in the collection, which he alone assembled.

In the will of the deceased Mrs. Gellatly she showed very plainly that she did not intend leaving anything to art, as Dr. Abbot tried to give the impression. Her will read that in the event of Mr. Gellatly's death before hers, her entire estate, after leaving her jewelry and silverware to her sister, was to go to the Society for the Prevention of Cruelty to Animals, which she was greatly interested in, and a fund to create professorships at Columbia University in memory of her father and mother—her late father having graduated from that university. In the event of Mr. Gellatly surviving her, everything except her jewelry and silverware was to go to him absolutely. As I said before, Mrs. Gellatly died long before her husband, and under the will he inherited her large fortune.

Mr. Gellatly proposed to me, and I accepted his proposal of marriage in September 1928. This was 5 years after I met him, and 9 months before the alleged gift of his entire estate to the Smithsonian Institution. Documentary proof and affidavits of these facts were submitted to and passed upon both by the Judiciary Committee of the House and by the Claims Committee of the Senate, the latter having twice reported it favorably.

The adverse report published at the request of Senator ROBINSON in the RECORD was the result of a hearing held by the Claims Committee. Neither myself nor my attorney were notified of this hearing. Only Dr. Abbot was notified to appear at that hearing, so that neither my attorney nor myself was there to refute the incorrect statements made by him. Senator COPELAND appeared and tried to defend me, but not having the facts at his disposal, was at a great disadvantage. I shall always be very careful to him for his kindness in bringing this matter before the Senate.

At that hearing Dr. Abbot submitted a letter to the committee dated September 2, 1930, that my husband had written me during our engagement. Dr. Abbot tried to convey the impression that this letter bore the date of my husband's proposal to me, when as a matter of fact we had already been engaged 2 years, as has been proved by the committees of both the Senate and the House.

My husband wrote this letter because he had sold the old Holland House property, which he had previously promised me as a wedding present, and which I wished to keep in the family, as it was an old landmark of early New York. This letter, I have since found out, was written purely to deceive me as to the correct status of his finances. In it he wrote: "In order to have sufficient income to maintain a position in the world worthy of my wonderful wife to be, I have increased my income" * * * which plainly showed I was already engaged to Mr. Gellatly, or he would not have alluded to me as his "wife to be."

At this same adverse hearing, which has since been set aside, there was also a member of the Board of Regents of the Smithsonian sitting on the committee.

Both Dr. Abbot and Senator ROBINSON have stated that the matter had been fully gone into by Senator ROBINSON and two other members of the Board of Regents of the Smithsonian Institution, and that they came to the conclusion that I had no claim to my husband's estate, which comprised only the Gellatly Art Collection. They also said they came to this conclusion after studying a voluminous brief sent to Washington by my New York attorney, Edward A. Alexander. Here again I wish to correct these gentlemen.

The brief they considered was one sent by Mr. Alexander to Chief Justice Hughes (who was an old friend of his) in which Mr. Alexander went into the irregularities of the Smithsonian in the transactions of the alleged gift. The title of this brief which I now have before me is "Material facts appearing in the deposition of Dr. Chas. G. Abbot, Gari Melchers, and Ralph Seymour; showing that the Smithsonian is in wrongful possession of the Gellatly Art Collection and never acquired legal title thereto."

Gari Melchers, since deceased, was the former chairman of the National Gallery of Art Commission, a well-known artist himself, who had sold to my late husband three of his own paintings for about $22,000 These paintings are a part of the Gellatly collection, and Mr. Melchers, after he had sold these paintings to Mr. Gellatly, acted as the intermediary in recommending the acceptance of collection by the Smithsonian.

Ralph Seymour was my husband's butler. This man was an alien, and although he was in this country 25 years, he had never taken out his first papers, though my husband and I both had tried to persuade him to do so.

As a condition of the alleged gift, Seymour was employed by the Smithsonian as curator of the Gellatly Art Collection at a salary of $5,000 a year for 4 years. He never was asked to take an oath of office, nor had he any appointment in writing. As my husband's butler Seymour received a salary of from $90 to $100 a month.

There was also something in this brief about Dr. Abbot's borrowing $10,000 from a private citizen in Washington for the Smithsonian Institution. This money was to be used for the current expenses of the collection until an appropriation could be passed several months later by Congress. My attorney felt very strongly about this, as he said that if thousands of dollars could be borrowed in this manner, without the knowledge or approval of any member of the Board of Regents, as Dr. Abbot testified he had done, it might at some time prove very embarrassing to the Government.

My New York attorney is at present on a vacation. Were he in New York, I should have been able to quote more of the many irregularities referred to. There were 23 points in his 254-page brief. The three irregularities just mentioned are those that have come to my mind in writing this statement. However, they will give you an idea of what the voluminous brief was about, and what Senator ROBINSON and the other two members of the Board of Regents passed on.

I should not have referred to this at all had not Dr. Abbot and Senator ROBINSON started the discussion of this brief, which might confuse the Senate as to what the committees passed on. However, the Judiciary Committee of the House and the Claims Committee of the Senate never went into this brief or any of the acts of the Smithsonian, but simply considered the documentary proof of the date of my engagement and marriage, and the fact that under the laws of the State of New York the transfer of my husband's entire estate was in fraud of my rights, and that I was entitled to have my day in an impartial court to prove my claim, a court I may add where there would not be any members of the Board of Regents of the Smithsonian Institution sitting in judgment upon the Smithsonian Institution, but an impartial judge who will hear both sides. This is all my bill asks for, as you will see by the attached report sent out by both committees of the Houses of Congress.

I feel certain that I can depend on the American sense of fair play with which I know the Members of this honorable body is as much imbued today as it was in the days of my late grandfather, United States Senator Richard H. Whiteley, of Georgia, and so I want to thank in advance every Member of the Senate who supports my bill giving me my day in court.

Thank you.

CHARLYNE WHITELEY GELLATLY.

[S. Rept. No. 2302, 74th Cong., 2d sess.]

ESTATE OF JOHN GELLATLY, DECEASED, AND/OR CHARLYNE GELLATLY

The Committee on Claims, to whom was referred the bill (H. R. 8824) for the relief of the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

The facts are fully set forth in House Report No. 1758, Seventy-fourth Congress, first session, which is appended hereto and made a part of this report.

[H. Rept. No. 1758, 74th Cong., 1st sess.]

The Committee on the Judiciary, to whom was referred the bill (H. R. 8824) for the relief of the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually, having considered the same, report favorably thereon and recommend that the bill do pass.

There follows a statement analyzing the bill as reported.

STATEMENT

By the terms of the bill jurisdiction is conferred upon the United States District Court for the Southern District of New York to hear, determine, and render judgment on the claims of John Gellatly, deceased, and/or Charlyne Gellatly with respect to an art collection alleged to have been obtained without authority by representatives of the Smithsonian Institution and the United States, either for the return of the collection or for damages if it be not returned. Provision is made in the bill for notice to be duly served upon the Attorney General of the United States, who shall cause the United States attorney of the district to appear and defend the United States. The suit shall be brought within 4 months from the passage of the bill.

In March 1929 John Gellatly, a resident of New York City, with the object of perpetuating his name as an art collector, informed the Secretary of the Smithsonian Institution that he wished to give his collection to the Smithsonian Institution upon certain conditions, which were: To have the United States, through the Smithsonian Institution, assume the rental of the Heckscher Building in New York for a period of 4 years and the expenses of lighting, burglar alarms, etc., necessary for the maintenance and protection of the property during this period. These expenses totaled $80,000 for the 4 years.

On April 3, 1929, the Secretary of the Smithsonian Institution submitted the offer to its Board of Regents, who accepted the gift in principle. On June 5, 1929, a resolution was passed by the Congress recognizing the offer and conveying thanks to Mr. Gellatly. On June 13, 1929, the Smithsonian took possession of the collection.

In September 1928 Mr. Gellatly entered into an engagement to marry Mrs. Charlyne Whiteley Plummer, of New York, a granddaughter of the late Hon. Richard P. Whiteley, United States Senator from Georgia, and the marriage ceremony was performed on September 24, 1930. It developed shortly after the marriage that Mr. Gellatly had divested his estate of all of its assets by giving his art collection to the Smithsonian Institution and had left himself only an annuity of $3,750 terminable at his death. On November 8, 1931, Mr. Gellatly died; his age was 79 years. He had made a will naming the Smithsonian Institution his sole beneficiary. Nothing was left his wife. When the estate was probated in New York the surrogate's court ignored the will and appointed the widow administratrix of the estate. Proceedings were instituted in the surrogate's court by Mrs. Gellatly in 1932 to have the transfer of the art collection to the Smithsonian Institution declared invalid on the ground that it was in derogation of her marital rights under the laws of the State of New York, and to ask the return of the art collection to the estate.

The surrogate disclaimed jurisdiction of the matter because the property was in the possession of the United States. Upon his ruling the proceeding was withdrawn by the administratrix. In November 1934 an application for consent to a rehearing was filed, and on January 15, 1935, the surrogate, Hon. James A. Foley, denied the application for the same reasons, but added the following language:

"Under all the circumstances and because of my examination of the depositions in this matter, I believe that you should appeal to Congress to secure legislation which will permit you to obtain a day in some appropriate Federal court for your client. Certainly the issues are of sufficient importance and sufficiently close to justify a legislative grant of this permission."

In this case it is alleged Mr. Gellatly had agreed that if Mrs. Gellatly would consent to engage herself to marry him he would, upon the consummation of the marriage, support her in his station as a millionaire.

The New York courts have held:

"A man cannot deliberately, by his own purpose or through the inducement of other interested persons, strip himself of all inheritable property in fraud of his prospective wife, to whom he has represented that he has sufficient property for their comfortable support and maintenance, and in which she will be entitled to share upon his decease. Courts of equity will furnish relief to the end that such fraudulent and unconscionable acts will be declared void" (*Le Strange* v. *Le Strange*, 242 App. Div. 74). (See also *Longworth* v. *Longworth*, 144 App. Div. 187.)

Except for the possession of the property involved by the United States, this would be a case cognizable by the courts of the State of New York. There was no contract in force with the United States within the meaning of section 145 of the Judicial Code, consequently the Court of Claims does not have jurisdiction to determine the issues presented.

In view of Surrogate Foley's statement and other facts connected with the matter, the committee feels that authority for filing the suit in the manner provided and in the form designated by the bill should be granted, and it so recommends. The committee has formed no conclusion and makes no finding as to the facts. It feels that some forum should be designated to determine the issue.

SUPREME COURT OF THE UNITED STATES,
Washington, D. C., April 5, 1934.

EDWARD A. ALEXANDER, ESQ.,
New York City, N. Y.

MY DEAR MR. ALEXANDER: I have received your letter of April 3 and also the document, prepared by you, entitled "Material facts appearing in the deposition of Dr. Charles G. Abbot, Gari Melchers, and Ralph Seymour, showing that the Smithsonian Institution is in wrongful possession of the Gellatly art collection, and never acquired legal title thereto."

I have referred the document to Frederic A. Delano, Esq., as chairman of the executive committee of the Board of Regents of the Smithsonian Institution, for consideration and report.

Very sincerely yours,

CHARLES E. HUGHES.

SMITHSONIAN INSTITUTION,
Washington, U. S. A., June 12, 1934.

MR. EDWARD A. ALEXANDER,
New York City.

DEAR SIR: The matter discussed in your communication of April 3, 1934, to the chancellor of the Smithsonian Institution, Mr. Chief Justice Charles E. Hughes, was sometime ago referred by the Board of Regents of the Institution to its permanent committee with authority to act. In the light of the facts and arguments you present, the matter has been carefully considered by the committee, two members of which are lawyers, Senator JOSEPH T. ROBINSON, of Arkansas, and Assistant Secretary of State Mr. R. Walton Moore, the committee having also had the benefit of the opinion of a highly competent lawyer in no way connected with the Institution, and the conclusion has been unanimously reached that there is no ground upon which the Institution can accede to your client's demand, and I am instructed to advise you accordingly.

Yours very truly,

C. G. ABBOT, *Secretary.*

To whom it may concern:

I, Francis A. Imandt, proprietor of the tailoring establishment at 19 East Forty-eighth Street, New York City, N. Y., hereby certify that I have known the late John Gellatly for a period of about 30 years prior to his death; that I have made many garments for him and have enjoyed his long friendship.

On occasions of his frequent visits to my store, often not of a business nature, Mr. Gellatly has related various events pertaining to his private life, and I distinctly recall that sometime in February 1929, he told me that he was engaged to marry a lady, whom he described to me as "a very charming lady with auburn hair, named Mrs. Plummer."

FRANCIS A. IMANDT.

Sworn to and subscribed before me this 13th day of May 1935.

[SEAL] EINAR R. ANDERSON,
Notary Public, Queens County, No. 3453.

Certificate filed in New York County, No. 444, registration no. 6-A-288. Commission expires March 30, 1936.

Municipal Court of the City of New York, Borough of Manhattan, third district

Kolo Realty Corporation, plaintiff, against John Gellatly and Charlayne Gellatly, defendants. 22169/31. Tried September 1, 1931

Before Hon. Thomas E. Murray, justice.

Appearances: Clarence M. Davis, attorney for plaintiff, by James Ireland, of counsel, 342 Madison Avenue, New York; Burlingame, Nourse & Pettit, attorneys for defendant, John Gellatly, by Arthur E. Pettit, of counsel, 149 Broadway, New York.

Mrs. Gellatly, direct:

Q. Madam, you are the wife of John Gellatly, the defendant in this action?—A. I am.

Q. When were you married to Mr. Gellatly?—A. September 24, 1930.

Q. At that time where were you residing?—A. At the same place that I am now—153 West Fifty-seventh Street, New York.

Q. Madam, how long have you known Mr. Gellatly, the defendant?—A. Six years last June.

Q. You had been keeping company with him for how long?—A. He has shown me attention ever since I first met him, the week after, and we had been engaged 3 years.

Q. You knew Mr. Gellatly quite well?—A. Oh, yes.

Q. Might I ask, Madam, did Mr. Gellatly ever have property in New York during the time you knew him?—A. Yes. He had a great deal of property. He owned half of the property where the Holland House now stands. He owned two houses on Fifty-seventh Street, nos. 32 and 34 West Fifty-seventh Street, where he lived when I met him, in one of them.

Q. And your husband is a connoisseur in the art world, is he not?—A. I wouldn't say he was; no, sir. He has made quite a collection.

Q. Where was Mr. Gellatly living before you and he were married?—A. He was living in his home until he sold it in 1928 for $1,000,000.

Q. Where was the home?—A. It was at 34 West Fifty-seventh Street.

Q. And he sold it for a million dollars?—A. Yes.

Q. Just before you married him, perhaps in August 1930, where was Mr. Gellatly then residing?—A. When he sold his home in 1928, I think it was, he moved to the Hotel Buckingham on West Fifty-seventh Street, and occupied an apartment there for which he paid $4,800 a year.

He continued in that apartment up until the 1st of October, 2 weeks after I married him. The lease ran out then.

Q. Madam, you were married before?—A. Yes.

Q. And you have a child by that former marriage?—A. I had two children—one is living.

Q. How old is that child?—A. Fourteen years old.

Q. And Mr. Gellatly knew you had that child?—A. Yes. My child was quite delicate at the time; had lung trouble, and it was mostly on her account that I remarried, because I knew Mr. Gellatly could give her things that, perhaps, I could not.

Q. And prior to your marriage did Mr. Gellatly present you with an engagement ring?—A. He did.

Q. Madam, prior to the wedding, did you and Mr. Gellatly have any conversation about your future home?—A. Oh, yes; we picked out an apartment.

COUNSEL FOR DEFENDANT. I object to this as incompetent, immaterial, and irrelevant. The only thing that is important is what money he has now.

The COURT. I think they have a right to show his station in life, and the means he is accustomed to living at.

John Gellatly, direct:

Q. Will you kindly state what your indebtednesses are and have been during a period from October 1, 1930, to date?

COUNSEL FOR PLAINTIFF. I object to that as incompetent, irrelevant, and immaterial, and not binding on the plaintiff.

The COURT. I will let him state. Objection overruled.

COUNSEL FOR PLAINTIFF. Exception.

A. I owed the Government $7,000 for income taxes, and I owed my lawyer $1,500.

COUNSEL FOR PLAINTIFF. I must move to strike that out.

The COURT. I will receive it.

COUNSEL FOR PLAINTIFF. Exception.

A. Certain other little items have to be paid that come to a little over $10,000, and I have no income at all.

COUNSEL FOR PLAINTIFF. I move to strike out the answer about $10,000, on the ground it is incompetent, irrelevant, and immaterial, and also the other answer, which is purely a gratuitous answer.

The COURT. It is only an expression of opinion that he has other little items amounting to $10,000.

Q. Do you owe anything to New York State on account of income taxes?—A. Yes.

John Gellatly, cross:

Q. I believe you testified that you owed the Government about $7,000 for income taxes for the year 1930?—A. Yes.

Q. What would that mean that your income was for the year 1930?—A. It was sufficient to make that income tax as it is.

Q. I must confess my ignorance.

The COURT. Cannot you tell us what your income was?

The WITNESS. He can find out what it was by looking to see what that rate was.

The COURT. Don't you know what it was?

The WITNESS. I cannot recall the exact sum at all.

The COURT. Give us an approximate amount.

The WITNESS. I cannot give you that.

Q. You have no idea?—A. I have an idea, the same idea you have.

The COURT. If you do not know, say so.

The WITNESS. I do not know.

Q. Was it small or substantial?—A. I have answered you.

Pettit, cross:

Cross-examination by counsel for plaintiff:

Q. You are an attorney and counselor at law?—A. Yes.

Q. And you are the attorney for the defendant, Mr. Gellatly?—A. Yes.

Q. Have you handled Mr. Gellatly's affairs in connection with this art collection?—A. I don't know just what you mean. I never saw him until the fall of 1929, I believe; it may have been 1928. I had nothing to do with the legal procedure of the transfer of the collection. That was done before I knew him. Since after it was given, I think, I have handled his affairs.

Q. In other words, since 1929 you have handled his affairs?—A. Yes. The sale, though, had been made before I ever saw him, the sale of $1,000,000. In other words, I came in shortly before the sale of the Fifth Avenue property.

Q. So that, in August 1930, immediately before he got married, Mr. Gellatly did offer to the Government certain objects of art, did he not?—A. No; he gave them to the Government.

Q. Have they been accepted by the Government?—A. Yes.

Q. By a congressional resolution?—A. No; by the Board of Regents, the same ones that accepted the others.

Q. But it is necessary to effectuate such a gift that Congress pass a resolution, is it not?—A. I think that resolution embodied all that he had. The point was that some of the articles had not been paid for, and the first batch included only those that had actually been paid for, and he gave them all. They would not take official title until they had been paid for, so that there would be no question between the Government and the art dealers.

Mrs. Gellatly, direct—cross:

COUNSEL FOR DEFENDANT. I object to the purpose.

The COURT. Just tell us what the conversation was after you met Mr. Pettit.

A. I went there to ask my husband——

COUNSEL FOR DEFENDANT. I object to that.

The COURT. Come down to the conversation.

A. I said, "Mr. Pettit, I have come to ask my husband for the last time if he will write the letter that Dr. Abbot suggested, so that he could submit it, to have a return made," and he said, "I have advised him not to do any such thing." I said, "If that is so, I will have to employ attorneys to see that the thing is done." But I wanted to do it quietly if possible.

John Gellatly, cross:

Q. You knew Mrs. Gellatly for several years prior to your marriage?—A. Yes.

Q. And your relations with her were very friendly and she was a charming young lady, and you thought the world of her?—A. I think very much of her. She is a charming young lady.

Q. I show you this letter and ask you if that is your signature?—A. This is a letter written by me.

Q. To Mrs. Gellatly?—A. To I don't know who. It is Charlayne. It is not to Mrs. Gellatly. It is dated September 1, and she became Mrs. Gellatly on September 24.

The COURT. She was not Mrs. Gellatly at the time the letter was written, but it is to her?

The WITNESS. It is to her.

Q. But you did write that letter to this lady who is now Mrs. Gellatly?—A. Yes.

Q. You did write the letter? There is no question about the letter?—A. There is no question about the letter.

STATE OF NEW YORK,
County of New York, ss:

James Ireland, being duly sworn, says that he is an attorney at law duly admitted to practice in all the courts of the State of New York; that he was trial counsel in the case of *Kolo Realty Corporation* v. *John Gellatly and Charlayne Gellatly*, which was brought to recover the sum of $660 for accrued rental of an apartment occupied by defendant Charlayne Gellatly, the wife of the defendant John Gellatly, the action being predicated upon the theory that the defendant John Gellatly was the husband of the defendant Charlayne Gellatly, and that said defendant John Gellatly did not supply, furnish, or provide his said wife with a place to live, or furnish her with an amount of money adequate for her support and commensurate with his means and their station in life, and that said apartment was a necessity and a necessary which the defendant John Gellatly was obliged to and should have furnished to his said wife. At the trial the action was discontinued as against the defendant Charlayne Gellatly.

The action was tried before Mr. Justice Thomas E. Murray in the municipal court of the city of New York, Borough of Manhattan, third district, on September 1, 1931. In that trial the defendant John Gellatly, the husband of Charlayne Gellatly, testified that he knew Mrs. Gellatly for several years prior to their marriage; that he thought very much of her and that she was a charming young lady. In open court Mrs. Gellatly testified that they became engaged in September 1928, and her husband, Mr. Gellatly, and his attorney, Mr. Pettit, who were present in court, did not deny it. Mr. Gellatly also presented his wife with an engagement ring. It was further testified that after the marriage between the parties, which took place at Bel Air, Md., on September 24, 1930, Mr. Gellatly and his secretary went to New York and Mrs. Gellatly stopped over at Philadelphia, for the reason that Mr. Gellatly desired the wedding to be kept secret until he had secured a suitable dwelling; that she proceeded to New York the next day; and Mrs. Gellatly further testified that she was at all times willing to live with Mr. Gellatly in any apartment selected by him. She also testified she had a conversation with Mr. Pettit, who tried the case for defendant, at which Mr. Gellatly was present, in which conversation she asked Mr. Gellatly if he would write a letter which Dr. Abbott had suggested with reference to taking up with the Board of Regents the return of the art collection which Mr. Gellatly had made, and Mr. Pettit told Mrs. Gellatly in that conversation that he had advised Mr. Gellatly not to do any such thing.

The learned trial justice rendered a decision in favor of the plaintiff, which was an adjudication to the effect that Mr. and Mrs. Gellatly were man and wife; that Mrs. Gellatly had not deserted her husband; and that he was responsible for the rent, which was a necessity.

The defendant Mr. Gellatly prosecuted an appeal to the appellate term of the Supreme Court of the State of New York, which affirmed the judgment appealed from. A copy of said order of the appellate term is hereto annexed and made a part of this affidavit.

JAMES IRELAND.

Sworn to before me this 8th day of May 1935.

REBECCA FRIEDLANDER, *Notary Public.*

Bronx County clerk's no. 82, register no. 44–F–37; New York County clerk's no. 287, register no. 7–F–158; Nassau County clerk's no. 7–F–6. Certificate filed in Westchester County clerk and register. Commission expires March 30, 1937.

At an appellate term of the supreme court, first department, held at the county courthouse, Borough of Manhattan, city of New York, on the 29th day of December 1931

Present: Hon. Richard P. Lydon, Hon. Aaron J. Levy, Hon. Alfred Frankenthaler, justices.

Kolo Realty Corporation, plaintiff-respondent, v. *John Gellatly, defendant-appellant; Charlayne Gellatly, defendant.* Order on appeal from the municipal court. November. No. 307

An appeal having been taken to this court by appellant from a judgment of the municipal court of the city of New York, court of the city of New York, Borough of Manhattan, third district, entered on the 24th day of September 1931, and the said appeal having been heard and due deliberation having been had thereon,

It is ordered and adjudged that the judgment of the municipal court so appealed from be, and the same is hereby, affirmed, with $25 costs to the respondent.

Enter R. P. L.

JUSTICE APPELLATE TERM,
SUPREME COURT, FIRST DEPARTMENT.

RESOLUTION PASSED OVER

The resolution (S. Res. 313) extending the authority for Senate Resolution 185 concerning expenditures by the Federal Government for cotton cooperatives, and so forth, was announced as next in order.

Mr. SHEPPARD. Let the resolution go over.

Mr. McKELLAR. Mr. President, I am not going to take the time of the Senate on the call of the calendar this morning to do so, but later in the day I shall have some remarks to submit with reference to this resolution. I think I can assure Senators who have objected to the adoption of the resolution that the facts are such as to justify them in withdrawing their objection.

The VICE PRESIDENT. On objection, the resolution will be passed over.

RECREATIONAL FACILITIES AT PIERRE, S. DAK.

The Senate proceeded to consider the bill (S. 4183) to authorize the city of Pierre, S. Dak, to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities, to charge for the use thereof, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 15, at the end of section 1 to add a proviso, and to renumber the section, so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of section 21, as amended, of the act entitled "An act to divide a portion of the reservation of the Sioux Nation of Indians in Dakota into separate reservations and to secure the relinquishment of the Indian title to the remainder, and for other purposes", approved March 2, 1889, the city of Pierre, S. Dak., is authorized, for the purpose of maintaining, developing, and policing Farm Island, S. Dak., to construct, equip, maintain, and operate on such island dance pavilions, merry-go-rounds, ferris wheels, ball parks, and other amusement or recreational facilities, and to charge admission thereto; to construct, equip, and maintain tourist cabins on such island and to charge for the occupancy thereof; to lease up to 100 plats of land in such island of not more than 2 acres each for the erection thereon of private cottages; to require the registration of vehicles entering such island and to charge a fee therefor based upon a single entry or upon the privilege of entering such island for the period of a year; to lease to Girl Scout and Boy Scout organizations such grounds and quarters on such island as may be necessary for their encampments; and to sell beer on such island in compliance with the laws of the State of South Dakota: *Provided*, That this authorization shall be effective only when the said city of Pierre shall agree to the conditions prescribed in sections 2, 3, 4, and 5 of this act, in lieu of the conditions contained in the act of March 2, 1889 (25 Stat. L. 888, 897), relating to the purposes for which the said Farm Island may be used; and that until such agreement is certified to the Secretary of the Interior no part of this act shall be in effect.

SEC. 2. The carriage, sale, or gift on such island of any alcoholic beverages other than beer is hereby prohibited and such city is further authorized, for the purpose of detecting and preventing the carriage of such beverages, to provide for the reasonable inspection of persons and vehicles on such island.

SEC. 3. All enterprises operated on Farm Island shall be owned and operated by the city of Pierre, and all funds derived from such charges, fees, leases, and sales shall be maintained by the city in a separate fund and shall be used exclusively for the purpose of maintaining, developing, and policing Farm Island.

SEC. 4. Farm Island is hereby designated a wild-game refuge. The carriage of firearms on such island by any person other than an official of such city, the State of South Dakota, or the United States, and the hunting, pursuing, poisoning, killing, or capturing by trapping, netting, or any other means or attempting to hunt, pursue, kill, or capture any wild animal or bird for any purpose whatever, within the limits of such island, shall be unlawful.

SEC. 5. Whoever violates any provision of this act shall, upon conviction thereof, be fined not more than $500 or imprisoned not more than 6 months, or both.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 4684) for the relief of the First, Second, and Third National Steamship Companies was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

LIBRARY OF CONGRESS TRUST FUND BOARD

The bill (H. R. 12353) to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925, is amended by striking out the first seven words of the last paragraph of section 2 thereof, to wit, the words "Should any gift or bequest so provide", and substituting therefor the words "In the absence of any specification to the contrary."

SEVENTY-FIFTH ANNIVERSARY OF THE BATTLE OF ANTIETAM

The Senate proceeded to consider the joint resolution (S. J. Res. 255) to provide for the participation of the United States in the commemoration of the seventy-fifth anniversary of the Battle of Antietam, which had been reported from the Committee on the Library, with an amendment, on page 3, line 7, to strike out "$25,000" and insert "$15,000", so as to make the joint resolution read:

Whereas the Battle of Antietam, one of the greatest and most important battles of the Civil War, was fought in Washington County, Md., in September 1862; and

Whereas the seventy-fifth anniversary of the Battle of Antietam is to be celebrated during the week of September 12, 1937, by State, county, and other organizations: Therefore be it

Resolved, etc., That there is hereby established a commission to be known as the United States Antietam Celebration Commission (hereinafter referred to as the commission) and to be composed of seven commissioners, as follows: Three persons to be appointed by the President of the United States; two Senators, by the President of the Senate; and two Representatives, by the Speaker of the House of Representatives. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. It shall be the duty of the commission to arrange, in cooperation with State, county, and other organizations, an appropriate observance and celebration to take place during the week of September 12, 1937, of the seventy-fifth anniversary of the Battle of Antietam.

SEC. 3. (a) Without regard to the civil-service laws or the Classification Act of 1923, as amended, the commission is authorized to appoint and prescribe the duties and fix the compensation of such employees as are necessary in the execution of its functions.

(b) The commission may make such expenditures (including expenditures for personal services at the seat of government and elsewhere, for office supplies and for printing and binding) as may be necessary in the execution of the functions of the commission. All expenditures of the commission, including necessary traveling expenses and subsistence expenses (not in excess of $ per day) incurred by the commissioners and employees of the commission while traveling on the business of the commission, shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairman of the commission.

(c) The commission shall cease to exist within 30 days after the date of the expiration of the celebration.

SEC. 4. There is authorized to be appropriated the sum of $15,000, or so much thereof as may be necessary, to carry out the purposes of this joint resolution.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

ESTABLISHMENT OF ADDITIONAL CEMETERIES

The Senate proceeded to consider the bill (S. 4268) to establish additional national cemeteries, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to set aside in the Fort Snelling Military Reservation, Minn., a plot of land which shall include the existing post cemetery with such boundaries as he may prescribe therefor as a national cemetery, which hereafter shall be cared for and maintained as a national cemetery under the laws relating to the same.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of War to set apart as a national cemetery certain lands of the Fort Snelling Military Reservation, Minn."

BILL PASSED OVER

The bill (S. 543) to promote the safety of employees and travelers upon common carriers engaged in interstate commerce by railroad by compelling such carriers to maintain tracks, bridges, and appurtenances thereto in safe and suitable condition was announced as next in order.

Mr. TOWNSEND (and other Senators). Over.

Mr. MURRAY. Mr. President, this is one of a series of three measures which were made the basis of a hearing before the Interstate Commerce Committee. The other two measures have been acted upon. The purpose is to provide inspection of transportation in the interest of safety in railroad travel. This measure should be passed in order to accompany the other two measures. I ask the Senator who made the objection to withdraw it and allow the bill to pass. It is a necessary part of the scheme to provide an adequate inspection of railroad transportation.

Mr. WHEELER. I do not know who objected to the bill.

Mr. TOWNSEND. I objected.

Mr. WHEELER. I was wondering if the Senator would withdraw his objection.

Mr. TOWNSEND. I will talk with the Senator from Montana about it.

The VICE PRESIDENT. Objection having been made, the bill will be passed over.

W. R. DYESS

The bill (S. 4518) for the relief of the dependents of W. R. Dyess was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to extend to the dependents of the late W. R. Dyess, who was fatally injured in an airplane accident on January 14, 1936, while in the performance of his official duties as State administrator for the Works Progress Administration, the benefits of the United States Employees' Compensation Act approved September 7, 1916, as amended, and to pay funeral and burial expenses in accordance with the provisions of section 11 of the said act.

MRS. PETER PEIPER

The Senate proceeded to consider the bill (S. 3925) for the relief of Mrs. Peter Peiper, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$2,500", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Peter Peiper, of Wallingford, Conn., the sum of $2,500 as compensation for the death of her son, Raymond E. Monson, late apprentice seaman, United States Navy, who was killed in the performance of his duties at Newport, R. I., on May 14, 1928: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

M. K. FISHER

The Senate proceeded to consider the bill (S. 3606) for the relief of M. K. Fisher, which had been reported from the Committee on Claims with an amendment, at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. K. Fisher the sum of $500, in full satisfaction of his claim against the United States for damages arising out of personal injuries of his wife and two minor children, and damages to his automobile, suffered when such automobile was struck by a Forest Service truck, near Jerome, Ariz., on August 4, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORLAND RECLAMATION PROJECT, CALIFORNIA

The bill (H. R. 11538) for the relief of the Orland reclamation project, California, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 12556) to create the Treasury Agency Service, to provide for the more adequate protection of the revenue and a more effective enforcement of the revenue and other laws administered by the Treasury Department, and for other purposes, was announced as next in order.

Mr. COPELAND and other Senators. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

PIPESTONE INDIAN SHRINE, MINNESOTA

The bill (S. 1339) to establish the Pipestone Indian Shrine in the State of Minnesota was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the lands lying in Pipestone County, Minn., within the area hereinafter described are hereby dedicated and set apart as a national monument for the benefit and enjoyment of the people of the United States, under the name of the "Pipestone Indian Shrine": Beginning at a point 22.4' N., 45.08' W. of the northwest corner of sec. 12, T. 106 N., R. 46 W., fifth principal meridian; thence north, 1,655 feet; thence north 89°15' E., 708 feet; thence north 45' W., 302.3 feet; thence north 62°5' E., 961.7 feet; thence north 27°55' W., 264.5 feet; thence north 62°5' E., 161.1 feet; thence south 27°55' E., 264.5 feet; thence south 88°19' E., 967.5 feet; thence south 24' E., 144.3 feet; thence south 83°43' W., 472.4 feet; thence south 2°17' E., 2,249 feet; thence south 89°20' W., 2,279.2 feet to the point of beginning; and containing approximately 110.6 acres, including concourse.

SEC. 2. The administration, protection, and development of such park shall be exercised under the direction of the Secretary of the Interior by the Office of National Parks, Buildings, and Reservations, subject to the provisions of the act entitled "An act to establish a National Park Service, and for other purposes", approved August 25, 1916, as amended.

SEC. 3. All mineral rights in the lands described in section 1 are hereby expressly reserved to Indians of all tribes, under regulations to be prescribed by the Secretary of the Interior.

INCREASE OF PENSION TO CERTAIN VETERANS

The Senate proceeded to consider the bill (S. 4752) to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933.

Mr. McGILL. Mr. President, House bill 12758, Calendar No. 2538, is identical with the bill under consideration. The House has passed its bill; and I ask that it be substituted for the Senate bill, and that the Senate bill be indefinitely postponed.

The VICE PRESIDENT. Is there objection to the substitution of the House bill? The Chair hears none.

The Senate proceeded to consider the bill (H. R. 12758) to increase the pension to certain veterans of the Regular Establishment on the rolls March 19, 1933, which was ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate bill 4752 will be indefinitely postponed.

FEDERAL ENAMELING & STAMPING CO.

The bill (H. R. 12144) for the relief of the Federal Enameling & Stamping Co. was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

ELIZA BOYKIN

The Senate proceeded to consider the bill (S. 670) for the relief of Eliza Boykin, which had been reported from the Committee on Claims with an amendment at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of $4,088 to Eliza Boykin, Algiers, La., compensation due her as the unmarried widow of Archie Boykin, deceased, the checks for which compensation were received by another person without the knowledge of the said Eliza Boykin and cashed by such other person, who received the money paid thereon: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MARGARET SCOTT BAYLEY

The bill (S. 2827) for the relief of Margaret Scott Bayley was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 and 20, both inclusive, of the act en-

titled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, when filed, the claim of Margaret Scott Bayley for disability alleged to have been incurred by her while in the employment of the Veterans' Administration from June 28, 1920, to August 6, 1923, respectively, and to determine said claim upon its merits under the provisions of said act: *Provided*, That no benefits shall accrue prior to the enactment of this act.

JOSEPHINE M. SCOTT

The Senate proceeded to consider the bill (S. 2402) for the relief of Josephine M. Scott, which had been reported from the Committee on Claims with amendments, on page 1, line 7, after "$1,000", to insert "in full settlement of all claims against the Government", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Josephine M. Scott, widow of Harry Scott, of Opheim, Mont., the sum of $1,000 in full settlement of all claims against the Government to reimburse her for the loss of a valuable registered Percheron stallion, the death of which was caused by a test for dourine made by Dr. Perry Zenor, a veterinarian and representative of the Department of Agriculture: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE SMITH AND KETHA SMITH

The Senate proceeded to consider the bill (S. 3458) for the relief of George Smith and Ketha Smith, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "Treasury", to strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to George Smith and Ketha Smith, of Mobile, Ala., the sum of $2,250 in full settlement of all claims against the United States Government for damage to their automobile and for bodily injuries sustained by them on September 3, 1934, when the automobile in which they were riding collided with a Government vehicle operated in connection with the Civilian Conservation Corps, near Mobile, Ala.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORSON THOMAS

The Senate proceeded to consider the bill (S. 390) for the relief of Orson Thomas, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$1,250", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Orson Thomas, out of any money in the Treasury not otherwise appropriated, the sum of $1,250 in full settlement of all claims against the United States for damages on account of injuries resulting from being struck by an Army truck on February 25, 1932, at Salt Lake City, Utah: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HANS DITMANSON, DECEASED

The bill (H. R. 9313) for the relief of the estate of Hans Ditmanson, deceased, was considered, ordered to a third reading, read the third time, and passed.

HENRY COPPLE, DECEASED

The bill (H. R. 9314) for the relief of the estate of Henry Copple, deceased, was considered, ordered to a third reading, read the third time, and passed.

FRED WILKINS, DECEASED

The bill (H. R. 9315) for the relief of the estate of Fred Wilkins, deceased, was considered, ordered to a third reading, read the third time, and passed.

LT. COL. FERNAND H. GOUAUX

The bill (H. R. 10044) for the relief of Lt. Col. Fernand H. Gouaux was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1562) to amend section 62, chapter 3, title 45, of the Code of Laws of the United States of America was announced as next in order.

Mr. DAVIS and Mr. McNARY. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 5529) to prevent profiteering in time of war and to equalize the burdens of war and thus provide for the national defense, and promote peace was announced as next in order.

Mr. HALE. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. McNARY. Mr. President, what is the parliamentary status of House bill 5529?

The PRESIDENT pro tempore. The bill was passed over on objection.

F. P. DELAHANTY

The bill (S. 4712) for the relief of F. P. Delahanty was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of Lt. Comdr. F. P. Delahanty, Supply Corps, United States Navy, with the sum of $820.80, representing the amount of payments made by him in good faith to Lt. Comdr. C. K. Osborne, United States Navy, for rental and subsistence allowance of his dependent mother during the period July 1, to December 31, 1925.

BILL PASSED OVER

The bill (S. 2155) to grant relief to persons erroneously convicted in courts of the United States was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

EMPLOYMENT OF COUNSEL IN CERTAIN CASES

The Senate proceeded to consider the bill (S. 4118) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases, which had been reported from the Committee on the Judiciary with an amendment.

The PRESIDENT pro tempore. This bill is similar to House bill 11615, Calendar No. 2523. Without objection, the House bill will be substituted for the Senate bill.

The Senate proceeded to consider the bill (H. R. 11615) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases, which was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 4118 will be indefinitely postponed.

BRIDGEPORT IRRIGATION DISTRICT

The Senate proceeded to consider the bill (S. 4719) for the relief of the Bridgeport irrigation district, which had been reported from the Committee on Irrigation and Reclamation with an amendment to strike out all after the enacting clause and to insert the following:

That the Secretary of the Interior is hereby authorized to enter into a contract with the Bridgeport irrigation district, North Platte reclamation project, by which (a) the United States in consideration of $23,286 heretofore paid under the contract of June 14, 1915, between the United States and the district, shall grant to the district a permanent right to the use of water from the North Platte Federal reclamation project under the act of June 17, 1902 (32 Stat. 388), as amended and supplemented, which permanent water right shall entitle the district to divert from the North Platte River a quantity of water equal to three-tenths part of the quantity of water for which provision is made in article 1 of said contract of June 14, 1915, such total quantity of water for diversion by the district to be delivered by the United States under a schedule of delivery reduced in accordance with the provisions of this act; (b) the district shall agree to pay the United States the amount of $5,628.55, the operation and maintenance charges delinquent under said contract of June 14, 1915, for the years 1926 to 1935, both inclusive, upon the execution of said contract herein authorized; (c) the Secretary shall agree, upon the execution of said contract and its confirmation by the State courts, to cancel the judgment entered on July 30, 1929, against the district and in favor of the United States; (d) the district shall agree to pay to the United States in advance of the delivery of water under said contract one one-hundredth part of such amounts as shall be fixed by the Secretary as operation and maintenance charges in connection with the irrigation works from which said water supply is made available by the United States, such charges to be payable for the year 1936 and thereafter with interest from the due date at the rate of 6 percent per annum if not paid when due; (e) the Secretary shall be authorized to refuse the delivery of water under said contract to the district at any time when any installment in whole or in part (including any interest due thereon) of operation and maintenance charges shall not have been paid at the date provided in subdivision (d) hereof and shall remain unpaid at the date delivery of water is requested under said contract; and (f) the contract of June 14, 1915, shall otherwise remain in full force and effect.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LANDS IN SOLANO COUNTY, CALIF.

The Senate proceeded to consider the bill (H. R. 10356) authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes, which had been reported from the Committee on Naval Affairs with an amendment to strike out all of section 2 as printed in the bill and to insert in lieu thereof the following:

SEC. 2. Whenever in the judgment of the Secretary of the Navy or his duly authorized representative any emergencies exists which justifies it, he may assume exclusive control and management of said road and may then in his discretion prohibit, limit, or regulate traffic thereon.

The easement referred to in section 1 hereof is granted to the State of California and accepted by it with the distinct reservation that the Secretary of the Navy may, in behalf of the United States, at any time he deems its interests so warrant, reacquire the said easement by eminent domain or otherwise, the amount of just compensation in such case to be paid therefor not to exceed the cost to the State of California of any improvements placed upon the property referred to in section 1 subsequently to the date of approval of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time, the bill was read the third time, and passed.

MARCUS AND NARCISSA WHITMAN

The Senate proceeded to consider the bill (H. R. 11555) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission, which has been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and to insert:

That in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and of the founding of the Waiilatpu Mission, there shall be struck at a mint of the United States to be designated by the Director of the Mint 25,000 commemorative medals of a special appropriate single design, size, weight, and composition to be fixed by the Director of the Mint with the approval of the Secretary of the Treasury.

SEC. 2. Such commemorative medals shall be delivered to the duly authorized officers of the Whitman Centennial, Inc., upon payment to the Director of the Mint of an amount to be fixed by the Director of the Mint not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

SEC. 3. Whoever shall falsely make, forge, or counterfeit or cause or procure to be falsely made, forged, or counterfeited or shall aid in falsely making, forging, or counterfeiting any medal issued under the provisions of this act, or whoever shall sell or bring into the United States or any place subject to the jurisdiction thereof from any foreign place, or have in his possession any such false, forged, or counterfeited medal, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Waiilatpu Mission."

OPENING OF TRI-STATE TERRITORY

The Senate proceeded to consider the bill (H. R. 8107) to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State Territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory, in 1935 and 1936, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and to insert:

That in commemoration of the one hundredth anniversary of the founding of the city of Shreveport, La., and of the opening to navigation of the Red River of the West by the United States Government, resulting in the development of the tri-State territory of North Louisiana, east Texas, and southwest Arkansas, there shall be struck at a mint of the United States to be designated by the Director of the Mint 25,000 commemorative medals of a special appropriate single design, size, weight, and composition to be fixed by the Director of the Mint with the approval of the Secretary of the Treasury.

SEC. 2. Such commemorative medals shall be delivered to the duly authorized officers of the Shreveport Centennial, Inc., upon payment to the Director of the Mint of an amount to be fixed by the Director of the Mint not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

SEC. 3. Whoever shall falsely make, forge, or counterfeit or cause or procure to be falsely made, forged, or counterfeited or shall aid in falsely making, forging, or counterfeiting any medal issued under the provisions of this act, or whoever shall sell or bring into the United States or any place subject to the jurisdiction thereof from any foreign place, or have in his possession any such false, forged, or counterfeited medal, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the founding of the city of Shreveport, La., and the opening of the Red River of the West to navigation."

PENSIONS AND INCREASE OF PENSIONS

The bill (H. R. 8936) granting pensions and increase of pensions to certain helpless and dependent children of soldiers of the Civil War was announced as next in order.

Mr. RUSSELL. Mr. President, I should like to inquire whether the Committee on Pensions, in reporting this bill and all the succeeding bills, took into consideration the benefits which would be available to the beneficiaries of these bills under the social-security legislation enacted by the last

Congress. It appears to me that every time we pass a measure granting pensions to those not entitled to them under existing law we are transferring to the Federal Government part of the obligations of the States under the social-security legislation; and if we start pensioning the children and widows of all veterans who are not entited to pensions under existing law, we shall soon have the Federal Government bearing the entire obligation to support the old and the underprivileged, whereas under the social-security legislation it was contemplated that the States should bear at least a part of the burden.

Mr. ROBINSON. Why not let the bill go over?

Mr. RUSSELL. I ask to have the bill passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 8937) granting increase of pensions to certain widows and former widows of soldiers of the Civil War was announced as next in order.

Mr. RUSSELL. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. McKELLAR. Mr. President, all of the bills to Calendar No. 2479, House bill 12908, should be passed over.

Mr. RUSSELL. I ask that House bill 8938, House bill 12700, House bill 12701, House bill 12702, House bill 12703, and House bill 12908 be passed over.

Mr. McGILL. Mr. President, before that order is made, I am inclined to agree with what the Senator from Georgia said with reference to the helpless and dependent children of soldiers of the Civil War. However, all these other special bills have been passed by the House, and the Committee on Pensions has been urged by Members of that body to report out the bills. I do not know whether or not they would meet with the approval of the President or the Veterans' Administration. I am inclined to think probably they would not meet with the approval of the Veterans' Administration. However, I do think some of the persons mentioned in these bills are entitled to special consideration. They include helpless widows of veterans of the Civil War. Some of them are on the pension roll at the present time. There are others who are not, by reason of having been married to the veterans since 1905.

As chairman of the Committee on Pensions, I have been endeavoring to secure action on some sort of a bill which would take care of these cases in a uniform manner. However, it seems impossible to get the Department to approve either a uniform bill or a special bill on the subject. I had hoped there would not be objection to the bills affecting the widows, many of whom are helpless and in constant need of attendants.

Mr. RUSSELL. Mr. President, these are all omnibus bills; and while doubtless there are some meritorious cases in each of them, from looking over the reports, I am inclined to think there are others which are without merit; and, since they are not segregated, I ask that the bills go over.

The PRESIDENT pro tempore. Objection having been made, the bills indicated by the Senator from Georgia, will be passed over.

TERM OF DISTRICT COURT AT DURHAM, N. C.

The bill (H. R. 11926) to provide for a term of court at Durham, N. C., was considered, ordered to a third reading, read the third time, and passed.

PERRY H. CALLAHAN AND MALCOLM W. CALLAHAN

The bill (H. R. 7256) for the relief of Perry H. Callahan and Malcolm W. Callahan, was considered, ordered to a third reading, read the third time, and passed.

C. E. RIGHTOR

The bill (H. R. 7839) for the relief of C. E. Rightor, was considered, ordered to a third reading, read the third time, and passed.

JAMES FITZGERALD

The Senate proceeded to consider the bill (H. R. 8373) for the relief of James Fitzgerald, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James Fitzgerald, of Chicago, Ill., the sum of $156.07 in full settlement of all claims against the Government of the United States on account of the taking of such sum by a Federal prohibition agent from claimant's place of business on October 12, 1931, and for the return of which he failed to make application: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. ROBINSON. Mr. President, it appears from the report on this bill that it authorizes the payment of $156.07 to James Fitzgerald, the amount having been taken from his place of business by a Federal prohibition agent. I should like to have the Senator who reported the bill explain how it happened that a prohibition agent was taking money from the place of business of a citizen. I have not had an opportunity of studying the case. Who reported the bill?

The PRESIDENT pro tempore. The Senator from North Carolina [Mr. BAILEY] reported the bill.

Mr. BLACK. Mr. President, while I did not report the bill, I am a member of the Committee on Claims, and it appears that this money was covered into the Treasury. It was held for a time in order to ascertain whether or not any claim would be interposed. The money was later covered into the Treasury, and the Attorney General reported that he had no objection to the bill being passed in order to reimburse the owner of the money.

Mr. ROBINSON. Why was the money taken? Was it on account of taxes?

Mr. BLACK. At the time this man operated a lunchroom and it was raided. Under the law those raiding the lunchroom seized certain property, including the currency in question. The purpose of the seizure of the money on raided premises was to prevent its theft, and in order to deliver it to the proper owner if forfeiture proceedings were not instituted. The money remained in the hands of the officers for some time, and was later turned over to the Treasury of the United States.

Mr. ROBINSON. In any event, it does not belong to the Government?

Mr. BLACK. It does not belong to the Government but belongs to the individual.

Mr. ROBINSON. Very well.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

THERESA LINK, AND OTHERS

The bill (H. R. 8502) for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers was considered, ordered to a third reading, read the third time, and passed.

GRACE SCHULTZ

The bill (H. R. 8688) for the relief of Grace Schultz was considered, ordered to a third reading, read the third time, and passed.

LOUIS MANZUMIN

The bill (H. R. 8720) for the relief of Louis Manzumin was considered, ordered to a third reading, read the third time, and passed.

BERTHA W. LAMPHEAR

The bill (H. R. 9078) for the relief of Bertha W. Lamphear was considered, ordered to a third reading, read the third time, and passed.

ARCH A. GARY

The bill (H. R. 10168) for the relief of Arch A. Gary was considered, ordered to a third reading, read the third time, and passed.

POCAHONTAS FUEL CO., INC.

The bill (H. R. 10279) for the relief of the Pocahontas Fuel Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

ETHEL ARMES

The bill (H. R. 11022) for the relief of Ethel Armes was considered, ordered to a third reading, read the third time, and passed.

EDWARD A. FOOTE, JR., AND OTHERS

The bill (H. R. 11123) for the relief of Edward A. Foote, Jr., and others was considered, ordered to a third reading, read the third time, and passed.

WILLIAM H. MILTON

The bill (H. R. 11379) for the relief of William H. Milton was considered, ordered to a third reading, read the third time, and passed.

ANDREW JOHNSON

The Senate proceeded to consider the bill (H. R. 4364) for the relief of Andrew Johnson, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "Treasury not", to strike out the words "otherwise appropriated" and to insert in lieu thereof the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not allocated by the President for the maintenance and operation of the Civilian Conservation Corps, the sum of $1,500 to Andrew Johnson, of Sacramento, Calif., in full settlement of all claims against the Government of the United States for damage and injuries sustained when his car was struck by a Civilian Conservation Corps truck on October 31, 1933: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. CHARLES F. EIKENBERG

The Senate proceeded to consider the bill (H. R. 5078) for the relief of Mrs. Charles F. Eikenberg, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "Treasury", to strike out the words "not otherwise appropriated" and to insert in lieu thereof the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Mrs. Charles F. Eikenberg, the sum of $4,186. Such sums shall be in full settlement of all claims against the United States on account of injuries sustained by the said Mrs. Charles F. Eikenberg on or about the 1st day of October 1933 as result of collision with a Government truck numbered C. C. C. 65: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOHN B. RICKETTS

The Senate proceeded to consider the bill (H. R. 10439) for the relief of John B. Ricketts, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "Treasury", to strike out the words "not otherwise appropriated" and to insert in lieu thereof the words "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to John B. Ricketts, of Lincoln, Nebr., the sum of $1,500 in full settlement of his claim against the United States for personal injuries suffered as a result of a collision between the vehicle he was driving and a Civilian Conservation Corps truck, on December 3, 1934, near Cortland, Nebr.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOINT RESOLUTION AND BILLS PASSED OVER

The joint resolution (S. J. Res. 271) amending and repealing certain sections of the Emergency Railroad Transportation Act, 1933, and extending the effective period of such act, and for other purposes, was announced as next in order.

Mr. DAVIS. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 4668) to regulate interstate commerce in bituminous coal, and for other purposes, was announced as next in order.

Mr. HALE. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 4305) to provide for a preliminary examination and survey to determine the feasibility and cost of diverting the surplus waters of the Green River, Wyo., to the Bear River, for the purpose of irrigating the lands in the Bear River Basin, was announced as next in order.

Mr. McKELLAR. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

PREVENTION OF OVERGRAZING

The bill (H. R. 10094) to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269), was announced as next in order.

Mr. TOWNSEND. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. O'MAHONEY subsequently said: Mr. President, what happened to order of business 2500?

The PRESIDENT pro tempore. Objection was made.

Mr. O'MAHONEY. Mr. President, will the Senator who made the objection withhold his objection for a moment?

Mr. ASHURST. Unfortunately, Mr. President, I was diverted, and did not have the honor to make the objection. But with due deference to my learned friend and the Senator who reported the bill, even if I were in favor of the bill, it would not be possible to pass the bill under the present order.

I appreciate the very fine labor the Senator from Colorado [Mr. ADAMS] and the Senator from Wyoming [Mr. O'MAHONEY] put forth on this bill. They were fair, they were industrious. But I could not permit a bill of this character to pass under the 5-minute rule.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. ROBINSON. It appears from the RECORD, according to my study, that a similar bill was vetoed last year.

Mr. ASHURST. That is true.

Mr. ADAMS. Mr. President, may I make an explanation of that? The bill which was vetoed last year——

Mr. DAVIS. Regular order!

Mr. ADAMS. May I not make the statement?

The PRESIDENT pro tempore. The Senator from Colorado asks unanimous consent to be allowed to make a statement. Is there objection? The Chair hears none, and the Senator may make his statement.

Mr. ADAMS. It seems necessary to say a word in view of the statement which has been made.

The bill now being discussed meets the approval of the Secretary of the Interior, who was responsible for the veto last year of the measure which was passed at that time. The matter has been taken up with the Secretary of the Interior, and, as I understand, the bill will not be vetoed if it shall be passed at this time.

Mr. ASHURST. If I may be indulged for a few minutes, I think the Senate would be interested in knowing what the bill is, so that there would be no charge of a blind objection.

Under the Taylor Grazing Act, so-called, some 80,000,000 acres of vacant, unappropriated lands of the United States were placed under the control of the Department of Interior, leaving approximately 90,000,000 more acres of land perhaps. The bill now before the Senate seeks to bring the remaining 90,000,000 acres of public land within the control of the Department.

This, of course, proposes a radical change in our governmental policy. I admit that such a measure would be constitutional, because Congress has absolute power to make disposal of the public lands as Congress sees fit, but I believe it would be doing my constituents a grave wrong to permit the passage of the bill. I repeat, I in no way seek to minimize the splendid work of the Senator from Colorado who has been so fair and considerate. To my regret, I must object.

The PRESIDENT pro tempore. Objection is made, and the bill will be passed over.

WITHDRAWAL OF PUBLIC LANDS FROM ENTRY

The bill (H. R. 1397) to withdraw certain public lands from settlement and entry was considered, ordered to a third reading, read the third time, and passed.

BATTLE OF EUTAW SPRINGS, S. C.

The bill (H. R. 255) to provide for the commemoration of the Battle of Eutaw Springs in the State of South Carolina was considered, ordered to a third reading, read the third time, and passed.

THE CALIFORNIA PARK SYSTEM

The Senate proceeded to consider the bill (S. 4634) to provide for the selection of certain lands in the State of California for the use of the California State park system, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 2, line 21, after the word "thereof", to insert the words "including telephone and electrical transmission lines", so as to make the bill read:

Be it enacted, etc., That subject to valid rights existing on the date of this act, the State of California may within 5 years select for State park purposes by legal subdivisions all or any portion of the public land not reserved for public purposes in the following townships:

Township 9 south, range 9 east; township 9 south, range 10 east; township 10 south, range 9 east; township 10 south, range 10 east; township 10 south, range 11 east; township 11 south, range 9 east; township 11 south, range 10 east; and township 11 south, range 11 east, San Bernardino meridian.

Upon the submission of satisfactory proof that the land selected contains characteristic desert growth and scenic or other natural features which it is desirable to preserve as a part of the California State park system the Secretary of the Interior shall cause patents to issue therefor: *Provided*, That there shall be reserved to the United States all coal, oil, gas, or other mineral contained in such lands, together with the right to prospect for, mine, and remove the same at such times and under such conditions as the Secretary of the Interior may prescribe: *Provided further*, That any patent so issued shall contain a provision reserving to the United States for the use of the United States and its permittees, including Imperial Irrigation District, the perpetual right to flow or permit water to flow over or pond or permit water to be ponded upon any part of the lands so patented with right to go upon same and to locate, relocate, construct, reconstruct, and maintain any works necessary or convenient to the full use thereof including telephone and electrical transmission lines, and shall also contain provision for reversion of title to the United States upon a finding by the Secretary of the Interior that for a period of more than 1 year the land has not been used by the State for park purposes: *And provided further*, That in order to consolidate park areas or to eliminate private holdings therefrom lands patented hereunder may be exchanged with the approval of and under rules prescribed by the Secretary of the Interior for privately owned lands in the area hereinbefore described of approximately equal value containing the natural features sought to be preserved hereby. The lands so acquired to be subject to all the conditions and reservations prescribed by this act, including the reversionary clause hereinbefore set out.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CALIFORNIA STATE PARK SYSTEM

The Senate proceeded to consider the bill (S. 4633) to provide for the selection of certain lands in the State of California for the use of the California State park system, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 2, line 20, after the word "meridian", to insert the words, "*Provided*, That the Secretary of the Interior may set aside lands of approximately 42,000 acres of the above-described area, and may in his discretion, and under such rules and regulations as he may prescribe, transfer complete title to all or any part of the same to the State of California on the basis of acre for acre in consideration of the transfer by the State of California to the United States of the complete title to lands owned by said State within the area withdrawn by Executive Order No. 6361 of October 25, 1933, and the provisions of section 2 of this act shall not apply thereto", so as to make the bill read:

Be it enacted, etc., That, subject to valid rights existing on the date of this act, the State of California may, within 5 years, select for State park purposes by legal subdivisions all or any portion of the public land not reserved for public purposes in the following townships:

Township 13 S., R. 4 E., San Bernardino meridian, secs. 25, 26, 35, and 36; T. 13 S., R. 5 E.; T. 13 S., R. 6 E.; T. 13 S., R. 7 E.; T. 13 S., R. 8 E.; T. 13 S., R. 9 E.

Township 14 S., R. 4 E., secs. 1 and 12; T. 14 S., R. 5 E., secs. 1 to 26, inclusive, 35, and 36; T. 14 S., R. 6 E.; T. 14 S., R. 7 E.; T. 14 S., R. 8 E.; T. 14 S., R 9 E.

Township 15 S., R. 6 E., secs. 1 to 18, inclusive; T. 15 S., R. 6 E., secs. 21 to 27, inclusive; T. 15 S., R. 6 E., secs. 34, 35, and 36; T. 15 S., R. 7 E.; T. 15 S., R. 8. E; T. 15 S., R. 9 E.; T. 15 S., R. 10 E., secs. 29, 30, 31, and 32.

Township 16 S., R. 6 E., secs. 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, and 16; T. 16 S., R. 7 E.; T. 16 S., R. 8 E.; T. 16 S., R. 9 E., secs. 1 to 12, inclusive; T. 16 S., R. 10 E., secs. 5, 6, 7, and 8.

Township 17 S., R. 8 E., San Bernardino meridian: *Provided*, That the Secretary of the Interior may set aside lands of approximately 42,000 acres of the above-described area, and may in his discretion, and under such rules and regulations as he may prescribe, transfer complete title to all or any part of the same to the State of California on the basis of acre for acre in consideration of the transfer by the State of California to the United States of the complete title to lands owned by said State within the area withdrawn by Executive Order No. 6361 of October 25, 1933, and the provisions of section 2 of this act shall not apply thereto.

SEC. 2. Upon the submission of satisfactory proof that the land selected contains characteristic desert growth and scenic or other natural features which it is desirable to preserve as a part of the California State park system, the Secretary of the Interior shall cause patents to issue therefor: *Provided*, That there shall be reserved to the United States all coal, oil, gas, or other mineral contained in such lands, together with the right to prospect for, mine, and remove the same at such times and under such conditions as the Secretary of the Interior may prescribe: *Provided further*, That any patent so issued shall contain a provision for reversion of title to the United States upon a finding by the Secretary of the Interior that for a period of more than 1 year the land has not been used by the State for park purposes: *And provided further*, That in order to consolidate park areas or to eliminate private holdings therefrom, lands patented hereunder may be exchanged with the approval of and under rules prescribed by the Secretary of the Interior for privately owned lands in the area hereinbefore described of approximately equal value containing the natural features sought to be preserved hereby. The lands so acquired to be subject to all the conditions and reservations prescribed by this act, including the reversionary clause hereinbefore set out.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 4642) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States was announced as next in order.

Mr. McKELLAR. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3012) to prohibit and to prevent the trade practice known as compulsory block-booking and blind selling in the leasing of motion-picture films in interstate and foreign commerce was announced as next in order.

Mr. ASHURST. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 10504) for the relief of Booth & Co., Inc., a Delaware corporation, was announced as next in order.

Mr. McKELLAR. This bill ought to be explained. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

CRATER LAKE NATIONAL PARK

The Senate proceeded to consider the bill (S. 1986) to authorize the acquisition of a certain building, furniture, and equipment in the Crater Lake National Park, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 4, after the word "Kisers" and the comma, to strike out the word "Incorporated" and to insert in lieu thereof "Inc.", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized to acquire from Kisers, Inc., a corporation organized under the laws of the State of Oregon, free of all encumbrances and at a price of $1,000, (1) the building in the Crater Lake National Park formerly used by such corporation as photographic studio and now used by the United States in connection with the administration of such national park, and (2) all furniture and equipment, including a Kohler lighting plant, located in or belonging to such building. The sum of $1,000 is hereby authorized to be appropriated for carrying out the provisions of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. COPELAND. Mr. President, I inquire what action was taken with regard to Order of Business 2506, Senate bill 3012?

The PRESIDENT pro tempore. The bill went over.

Mr. COUZENS. I inquire what was done with order of business 2507, House bill 10504?

The PRESIDENT pro tempore. That bill also went over.

ENTRIES OF PUBLIC LANDS

The bill (H. R. 4707) validating certain applications for and entries of public lands and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

LANDS IN TUSCUMBIA, ALA.

The Senate proceeded to consider the bill (H. R. 12212) to quiet title and possession with respect to certain lands in Tuscumbia, Ala., which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 2, line 18, to add the following proviso: *"Provided further*, That the title and rights hereby released and quitclaimed shall be subject to the right of the United States or any agency thereof to overflow the lands described herein as the result of projects for the improvement of navigation upon the Tennessee River", so as to make the bill read:

Be it enacted, etc., That all the right, title, and interest of the United States in and to all the unsubdivided land in and the strip of land known as the Commons surrounding the city of Tuscumbia, formerly Cold Water Spring, Ala., as shown by plat made by John Coffee, surveyor, which plat shows the town as embracing the south half section 4, the southeast quarter section 5, the northeast quarter section 8, and the north half section 9, township 4 south, range 11 west, Huntsville meridian, which said town was established under sections 3 and 5 of the act of March 3, 1817 (3 Stat. 375), and section 2 of the act of April 20, 1818 (3 Stat. 467), be, and the same is hereby, released, relinquished, and confirmed by the United States to the city of Tuscumbia, Ala., or to the owners of the equitable titles thereto, as fully and completely, in every respect whatever, as could be done by patents issued according to law: *Provided*, That this act shall amount only to a relinquishment of any title the United States has, or is supposed to have, in and to any of said lands, and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to the city of Tuscumbia or to those persons, estates, firms, or corporations who would be the equitable owners of said lands under the laws of the State of Alabama in the absence of the said interest, title, and estate of the United States: *Provided further*, That the title and rights hereby released and quitclaimed shall be subject to the right of the United States or any agency thereof to overflow the lands described herein as the result of projects for the improvement of navigation upon the Tennessee River.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LANDS IN LAWRENCE COUNTY, ALA.

The Senate proceeded to consider the bill (S. 4727) to grant title and possession with respect to certain lands in Lawrence County, Ala., which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 4, to strike out "except such right, title, and interest as has been acquired by the United States through purchase or condemnation, in and to all of fractional section 25 which lies south of the Elk River Shoals Canal and the northwest quarter of section 36, township 3 south, range 7 west, Huntsville meridian, in Lawrence County, Ala." and to insert in lieu thereof "in and to sections 25 and 36, township 3 south, range 7 west, sections 30 and 31, township 3 south, range 6 west, Huntsville meridian, in Lawrence County, Ala., included in the abandoned town of Marathon, except of such right, title, and interest as has been acquired by the United States through purchase or condemnation", so as to make the bill read:

Be it enacted, etc., That all the right, title, and interest of the United States, in and to secs. 25 and 36, T. 3 S., R. 7 W.; secs. 30 and 31, T. 3 S., R. 6 W., Huntsville meridian, in Lawrence County, Ala., included in the abandoned town of Marathon, except of such right, title, and interest as has been acquired by the United States through purchase or condemnation, be, and the same is hereby released, relinquished, and confirmed by the United States to the owners of the equitable titles thereto, as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided*, That this act shall amount to a relinquishment of any title the United States has, or is supposed to have, in and to any of said lands and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this act being to concede and abandon all right, title, and interest of the United States to the lands described herein to those persons, estates, firms, or corporations who would be the equitable owners of said lands under the laws of the State of Alabama, in the absence of the said interest, title, and estate of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to quiet title and possession with respect to certain lands in Lawrence County, Ala."

REVISION OF CANAL ZONE CODE

Mr. DUFFY. Mr. President, I ask unanimous consent that the Senate recur to Calendar No. 1909, being House bill 6719, and presently consider that bill. When the bill was reached on a previous occasion there was some dispute as to only one part of it, which contains 14 sections revising the Panama Canal Code. In order that the 13 sections to which there is no objection whatsoever may be passed I have agreed to offer an amendment striking from the bill section 2, which is the only controversial part. I have done that after consultation with the Canal authorities and others, although they and I think section 2 should remain in the bill. There is no objection whatsoever to the other 13 sections of the bill, which are quite important. For the sake of expediency, I am proposing an amendment striking out section 2, to which the Senator from Oklahoma [Mr. THOMAS], the Senator from North Carolina [Mr. REYNOLDS], and several other Senators objected.

Mr. COPELAND. Mr. President, to what bill is the Senator referring?

Mr. DUFFY. Calendar 1909, House bill 6719, to amend the Canal Zone Code.

Mr. THOMAS of Oklahoma. Will the Senator yield for just a moment?

Mr. DUFFY. I yield.

Mr. THOMAS of Oklahoma. The Congress at the last session passed a bill relating to certain hours of labor applying to the navy yards and certain governmental employees in civilian life. That bill is now the law. The bill pending before the Senate pertaining to the Canal Zone is thought by the civilian employees in Panama to interfere with, modify, and repeal certain provisions of the law passed last winter. For that reason they are opposed to the bill. Section 2 is the particular section against which their opposition is lodged. If it could be understood that section 2 would be stricken from the bill and then in conference would not be reinstated they would have no objection to the passage of the remainder of the bill. With that understanding I shall not object to the bill. I take it, in the event the bill goes to conference, the Senator from Wisconsin will be a member of the conference committee.

Mr. DUFFY. I will say to the Senator that I have conferred with the Members of the House of Representatives who are interested in the passage of this bill. They have acquiesced with my judgment that for the sake of expediency at this time section 2 will not be insisted upon, and the other uncontroversial parts will be adopted.

Mr. THOMAS of Oklahoma. Mr. President, with that understanding, speaking for the employees I have reference to, we have no objection to the passage of the bill.

Mr. VANDENBERG. Mr. President, it is my understanding that the bill has no relation to canal tolls?

Mr. DUFFY. It has not. The Secretary of War and the Panama Canal authorities desire to have certain changes made in the code. Section 2 will be eliminated.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6719) to amend the Canal Zone Code.

Mr. DUFFY. I offer an amendment to strike out section 2, on page 2, beginning with line 3, through and including line 24, on the same page, as follows:

SEC. 2. That section 81 of title 2 of the Canal Zone Code is amended to read as follows:

"SEC. 81. Appointment, removal, and compensation of necessary persons: All persons, other than the Governor of the Panama Canal, necessary for the care, management, maintenance, sanitation, government, operation, and protection of the Canal and Canal Zone shall:

"(a) Be appointed by the President or by his authority;

"(b) Be removable at the pleasure of the President; and

"(c) Receive such compensation as shall be fixed by the President or by his authority until such time as Congress may by law regulate the same; and such persons shall be employed and shall serve under such conditions of employment, including matters relating to transportation, medical care, quarters, leave and the commutation thereof, and office hours and hours of labor, as have been or shall hereafter be prescribed by the President: *Provided, however,* That salaries or compensation fixed by the President hereunder shall in no instance exceed by more than 25 percent the salary or compensation paid for the same or similar services to persons employed by the Government in continental United States."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDENT pro tempore. Without objection, the clerk is authorized to renumber the sections.

ELLA B. KIMBALL

The Senate proceeded to consider the bill (H. R. 4059) for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson.

Mr. McKELLAR. Mr. President, that bill should be explained; if not, let it go over. It involves a claim for $16,000 by Ella B. Kimball, and there is no explanation of the bill.

Mr. LONERGAN. Mr. President, the claim is for work done by her father a great many years ago in the construction of a boat.

Mr. McKELLAR. A naval vessel?

Mr. LONERGAN. Yes, sir; for work and material. The Court of Claims approved the claim, and the House of Representatives passed the bill.

Mr. McKELLAR. It has been through the Court of Claims?

Mr. LONERGAN. Yes.

Mr. McKELLAR. And the Court of Claims has allowed it?

Mr. LONERGAN. Yes.

Mr. McKELLAR. In the form of a judgment or a finding by the Court of Claims?

Mr. LONERGAN. A finding. It is a meritorious claim.

Mr. McKELLAR. I withdraw my objection.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

LAWRENCE R. LENNON

The bill (H. R. 7463) for the relief of Lawrence R. Lennon was considered, ordered to a third reading, read the third time, and passed.

EDWARD P. OLDHAM, JR.

The Senate proceeded to consider the bill (H. R. 7864) for the relief of Edward P. Oldham, Jr.

Mr. McKELLAR. Mr. President, may we have an explanation of that bill?

Mr. HAYDEN. As originally introduced, the bill, which has passed the House, carried $19,208. The House reduced the amount to $5,000. A very carefully prepared report has been submitted in which the committee finds that the sum of $5,000 is entirely justified.

The PRESIDENT pro tempore. The question is on the third reading of the bill?

The bill was ordered to a third reading, read the third time, and passed.

MRS. LULU M. PEIPER

Mr. MALONEY. Mr. President, I ask unanimous consent that the vote by which the bill (S. 3925) for the relief of Mrs. Peter Peiper was passed be reconsidered, in order that I may present an amendment correcting the name of the claimant.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed are reconsidered.

Mr. MALONEY. I submit an amendment, on page 1, line 5, after "Mrs.", to strike the name "Peter" and insert "Lulu M."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Lulu M. Peiper."

MR. AND MRS. FRANK DALEY

The bill (H. R. 8643) for the relief of Mr. and Mrs. Frank Daley was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 9008) for the relief of Milo Milliser was announced as next in order.

Mr. McKELLAR. I notice that the Interior Department opposes that bill. Unless there is some explanation, let the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

L. A. PEVELER

The bill (H. R. 11597) for the relief of L. A. Peveler was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF FRANK W. TRICK

The bill (H. R. 7642) for the relief of Katherine Trick was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury

not otherwise appropriated, to the administrator of the estate of Frank W. Trick, deceased, formerly of Baldwin, Lake County, Mich., the sum of $700, to be disbursed for the reasonable hospital, medical, and funeral expenses of said Frank W. Trick, who died of injuries received when struck on the head on March 15, 1934, by a stump of wood dynamited by employees of the Federal Civil Works Administration engaged in work on the Baldwin trout-rearing ponds project at Baldwin, Mich.: *Provided*, That such administrator shall also disburse a sum, not in excess of $150, from the amount herein appropriated, for services rendered by any attorney or agent in connection with prosecution of the claim of the dependent widow of Frank W. Trick, Katherine Trick, now deceased, and for the prosecution of this claim: *Provided further*, That any amounts paid hereunder shall be deemed to be in full satisfaction of all claims against the United States for any services rendered as a result of the injury and death of Frank W. Trick as herein described.

The title was amended so as to read: "An act for the relief of the estate of Frank W. Trick."

JOHN N. HUNTER, AND OTHERS

The bill (H. R. 8799) for the relief of John N. Hunter, and others, was considered, ordered to a third reading, read the third time, and passed.

ESTELLE MARY MAC DONALD AND MARILYN MAC DONALD

The bill (H. R. 8841) for the relief of Estelle Mary MacDonald and Marilyn MacDonald, was considered, ordered to a third reading, read the third time, and passed.

MILDRED MOORE

The Senate proceeded to consider the bill (S. 2777) for the relief of Mildred Moore, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert in lieu thereof "$750", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mildred Moore, of Chicago, Ill., the sum of $750 in full satisfaction of her claim against the United States for compensation for bodily injuries suffered by her when the automobile in which she was riding was struck by a United States Army automobile driven by R. H. Pearson at the intersection of Fifty-seventh Street and Drexel Avenue in Chicago, Ill., on February 2, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXCHANGE OF LANDS IN ARIZONA

The bill (H. R. 12062) to authorize the Secretary of the Interior to accept unsurveyed lands in numbered school sections in the State of Arizona in exchange for certain other lands, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MOVEMENT OF INDIGENT PERSONS ACROSS STATE LINES

The Senate proceeded to consider the resolution (S. Res. 298) for the appointment of a special committee to investigate the movement of indigent persons across State lines, which had been reported from the Committee on Education and Labor with an amendment.

Mr. WALSH. Mr. President, the title of this resolution, as it was introduced, is now somewhat misleading. The Committee on Education and Labor felt that the movement of indigent persons across State lines was not of sufficient importance at this time to require a special investigation by a special committee of the Senate. We also found that several agencies of the Government, as well as State and private groups, had already made studies of the transient problem. Particularly has this been done by the State government of Florida. Therefore your committee recommends that the resolution be amended and that the Department of Labor be authorized to make an investigation and submit to the Senate at the commencement of the next session the result of the activities and investigations made by that Department and various other departments of the Government.

I ask that the amendment of the Committee on Education and Labor be stated.

The amendment was to strike out the following:

Resolved, That a special committee consisting of five Senators, to be appointed by the Vice President, is hereby authorized and directed to study, survey, and investigate the movement of indigent persons across State lines, obtaining all facts possible in relation thereto which would not only be of public interest but which would aid the Senate in enacting remedial legislation. The committee shall report to the Senate, with recommendations for legislation.

SEC. 2. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate, during the Seventy-fourth and succeeding Congresses, to employ such experts and clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expense of the committee, which shall not exceed , shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

And in lieu thereof to insert:

Resolved, That the Secretary of Labor is hereby authorized and directed to study, survey, and investigate the social and economic needs of laborers migrating across State lines, obtaining all facts possible in relation thereto which would not only be of public interest but which would aid the Congress and the States in enacting remedial legislation. The Secretary of Labor shall report to the Senate, with recommendations for legislation.

The amendment was agreed to.

The resolution, as amended, was agreed to.

Mr. WALSH. I ask in this connection that the report of the committee, which presents such facts as are available at the present time, be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. DUFFY in the chair). Without objection, it is so ordered.

The report (No. 2396) is as follows:

REPORT

[To accompany S. Res. 298]

The Committee on Education and Labor, to whom was referred the resolution (S. Res. 298) for the appointment of a special committee to investigate the movement of indigent persons across State lines, having considered the same, report favorably thereon with an amendment in the nature of a substitute and recommend that the resolution as amended do pass.

Striking out the resolution as introduced, the committee recommend that the resolution be enacted in the following form:

"*Resolved*, That the Secretary of Labor is hereby authorized and directed to study, survey, and investigate the social and economic needs of laborers migrating across State lines, obtaining all facts possible in relation thereto which would not only be of public interest, but which would aid the Congress and the States in enacting remedial legislation. The Secretary of Labor shall report to the Senate, with recommendations for legislation."

The committee have amended the resolution, so that the Department of Labor, with their existing facilities and personnel, rather than a special committee of the Senate, shall make a preliminary study, survey, and investigation of migratory laborers. It seemed to your committee that whatever information this Department can supply, or any other department of the Government with whom they might contact, should be available to any committee which might later be named by the Senate. In other words, after it is known just how the transient problem has been dealt with, what is its present status, etc., the Senate will be in a better position to know whether a further investigation by a special committee of the Senate is desirable, or what remedial legislation might be enacted.

REPORT OF SURVEY CONDUCTED BY THE FEDERAL EMERGENCY RELIEF ADMINISTRATION

Of special interest to the committee was a report dealing with the problems of the transient unemployed, presented by the Transient Division of the Federal Emergency Relief Administration, for the period beginning with the establishment of that division in 1933 and continuing through June 1935. This report, published by the Division of Social Research, Works Progress Administration, brings together the results of a series of studies conducted in the Division of Research, Statistics, and Finance, of the Federal Emergency Relief Administration. It presents an exhaustive analysis of the characteristics of the transient relief population, their movements, their reasons for migration, and the problems involved in the reabsorption of this group into private industrial employment.

In a résumé prefacing the report it is stated:

"The transient relief population consisted of unattached individuals and family groups who were not legal residents of the com-

munity in which they applied for relief. Because nonresidents were generally ineligible for relief from existing public agencies, special provision for their care was included in the Federal Emergency Relief Act of May 1933. In the administration of relief under this provision transients were defined as unattached persons or family groups that had not resided for 1 continuous year or longer within the boundaries of the State at the time of application for relief.

"Prior to the enactment of the Federal Emergency Relief Act of 1933, the number of transients was variously estimated to be between one and one-half and five million persons. These estimates proved to be greatly in excess of the number of transients who received care in accordance with the provisions of the Emergency Relief Act. A careful examination of registrations indicates that the maximum size of the transient relief population during the operation of the transient relief program was 200,000 unattached persons and 50,000 family groups. But because the transient relief population was constantly undergoing a change of membership, it seems probable that the number of individuals and family groups that at some time received assistance from transient bureaus was two to three times these estimates."

The more important findings of the study of personal and occupational characteristics of this mobile relief population, determined from a study of monthly registrations in 13 cities, are summarized in the report, as follows:

"(a) Approximately two-thirds of the unattached persons and one-half of the heads of family groups were between the ages of 16 and 35 years.

"(b) The proportion of unattached women did not exceed 3 percent in any month, while approximately 15 percent of the heads of family groups were women.

"(c) The great majority of transients were native white persons; Negroes represented approximately one-tenth of the monthly registrations, and foreign-born whites, approximately one-twentieth. In the transient relief population the proportion of native white persons was higher, the proportion of foreign-born whites lower, and the proportion of Negroes about the same, as in the general population.

"(d) Only 2 percent of the unattached transients and 3 percent of the heads of transient families had no formal education; approximately two-thirds of both groups had a grade-school education or better.

"(e) Ability and expressed willingness to work were reported for about 95 percent of the unattached persons and 90 percent of the heads of family groups.

"(f) Broad groupings of usual occupations show that the proportion of unskilled and semiskilled workers in the transient relief population was higher than the proportion of such workers in the general or in the resident relief population.

"(g) The most frequent reasons for the depression migration of needy persons and family groups was unemployment. Other reasons of importance were ill health, search for adventure, domestic trouble, and inadequate relief.

"(h) When the origins of the transient relief population (total United States) are considered, it is found that unattached transients came principally from States to the east, and transient families from States to the west, of the Mississippi River.

"(i) Based upon registrations in 13 cities, approximately 80 percent of the unattached persons and 70 percent of the family groups came from urban centers (2,500 or more population). Moreover, transients from rural areas came more frequently from small towns (under 2,500 population) than from farms and open country.

"(j) The largest and most persistent net gains in population resulting from the movement of transients were reported by States located in the western and southwestern sections of the country; while the largest and most persistent net losses were reported by States in the eastern, southeastern, and west central sections."

The report concludes:

"The evidence presented in this report points to the conclusion that transiency was largely the result of two circumstances—widespread unemployment and population mobility. The relief problem presented by this group was the result of a third factor—legal settlement (or residence) as a prerequisite for relief from public and private agencies in each community.

"Except for the fact that they were nonresidents, there seems little reason for considering transients as a distinct and separate group in the total relief population. Although they could be distinguished from the resident unemployed, it was principally because they were younger, and included a greater proportion of unattached persons. Actually the transient population represented the more active and restless element among the great number of unemployed created by the depression. Migration offered an escape from inactivity; and, in addition, there was the possibility that all communities were not equally affected by unemployment.

"The migration of a considerable part of the transient relief population appears to have been a waste of effort. Much of the movement was away from urban areas that from the point of view of economic development were more likely to afford employment than were the areas which particularly attracted the transient. As business and industry recover it may be expected that many of the depression transients will return to areas similar to the ones they left.

"It seems evident from this study that the problem of depression transiency can be solved only through an adjustment of this mobile labor supply to areas where there is a demand for their services. Resettlement and stability are contingent upon economic opportunity. Therefore, it seems highly probable that the dissolution of the transient population will proceed only as rapidly as business and industry can provide the employment essential to stability. To whatever extent this provision falls short the transient problem will remain unsolved."

OTHER SURVEYS OF THE TRANSIENT PROBLEM

A letter from the Director of Transient Activities, Federal Emergency Relief Administration, and containing reference to different reports and studies which have been made of the transient problem by bureaus of the Federal Government, as well as by State and private groups, is printed herewith.

FEDERAL EMERGENCY RELIEF ADMINISTRATION,
Washington, May 26, 1936.

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR SENATOR WALSH: Mr. Hopkins has referred to this office your letter of May 22 in which you request that the Committee on Education and Labor of the United States Senate be furnished any studies undertaken by the Federal Emergency Relief Administration on the transient problem. We have, also, Senate Resolution No. 298, which you enclosed with your letter of the above date.

We are sending by special messenger the following material:

1. Webb, John N. The Transient Unemployed. Published by Works Progress Administration, Division of Social Research.

2. The Emergency Work Relief Program of the Federal Emergency Relief Administration April 1, 1934–July 1, 1935. See page 43 for Transient Division.

3. Special Surveys and Studies, Progress Reports Nos. 3, 4, and 5. Issued by California State Emergency Relief Administration. Report No. 3, The Journal of a Transient, from December 5 to 13, 1935.

4. Recent Observations on the Transient Problem, Public Welfare News, January 1936. Published by American Public Welfare Association.

5. Minutes of Interstate Conference on Transients and Settlement Laws, March 6 and 7, 1936, Trenton, N. J.

6. Reed, Ellery F., Ph. D. Federal Transient Program May to July 1934. An Evaluative Study.

Of the above material only the first two, you will notice, were undertaken by the Federal Emergency Relief Administration or Works Progress Administration. However, we believe your committee will find the other material submitted of value in an understanding of the transient problem.

The above reading matter represents, primarily, research into the question of handling nonresident people who have applied for relief. For information relative to the general problem of migration, it is suggested that you communicate with (1) the Bureau of Agricultural Economics, United States Department of Agriculture, and (2) the University of Pennsylvania Press, under whose auspices have been completed a series of studies entitled "Study of Population Redistribution."

It is also suggested that your committee communicate with Prof. Carter Goodrich, of Columbia University, who has had published considerable data on the problem of population trends. Most recently Professor Goodrich had published in the June 1936 issue of the Survey Graphic an article on the migration of families and individuals entitled "What Would Horace Greeley Say Now?"

We trust that this information will be of assistance to you and the members of your committee. Please be assured of our complete cooperation if there is any further information that you may require on this matter.

Very truly yours,

CHARLES H. ALSPACH,
Director, Transient Activities.
By IRVING RICHTER,
Assistant to Director.

SUMMARY OF ACTIVITIES ON THE TRANSIENT PROGRAM OF THE F. E. R. A.

There is also submitted herewith another letter from the Director of Transient Activities, Federal Emergency Relief Administration, and a summary report on the transient program of that Administration:

WORKS PROGRESS ADMINISTRATION,
Washington, D. C., June 13, 1936.

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR SENATOR WALSH: In reply to your letter of June 11, I enclose (1) the summary report on the transient program of the Federal Emergency Relief Administration and the Works Progress Administration, (2) Rules and Regulations No. 8 of the Federal Emergency Relief Administration which governed the transient service, and (3) Administration Exhibit No. 2, analysis of Federal Emergency Relief Administration orders relating to relief to transients.

If you wish additional information or further clarification of any of the material herewith sent you, or copies of any specific memoranda or bulletins referred to in the administration of Federal Emergency Relief Administration orders, do not hesitate to call upon us for such.

It is to be noted that migratory workers, particularly when they applied in groups, or as part of groups, could not be covered under the provisions of the transient program, in view of the orders of the Administrator on this point. Finally, you may be interested in the fact that from its inception in 1933 up to and including the final relief grants for transient purposes, the Federal Emergency

Relief Administration appropriated $88,242,122 to the States for all purposes, including plant and equipment. The financing of the program consisted of grants to the States for 100 percent of the costs for administration and relief expenditures for out-of-State transients. The final grant of transient relief funds in the late fall of 1935 was designed to provide care for several months for the residual load of unemployables until such cases could be absorbed by State or local relief agencies. In the field of the migratory health seeker, however, the States of Colorado, Arizona, and New Mexico have a large remaining group of interstate transients still under care, unemployables, and a special study is being made at the present time to determine ways and means for continued care of this group and meeting the needs of the new cases that still move in search of health.

Very truly yours,

CHARLES ALSPACH,
Director, Transient Activities.

JUNE 13, 1936.

SUMMARY REPORT ON THE TRANSIENT PROGRAM, FEDERAL EMERGENCY RELIEF ADMINISTRATION

Introductory summary: A well-developed program of relief for transient, or nonresident, people was put in operation in every State except Vermont. This program was administered by the several State relief administrations but financed entirely by Federal funds earmarked for this purpose by the Federal Emergency Relief Administration. Since the problem of transiency is national rather than local in scope, policies and principles were determined in the Federal office in order to achieve uniform standards and practices throughout the country. Over 2 years of operation developed sound and well-integrated organizational patterns, a policy of constructive relief, and facilities for putting this policy into effect.

History: The necessity for developing a federally-supported program of relief for transients was presented in congressional hearings in 1932 and 1933. This testimony indicated that hundreds of thousands of persons, many of them young, had left home in a search for employment and had subsequently been driven to a life of futile and ceaseless wandering by the limitations placed on relief to nonresidents by State settlement laws and by inadequate relief funds available from local and State sources. Testimony indicated that the usual practice of cities and towns was to furnish the transient with a meager meal, a place to sleep, and the admonition to be out of town the next morning. In the Federal Emergency Relief Act of 1933, Congress authorized the Federal Emergency Relief Administration to make grants to the several States to meet this problem in a constructive way, with policies determined by national needs rather than local exigencies.

Communications readministration: Section 4, paragraph (a) of the Federal Emergency Relief Act of 1935 provides the Administrator with the authority to make grants to the States to aid in meeting the costs of relief and work relief to persons in need "whether resident, transient, or homeless." Paragraph (c) of the same section further provides for allocation of additional funds to States "to aid needy persons who have no legal settlement in any one State or community."

Defining transients: On July 26, 1933, the Federal Administrator notified all governors and State relief administrators that funds were available under this act for the care of nonresidents. The Administrator interpreted the term "nonresident" to mean a person residing within the boundaries of any given State less than 12 months. He also included in this group seamen and certain types of migratory workers. At that time he appointed a director of transient activities for the Federal Emergency Relief Administration.

Granting funds: The several States were advised that funds would be made available to them upon the appointment of a qualified person to act as State transient director who met with the approval of the Federal office. This director was requested to evaluate the needs in his State and to propose a plan and budget covering the operations of a series of transient centers necessary to the complete administration of an adequate program. Upon the receipt of this information the Transient Division of the Federal Emergency Relief Administration studied the proposed plans and recommended allotments based upon its findings.

Expanding service: By January 1934, 40 States and the District of Columbia had completed plans on the basis of which Federal funds for transient relief were made available to them. Progress in the development of this program was slowed by the great preoccupation of relief officials with the Civil Works program at that time and the necessity of replacing deeply rooted community prejudices toward transients with a new conception of constructive possibilities. Nevertheless, by the beginning of 1934, a total of 261 transient centers to render complete service to transient applicants were in operation, and 63 work camps in rural areas had been established. In December 1933 it is estimated that 213,538 (since this figure indicates the total of all registrations, it doubtless includes some duplications of persons who registered in more than one State during the course of the month) different persons received assistance through the various State transient bureaus in the course of the month.

Perfecting administration: By the spring of 1934, 47 States had set up functioning transient relief organizations. Realinement in the program in 1934 took the form of changes in emphasis rather than actual shifts in policy. In line with the general policy of decentralization in the administration of relief, more responsibility for the operation of the transient program was placed upon the State relief administrators, who were asked to integrate the State transient programs more completely with the general relief machinery. At the same time accounting and reporting procedures in the Federal office were perfected to permit closer financial control of transient expenditures. Through regional conferences and frequent field trips, the Federal director endeavored more completely to interpret the aims and techniques of this program to State officials and to set up a medium for the exchange of information and ideas on the part of workers in the transient service.

February status: On February 15 the total population in these centers and camps was 315,968 individuals, of whom 168,401 were unattached men, 5,460 were unattached women, and 142,107 were individuals in families. A total of 588,699 different individuals received care throughout the country during the month of January 1935. For transient relief in February 1935 the Federal Emergency Relief Administration appropriated a total of $4,953,854.

Transient men: The several States were equipped, both from the point of organizational development and of facilities, to provide a well-rounded program of care to the transients on their rolls. The program for unattached male transients consisted of congregate shelter and feeding arrangements, either in the city centers where they applied for care or in rural camps to which they were sent, combined with constructive group activities and a work program. Transient men were expected to work from 24 to 30 hours a week, either on some project involved in their own maintenance, or on some public project of benefit to the community where they received relief. In return they receive their maintenance and a small cash allowance for incidental needs.

Registration: A transient who applied for relief was interviewed at the point of intake with a view to determine the status of his legal settlement, any potential resources, his immediate needs, and indications as to how the transient service might assist him to become again self-supporting. When this interview revealed some problem where continued individual service would be helpful, he was referred to the case-work department for special individual attention. Experience indicated, however, that the majority of transients are normal persons whose only immediate problem is unemployment, and for this reason individual service for unattached male transients was not emphasized. Case workers and counselors were available for consultation on a voluntary basis, but emphasis was placed on group activities.

Every applicant for transient relief was also furnished with a physical examination. Those suffering from communicable diseases were segregated and treatment provided where need indicated.

After the initial registration the individual was either furnished with a requisition for outside lodging, referred to a regular shelter, or, if he so desired, sent to camp. Many States provided special shelters and camps for boys, to which the younger group were sent, and in a few States the older men were provided with separate quarters.

Work program: Work projects for transients proved beneficial to the men in helping them to retain their sense of social usefulness. Wherever possible skilled workmen were encouraged to work at their own trades in order to restore or retain their old skills. In this way transient carpenters, painters, and masons constructed and repaired their own quarters, tinsmiths contributed to the camp's equipment, cabinetmakers made the necessary furniture, cooks and bakers worked in the camp kitchen, white-collar workers assisted in the office work, farmers and agricultural workers helped to develop farm and garden projects. Untrained persons assigned to assist these skilled workers acquired thereby an informal but effective ground work in vocational training.

The work division of Federal Emergency Relief Administration did preliminary work on the construction of transient camps and shelters and provided supervision for various activities in these camps when established. The transients themselves did a great deal of construction, and the picture of emergency work relief would be incomplete without some account of their activities.

On June 15, 1935, a total of about 62,000 men were engaged on 573 projects on public property—roads, public buildings (including armories, city halls, hospitals, and schools), and parks and playgrounds. The following table shows the types of public work engaged in and the number of men working at this date. Much of this work was directed toward completing unfinished Civil Works Administration projects:

Roads and highways	12,465
Airports and emergency landing fields	2,334
Rivers and harbors	670
Game preserves and fish hatcheries	2,306
Soil erosion	1,168
Pest and malaria control	2,926
Sewer and water supply	1,154
Dams and irrigation	1,132
Flood control	4,560
Ditches and stream clearance	2,270
Public buildings and grounds	8,126
Parks and playgrounds	14,347
Fire control	4,594
Other forest work	4,011
Total	62,063

A notable public achievement performed by the transients was the emergency job necessary in up-State New York after the devastating floods of the spring and early summer of 1935. A series of eight camps were immediately set up, and an extremely difficult labor shortage was met by the dispatching of transients, whose experience and training made them singularly able to handle the disagreeable and sometimes dangerous work in clearing the debris, constructing fences, etc.

The most conspicuous achievement of the transients has been the building and equipping of approximately 275 camps throughout the country, as well as the creation of habitable shelters in the cities. The camps have been built of whatever local materials were available, and as a result most of them have been of ordinary construction used for temporary barracks. Many camps, however, have been very carefully planned and built, and now form an indigenous and permanent part of the local landscape. A striking example of this construction is the Coram Camp in Glacier National Park, Mont., built by the men into a very substantial log-cabin-type camp out of burnt-over timber.

The transients have left over 350 camps and 600 shelters as a monument of their imagination, skill, and ability. Along with the achievements of the relief population in general, the labor of transients has resulted in hundreds of new schools, airports, playgrounds, and parks. They have also repaired public buildings, improved and built roads and highways, etc. In addition, their special skill and adaptability have served the country in the invaluable work they performed in fighting forest fires, performing flood-control and conservation jobs, building emergency landing fields in uninhabited areas, and other necessary work, for which transients have in general a wider range of skill and training than the local unemployed in many areas.

Recreation: Every transient center and camp made some provision for recreational and educational activities. Recreation varies from organized sports such as football, baseball, soft ball, basketball, and the like, to dramatic and musical activities, outside speakers and entertainers, passes to the movies, use of Y. M. C. A. or other gymnasiums, and swimming pools. Libraries were organized, radios secured, and other facilities for indoor games and recreation were available. Newspapers were published by many centers, and clubs organized for men of special interests.

Education: A wide variety of educational projects were developed throughout the country, adapted to the needs of the group involved and the facilities available. Provisions were made for the younger group to pursue regular courses, either technical or academic, in the public schools of the community. A few experiments were successfully carried through whereby qualified transients attended vocational schools or colleges on a work-school basis.

More generally, however, the educational program followed the lines of special activities developed within the camps and centers. Teachers were either secured from the emergency education program or drawn from the transient group itself. Classes fell into three general classifications: Elementary subjects, such as reading, writing, and simple arithmetic for those with little educational background; classes in subjects of general cultural value, such as literature, music, history, economics, and social problems; and training, either formal or informal, along vocational lines.

Work camps for transients: Emphasis was placed increasingly on the extension of the camp program. While the extent of relief was similar in centers and camps, the camps for the most part had more adequate facilities, and a higher degree of stability among the camp members permitted greater emphasis on the rehabilitative aspects of the program.

Women transients: Unattached women transients were granted relief on an individual basis. For the most part, they were sent to boarding houses, the Y. W. C. A., or similar institutions on a contract basis pending plans making possible their removal from transient relief rolls.

Transient families: Transient families also were dealt with individually and relief given to the family as a unit. Special emphasis was laid on returning them to legal residence, where possible and desirable. When impossible, they were given light-housekeeping rooms, apartments, or houses, depending on their needs and available facilities. Food, clothing, and other necessities were issued on the basis of need, largely in kind.

Congregate shelters were not used for families, although in a few instances entire tourist-camp units were rented for transient-family camps. In most places transient family men worked on the same basis as transient single men. Sewing rooms were developed for transient family women and an effort made to train them in simple dressmaking, the care of children, the proper use and cooking of foods, simple hygiene, first aid, etc.

Liquidation of the transient program: With the establishment of the Works Progress Administration, Federal policy was directed toward demobilizing the Federal relief program as rapidly as employment could be provided to relief cases. In the summer of 1935 steps were taken to liquidate all transient services. Federal instructions required that after September 20 no more transients could be accepted for care from Federal transient funds, and that whenever arrangements could be made transients were to be returned to their States of residence, where they would be eligible for employment by the Works Progress Administration. Homeless residents were not affected by this policy since they were the responsibility of the Relief Administration and had to be cared for along with all other residents until they could be absorbed by the Works Progress Administration.

Works Progress Administration: With the closing of further intake and the cessation of transient relief grants there was a sharp realization on the part of the relief administrations in the States of the need to transfer the employable transients to Works Progress Administration, as well as to dispose of the large residue of unemployables numbering some 11,000 on October 1.

The transient directors concentrated on (1) returning to their homes those unemployables who had legal settlement; (2) transferring the unattached women and the family cases that were not returned to their place of legal settlement to the county relief offices; and (3) certifying the employables for Works Progress Administration jobs.

While the transient census of September 16 shows a total of 92,223 Federal unattached male transients and 27,312 Federal families, the October 15 report showed a reduction to 64,194 and 19,052, respectively. This may be explained partially by the assignment of employables to Works Progress Administration, but the larger part of the drop is explained by the policy of returning to their legal settlement those people whose residence could be verified. Many left voluntarily to seek work in the harvest areas and in industry.

During October the transient division in Washington submitted to the Works Progress Administration projects for the existing 350 transient camps, as well as an additional 50 abandoned Civilian Conservation Corps camps. All of those submitted had public-work projects to be carried on at or near the site. These camps represented an approximate capacity of 100,000 men, and the men assigned to them were to receive a special wage of $15, $20, and $25, plus subsistence, per man per month, the rates varying according to skill.

Some of the unattached transients remaining in the city shelters, because of their special skills, were given assignment to local projects. However, the relief and Works Progress Administration officials gave preference to transient-family heads on regular city projects and assigned the certified unattached men to the camps.

By December 20 the 400 camp projects submitted in Washington had been approved by the Comptroller General. The Administrator directed the States to utilize the camps as a temporary reservoir for available relief workers. It was emphasized that these men should be assigned to general Works Progress Administration projects as rapidly as possible.

An agreement was reached during November with the National Park Service of the Department of the Interior and the United States Forest Service of the Department of Agriculture whereby these agencies assumed responsibility for skilled supervision for camps engaged in park and forest projects. These camps comprised 123 out of the 400.

As the Works Progress Administration program began in December to reach its quota of employment, the men in the camps were given local assignments and many of the camps were closed. In Florida, Texas, Oklahoma, Ohio, Tennessee, Georgia, and Wisconsin, the former transient camps, although approved projects, were not put into operation by the Works Progress Administration. In some States, particularly those with large metropolitan cities, it was found difficult to secure assignment not only for transient unattached men, but also for the thousands of local homeless on relief. Accordingly, the camps in such States as Illinois, Minnesota, New York, Missouri, Iowa, Washington, and California were used to absorb local unattached men, as well as the unattached transients who were properly certified.

There were 39,281 men in all camps on January 15. Out of these, 10,701 were residents of the State and 28,430 were from other States. It is this latter group that are designated as Federal transients.

The National Park Service, which had on January 15, 4,877 in 29 camps remaining under their supervision, reports a complete satisfaction with the type of work that these men have shown themselves capable of carrying on. Similarly, the United States Forest Service, with 4,547 of these unattached men carrying on work in 31 camps, expresses an admiration for the accomplishments of the men.

The location of the projects operated with these camps is generally such that local labor cannot profitably be employed. In the national forests, sometimes situated as far as 80 miles from the nearest city, the camp workers have constructed fences and roads; their work in clearing, seeding, reforestation, erosion control, and fire prevention will be of permanent value in conserving the national forests. In the national parks monuments, cabins, and fences are being built. Park beautification, soil conservation, stream clearance, etc., are some of the other projects that are planned.

In some of the camps under these technical agencies the work involves the completion of projects begun by Civilian Conservation Corps camps but not completed because of the curtailment in that program that the President recently ordered.

In addition to the United States Forest and National Park Service projects, the camp workers under local and State sponsors have been building dams, constructing and maintaining roads, constructing fish hatcheries, clearing streams and ditches, building airports and emergency landing fields, etc.

As of March 1, 167 of the 400 camp projects approved were scheduled for closing. Others will be closed when it is determined that the men in them may be given assignments in the cities without jeopardizing the integrity of the work program begun at the camps. The degree of completion and the value of the work being carried on, as well as the possibility of reassigning the men, will

be taken into account before camps are closed. With this in mind, evaluation is now being made by the field staff of each of the camp units.

BILL PASSED OVER

The bill (H. R. 11984) for the relief of Oda Herbert Plowman was announced as next in order.

Mr. ROBINSON. I observe that the departmental report on this bill is adverse. Unless there is a statement justifying the bill, I ask that it be passed over.

The PRESIDING OFFICER. The bill will be passed over.

CLAIMS WITH RESPECT TO CERTAIN FINNISH SHIPS

The Senate proceeded to consider the bill (S. 4773) to confer jurisdiction on the Court of Claims to hear and determine certain claims against the United States on the part of owners of certain vessels.

Mr. BILBO. Mr. President, I should be glad to have an explanation of that bill from the Senator from Nevada.

Mr. PITTMAN. This bill allows certain Finnish owners of certain Finnish ships which were detained in our harbors between September 1918 and November 1918, with certain loss, to present their claims and to be heard in the Court of Claims. The matter has been negotiated diplomatically for a number of years. The statute of limitations has run pending that negotiation. The State Department and the administration recommend that the shipowners be allowed to go into the Court of Claims, notwithstanding the statute of limitations, and prove certain fixed facts, which are three in number: One, whether their ships were held in the ports named; two, whether they belonged to subjects of Finland; three, whether or not it was unlawful to hold the ships; and if unlawful, the amount of the claim.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding any lapse of time or any statutes of limitations, to hear, examine, and adjudicate claims against the United States on the part of owners of certain Finnish sailing vessels, to wit: *Glenard, Kensington, Vidylia, Parchim, Woodburn, Port Patrick, Grace Harwar, Professor Koch, Prompt, Albyn, Rowena, Fahrwohl,* and *Pampa,* for damages said to have been sustained as a result of the alleged refusal of representatives of the United States to permit said vessels to sail from United States ports during the period between March 18, 1918, and November 26, 1918: *Provided,* That such suit or suits shall be brought within 3 months after the date of the approval of this act.

SEC. 2. In determining the said claims, the Court of Claims shall pass solely on the following questions:

1. Were the 13 Finnish sailing vessels named herein, or any one or more of them, detained by the United States?

2. If the preceding question is answered in the affirmative, was such detention unlawful?

3. If the second question is answered in the affirmative, is the United States obligated to indemnify the owner or owners, or their successors in interest, of the vessel or vessels found to have been unlawfully detained?

4. If the third question is answered in the affirmative, what indemnity should be paid by the United States with respect to each vessel found to have been unlawfully detained?

SEC. 3. The claims shall be prosecuted in the name of the owner or owners or managing owner or owners of the said several ships. If the Court of Claims, or the Supreme Court on appeal, decides that the United States is obligated to indemnify the owner or owners, or their successors in interest, the amount of the indemnity shall be paid by the United States to the Envoy Extraordinary and Minister Plenipotentiary of the Republic of Finland then resident in the United States, for the use and benefit of the owner, owners, or their successors.

SEC. 4. In determining the aforesaid claims, the Court of Claims shall receive and consider the evidence and arguments contained in (a) the record mentioned in the note of the Minister of Finland to the Secretary of State, dated February 1, 1935; (b) the answer mentioned in the note of the Secretary of State to the Minister of Finland, dated March 4, 1935; and (c) the reply and additional material mentioned in the note of the Minister of Finland to the Secretary of State, dated April 12, 1935, relating to said claims.

Neither party shall be entitled as of right to present as evidence documents other than those specified herein, except copies of other correspondence pertinent to the case exchanged between the Department of State and the Legation of Finland: *Provided,* That the court shall be authorized to require the production of such additional evidence as the court deems material.

SEC. 5. A copy of the petition or petitions of the owner or owners of each of the said sailing vessels shall be served upon the Attorney General of the United States and he, or some attorney or attorneys designated by him, shall appear and defend the interests of the United States in such case or cases. Jurisdiction is hereby conferred on the Supreme Court to grant a writ of certiorari to the Court of Claims on the petition of any party to any of the aforesaid cases, to review any determination that may be rendered by the Court of Claims under the terms of this act.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (H. J. Res. 388) to authorize the issuance of a reentry permit to Tonio Mori Moto and his readmission upon application while such permit remains valid was announced as next in order.

Mr. McNARY. On behalf of another Senator, I ask that the joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 4238) authorizing the naturalization of Joseph Brian Grant Ingoldsby, and for other purposes, was announced as next in order.

Mr. WHEELER. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

INTERNATIONAL-GREAT NORTHERN RAILROAD CO.

The bill (H. R. 2932) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of the International-Great Northern Railroad Co. against the United States was considered, ordered to a third reading, read the third time, and passed.

DANIEL J. HAGERTY

The bill (H. R. 5829) for the relief of Daniel J. Hagerty was considered, ordered to a third reading, read the third time, and passed.

EDMOND G. WARREN

The bill (S. 3394) for the relief of Edmond G. Warren was considered, ordered to be engrossed for a third reading, read the third time, and passed.

COAST GUARD STATION ON LAKE ST. CLAIR, MICH.

The bill (H. R. 12494) to provide for the establishment of a Coast Guard station on Lake St. Clair, Mich., was considered, ordered to a third reading, read the third time, and passed.

CLAIMS OF CERTAIN CHEROKEE INDIANS

The Senate proceeded to consider the joint resolution (S. J. Res. 213) defining the jurisdiction of the Court of Claims under the act approved April 25, 1932 (47 Stat. L. 137), and for other purposes, which had been reported from the Committee on Indian Affairs with amendments.

Mr. McNARY. Mr. President, I should like to have a brief statement concerning the general purposes of this measure.

Mr. THOMAS of Oklahoma. Mr. President, some years ago the Congress gave the Indians mentioned in the joint resolution the right to go into the Court of Claims to present such claims as they might have against the Government. Last year the Congress adopted, in the form of a rider to an appropriation bill, a provision that modified the original jurisdictional act. The pending joint resolution gives permission to either party to appeal to the Supreme Court. That is the main purpose of the measure.

Mr. McNARY. Very well.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The amendments were, on page 2, line 4, after the numerals "1835", to insert "and 1846"; in the same line, after the numerals "478", to strike out "1848"; and in line 10, after the words "per capita", to insert "Either party shall have the right to appeal to the Supreme Court of the United States", so as to make the joint resolution read:

Resolved, etc., That the act approved April 25, 1932 (47 Stat. L. 137), permitting the Eastern or Emigrant Cherokees and the Western or Old Settler Cherokees to sue the United States in the Court of Claims, is hereby construed and shall be deemed to authorize the Court of Claims to hear, consider, and render judgment on the merits of the claims of said Indians as heretofore filed in said court (petitions nos. 42077 and 42078) for alleged balances, after the application of all payments in the manner provided in section 3 of said act, payable to them per capita under the treaties of 1835 and 1846 (7 Stat. L. 478; 9 Stat. L. 871); to give the said court jurisdiction of said causes; and to entitle the United States to be allowed and to receive full credit for all sums paid said

Indians on account of such claims, as provided in said act of April 25, 1932, including gratuities in money or property, if any, which heretofore have been paid to them per capita. Either party shall have the right to appeal to the Supreme Court of the United States.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

EVANELL DURRANCE

The bill (H. R. 9111) for the relief of Evanell Durrance, was considered, ordered to a third reading, read the third time, and passed.

ALBERT H. JACOBSON

The bill (H. R. 1962) for the relief of Albert H. Jacobson was considered, ordered to a third reading, read the third time, and passed.

Mr. McKELLAR. Mr. President, I inquire if that completes the calendar.

The PRESIDING OFFICER. That completes the calendar.

FEDERAL EXPENDITURES FOR COTTON COOPERATIVES—EXTENSION OF SENATE RESOLUTION 185

Mr. McKELLAR. I move that the Senate proceed to the consideration of Order of Business 2435, being Senate Resolution 313, extending the authority for Senate Resolution 185, concerning expenditures by the Federal Government for cotton cooperatives, and so forth.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. COPELAND. We have now as the pending unfinished business House bill 8555, to develop a strong American merchant marine, known as the ship-subsidy bill. Would the motion of the Senator from Tennessee, if agreed to, displace the unfinished business?

Mr. McKELLAR. I would not want it to do that.

The PRESIDING OFFICER. The Chair will say that if the motion were agreed to it would have the effect of displacing the unfinished business.

Mr. McKELLAR. I do not want to do that. So I will ask unanimous consent to return to the order of business I have indicated, and I hope the Senator from Texas [Mr. SHEPPARD], who objected to the consideration of the resolution, will now permit it to be considered by unanimous consent without displacing the unfinished business.

Mr. McNARY. Mr. President, I inquire, What is the purpose of the resolution?

Mr. McKELLAR. It is a Senate resolution, and, as it is very short, I will read it.

Mr. McNARY. Oh, no; that is not necessary. I wish to suggest to the Senator from Arkansas, Mr. President, before I consent to the request, that he ask unanimous consent to continue the consideration of the calendar returning to the beginning of the calendar and proceeding to where the Senate started this morning on page 9.

Mr. McKELLAR. The resolution which I have asked to have considered would not come under that order, as it would not be reached.

Mr. McNARY. With the portion of the calendar already considered today, my suggestion would comprehend the whole calendar.

Mr. ROBINSON. Mr. President, a large number of the bills which were passed over en bloc under the call of the calendar this morning have been called previously every time the calendar has been considered at this session. I am, therefore, reluctant to comply with the request of the Senator from Oregon, but if he insists upon it I will do so.

Mr. McNARY. I think it would be eminently fair to the Senate to go through the whole calendar.

Mr. ROBINSON. Very well.

Mr. McNARY. Any Senator can object to any bill.

Mr. ROBINSON. The difficulty is that some Senators are absent who did not expect the first part of the calendar to be called. However, I will make the request. I ask unanimous consent, the present order having been concluded, that the Senate proceed at once to the consideration of unobjected bills on the calendar beginning with the first number on the calendar and extending down to no. 2218.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent?

Mr. THOMAS of Oklahoma. Mr. President, I will not object, but I wish to ask a question of the Senator from Arkansas. The House is passing bills, just as the Senate is passing bills. Will the Senate have further opportunity before adjournment to consider bills coming over to us during the last day or two from the House of Representatives?

Mr. ROBINSON. I can give no assurance, Mr. President, that another opportunity will be afforded to consider House bills. The Senate has passed a great many House bills this morning, and a great many Senate bills have gone to the House and have there received no consideration. Whether further consideration of bills on the calendar may be permitted depends upon the state of business in the Senate.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arkansas? The Chair hears none.

Mr. BONE. Mr. President, I did not hear the request. What was it?

Mr. McKELLAR. Mr. President, a preliminary inquiry. What effect would granting the request have upon my request for unanimous consent to proceed to the consideration of Senate Resolution 313?

The PRESIDING OFFICER. The Chair understands that the resolution referred to by the Senator from Tennessee would not be included in the call of bills under the calendar under the request of the Senator from Arkansas to proceed to no. 2218, where the call began this morning.

Mr. McKELLAR. No; it would not be included in that part of the calendar, but I have no objection whatsoever to the request of the Senator from Arkansas.

Mr. BONE. I inquire again what was the request of the Senator from Arkansas?

The PRESIDING OFFICER. The request is that the Senate continue the consideration of the calendar commencing with the first bill on the calendar and proceeding to where the consideration of the calendar was started this morning.

Mr. BONE. Very well.

Mr. GIBSON. Mr. President, on the call of the calendar——

Mr. McKELLAR. Mr. President, will not the Senator permit my request for unanimous consent to be put?

Mr. COUZENS. Mr. President, I will have to object to that, because as shown by the calendar, there is no report on the resolution.

Mr. McKELLAR. While it is true that there is no report, the amendment attached to the resolution is in the nature of a report of the Committee to Audit and Control the Contingent Expenses, which added an amendment at the foot of the resolution, I will say to the Senator from Michigan. That amendment reads as follows:

Provided further, That said committee is authorized to investigate the action of the American Cotton Cooperative Association and the Commodity Credit Corporation in the concentration and sale of cotton held for the account of cotton growers.

Mr. COUZENS. There is nothing in the resolution, however, showing how much money is involved.

Mr. McKELLAR. There is no money involved; it is not the question of the involvement of any money. It is merely a question of continuing the investigation of cooperatives begun last summer under a resolution. This is merely a continuing resolution; that is all there is to it.

Mr. BYRNES. Mr. President, let me say to the Senator from Michigan that the committee did nothing in regard to increasing the amount involved. The resolution merely extends the time within which the investigation may proceed.

Mr. COUZENS. How much money was involved in the original resolution?

Mr. BYRNES. My recollection is that it was $5,000.

Mr. McKELLAR. No. Only $2,000 was involved. The cost has been very small, and I have an affidavit here, and I am sure, after hearing it read, every Senator in this body will approve continuing the investigation.

Mr. McNARY. Mr. President, I inquire what action was taken with respect to the request of the Senator from Arkansas?

The PRESIDENT pro tempore. The Chair is informed that no action has been taken on it. That is the question now before the Senate.

Mr. McNARY. I object to any further transaction of business until action is had on that request.

Mr. McKELLAR. Mr. President, the first unanimous-consent request was made by me to proceed to the consideration of Senate Resolution 313, and, as I understood, the Senator from Oregon wanted another request to go along with it, to which I have no objection at all, for I think the two requests ought to be put together.

Mr. McNARY. I indicated that I would withhold consent until there had been agreement to continue the call of the calendar.

The PRESIDENT pro tempore. The Chair is now informed that the request of the Senator from Arkansas was agreed to.

Mr. ROBINSON. That was my understanding, but I think we are consuming a great deal of time needlessly. I have no objection to the Senator from Tennessee submitting his request at this time.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee that the Senate return to Calendar No. 2435 for the purpose of considering Senate Resolution 313?

Mr. SHEPPARD. I object.

The PRESIDENT pro tempore. Objection is made by the Senator from Texas.

Mr. McKELLAR. Mr. President, is it in order at this time to move to proceed to the consideration of the joint resolution?

Mr. ROBINSON. It is not.

The PRESIDENT pro tempore. It is not in order, in view of the unanimous-consent agreement already entered into. The clerk will state the first business in order on the calendar.

CONTINUATION OF CALL OF CALENDAR—BILLS PASSED OVER

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act was announced as first in order.

Mr. VANDENBERG. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. DAVIS. Mr. President, will the Chair please inform me as to who objected to Order of Business 2530, being Senate bill 4238, authorizing the naturalization of Joseph Brian Grant Ingoldsby, and for other purposes?

Mr. ROBINSON. Regular order!

The PRESIDENT pro tempore. The Chair does not have any record of who objected to the bill. The clerk will state the next business in order on the calendar.

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909, 35 Stat. 1109 (U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam was announced as next in order.

Mr. ROBINSON. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 509) to prevent the use of Federal offices or patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. ROBINSON. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 24) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1452) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. ROBINSON. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 87) to prevent the shipment in interstate commerce of certain articles and commodities, in connection with which persons are employed more than 5 days per week or 6 hours per day, and prescribing certain conditions with respect to purchases and loans by the United States, and codes, agreements, and licenses under the National Industrial Recovery Act was announced as next in order.

Mr. McKELLAR and Mr. ROBINSON asked that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1460) to fix standards for till baskets, climax baskets, round-stave baskets, market baskets, drums, hampers, cartons, crates, boxes, barrels, and other containers for fruits or vegetables, to consolidate existing laws on this subject, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 212) to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system through the use of the Farm Credit Administration, the Federal Reserve banking system, and creating a board of agriculture to supervise the same, was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1476) to provide for unemployment relief through development of mineral resources, to assist the development of privately owned mineral claims, to provide for the development of emergency and deficiency minerals, and for other purposes was announced as next in order.

Mr. ROBINSON. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1952) extending the classified executive civil service of the United States was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2405) to provide for a special clerk and liaison officer was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 916) to carry into effect the decision of the Court of Claims in favor of claimants in French spoliation was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2583) establishing certain commodity divisions in the Department of Agriculture was announced as next in order.

Mr. McKELLAR and Mr. ROBINSON asked that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 379) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1632) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by water carriers operating in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3072) to amend the Tariff Act of 1930, as amended, was announced as next in order.

Mr. McNARY. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1826) for the retirement of employees in the classified civil service to include employees in the legislative branch was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid in national defense, and for other purposes was announced as next in order.

Mr. McKELLAR. That is the unfinished business. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3420) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate and foreign commerce, and for other purposes was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3393) to create a Federal board of foreign trade was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3646) to repeal an act of March 3, 1933, entitled "An act to provide for the transfer of powder and other explosive materials from deteriorated and unserviceable ammunition under the control of the War Department to the Department of Agriculture for use in land clearing, drainage, road building, and other agricultural purposes" was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3604) to place William H. Clinton on the retired list of the Navy was announced as next in order.

Mr. McKELLAR. I ask that that bill go over.

GOVERNMENT FOR AMERICAN SAMOA

The bill (S. 3113) to provide a government for American Samoa was announced as next in order.

Mr. McKELLAR and Mr. COPELAND. Over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. TYDINGS. Mr. President, will the Senator who objected kindly withhold his objection for a moment?

Mr. McKELLAR. Very well.

Mr. TYDINGS. The bill does not change the status of the Government in American Samoa. All it does is to provide that three groups of people in the Samoan Islands, numbering about 11,000, may have their tribal customs restored and may try minor offenses among themselves rather than have them tried by the naval governor of the island. The bill is a result of an investigation by a commission of which the Democratic leader, the Senator from Arkansas [Mr. ROBINSON] was a member, and of which former Senator Hiram Bingham, of Connecticut, was a member, he having been chairman of the Committee on Territories and Insular Affairs at the time. These two Senators, with others, went to the Samoan Islands and made a very comprehensive report upon their visit. In my opinion, the bill only gives to the Samoan people the right to try local offenses and to conduct their own internal affairs.

Mr. ROBINSON. Mr. President, I think it appropriate to state that the bill has passed the Senate three times.

Mr. TYDINGS. That is correct.

Mr. ROBINSON. It has failed of passage in the House of Representatives. It probably would not be considered in that body during the present session.

Mr. McKELLAR. I withdraw my objection.

Mr. COPELAND. Mr. President, I invite attention to the fact that I also objected to the present consideration of the bill, and in spite of the reasons given I persist in my objection.

The PRESIDENT pro tempore. The Senator from New York objects, and the bill will be passed over.

GAME MANAGEMENT SUPPLY DEPOT IN IDAHO

Mr. POPE. Mr. President, I ask unanimous consent to recur to Calendar No. 2397, being the joint resolution (S. J. Res. 171) providing for the establishment of a game management supply depot and laboratory, and for other purposes.

Mr. McKELLAR. Mr. President, when this measure was called a little while ago I objected. Since then the Senator from Idaho has stated to me the facts about it, and I think it ought to pass. I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Idaho?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 171) providing for establishment of a game management supply depot and laboratory, and for other purposes.

Mr. POPE. Mr. President, an identical House joint resolution has passed the House and has come to the Senate. I ask unanimous consent that the House joint resolution be substituted for the Senate joint resolution and be placed upon its passage.

The PRESIDENT pro tempore. The House joint resolution does not appear to be on the calendar. The Chair is informed that it has been referred to the Committee on Agriculture and Forestry. It will be necessary for the Senator from Idaho to ask unanimous consent to discharge that committee from further consideration of the House joint resolution and that the Senate then proceed to its consideration.

Mr. POPE. I make that request.

The PRESIDENT pro tempore. Without objection the Committee on Agriculture and Forestry is discharged from the further consideration of the House joint resolution. Is there objection to the present consideration of the joint resolution?

There being no objection the joint resolution (H. J. Res. 366) providing for the establishment of a game-management supply depot and laboratory, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of Agriculture is hereby authorized to purchase on behalf of the United States such tract or tracts of land, in Pocatello, Idaho, including structures thereon, as in his judgment may be suitable for the establishment of a game-management supply depot and laboratory for use of the Department of Agriculture, and to pay all costs incident to examining, transferring, and perfecting title to said land, and to construct thereon such building or buildings and to repair, add to, or remodel any existing structures thereon, as in his judgment may be suitable for use as a depot and laboratory and to purchase and install therein such equipment machinery as may be necessary for its efficient use and operation; he is authorized

to provide such sidewalks and approaches in and around said premises as may be required. That appropriations made for the administration, protection, maintenance, control, improvements, and development of wildlife sanctuaries, reservations, and refuges under the control of the Secretary of Agriculture shall be available for the purchase, transportation, and handling of supplies and materials for distribution at cost from game-management supply depots maintained by the Department of Agriculture to projects specially provided for, and transfers between the appropriations for said purposes are hereby authorized in order that the cost of supplies and materials, and transportation and handling thereof, drawn from central warehouses so maintained may be charged to the particular project benefited; and such supplies and materials as remain in said depots at the end of any fiscal year shall be continuously available for issuance during subsequent fiscal years and to be charged for by such transfers of funds between said appropriations for the fiscal year then current without decreasing in any way the appropriations made for that fiscal year: *Provided*, That supplies and materials shall not be purchased solely for the purpose of increasing the value of storehouse stock beyond reasonable requirements for any current fiscal year.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 171 will be indefinitely postponed.

JOINT RESOLUTIONS AND BILLS PASSED OVER

The joint resolution (S. J. Res. 205) providing for disposition of certain cotton held by the United States was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 3659) to promote the efficiency of the Judge Advocate General's Department of the Army was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3726) to provide suitable rank for the Deputy Chief of Staff, United States Army, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3580) granting and confirming to the East Bay Municipal Utility District, a municipal utility district of the State of California and a body corporate and politic of said State and a political subdivision thereof, certain lands, and for other purposes, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 70) for the relief of agriculture, the producers of livestock, and the producers of raw materials generally, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 9074) granting pensions to certain soldiers and sailors of the Regular Army and the Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows and dependents of such soldiers and sailors, was announced as next in order.

Mr. RUSSELL and Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 3044) to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service, and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch, was announced as next in order.

Mr. VANDENBERG and Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 4886) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3500) to develop a strong American merchant marine to promote the commerce of the United States, to aid national defense, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3075) for the relief of John L. Summers, former disbursing clerk, Treasury Department, and various former treasurers of the United States was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

WITNESSES BEFORE COMMITTEES IN CONGRESS

The bill (H. R. 8875) to clarify section 104 of the Revised Statutes (U. S. C., title II, sec. 194) was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 104, of the Revised Statutes (U. S. C., title II, sec. 194) is amended to read as follows:

"SEC. 104. Whenever a witness summoned as mentioned in section 102 of the Revised Statutes fails to appear to testify or fails to produce any books, papers, records, or documents, as required, or whenever any witness so summoned refuses to answer any question pertinent to the subject under inquiry before either House or any committee or subcommittee of either House of Congress, and the fact of such failure or failures is reported to either House while Congress is in session, or when Congress is not in session, a statement of facts constituting such failure is reported to and filed with the President of the Senate or the Speaker of the House, it shall be the duty of the said President of the Senate or Speaker of the House, as the case may be, to certify, and he shall so certify, the statement of facts aforesaid under the seal of the Senate or House, as the case may be, to the appropriate United States attorney, whose duty it shall be to bring the matter before the grand jury for its action."

ONE HUNDREDTH ANNIVERSARY OF ADMISSION OF ARKANSAS TO UNION

The Senate proceeded to consider the bill (H. R. 11688) providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 5, after the word "design" to strike out "of not less than 25,000"; and in line 6, after the words "reverse side of", to strike out "not less than 25,000 and not more than 70,000 of"; and on page 2, to add a new section 2, so as to make the bill read:

Be it enacted, etc., That the Director of the Mint, with the approval of the Secretary of the Treasury, is authorized and directed to provide for one additional design to be placed on the reverse side of not less than 25,000 and not more than 50,000 of the 50-cent pieces to be coined in accordance with the provisions of the act entitled "An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union", approved May 14, 1934.

The United States shall not be subject to the expense of making the necessary dies and other preparations for such coinage.

SEC. 2. The coins upon which the additional design authorized by this act is to be placed shall be coined at a mint of the United States to be designated by the Director of the Mint, shall bear the date 1936, irrespective of the year in which they are minted or issued, and shall be issued in the same manner and for the same purposes as the coins issued under the provisions of such act of May 14, 1934; except that not less than 25,000 such coins shall be issued at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S. J. Res. 266) for the appointment of boards to study and report upon the Atlantic-Gulf Ship Canal project, Florida, and the Passamaquoddy tidal power project making, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (H. R. 8525) prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore and for the purpose of promoting the safety of navigation was announced as next in order.

Mr. COPELAND. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over. That completes the call of the calendar.

FORT PULASKI NATIONAL MONUMENT, GEORGIA

Mr. RUSSELL. Mr. President, has the call of the calendar under the unanimous-consent agreement been completed?

The PRESIDENT pro tempore. It has been.

Mr. RUSSELL. Yesterday the Committee on Public Lands and Surveys reported favorably the bill (H. R. 11180) to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes. The report was made too late for the measure to be placed upon the calendar. I ask unanimous consent for the present consideration of the bill.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 11180) to extend the boundaries of the Fort Pulaski National Monument, Georgia, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the boundaries of the Fort Pulaski National Monument on Cockspur Island, Ga., be, and they are hereby, extended to include all of the lands on said island now or formerly under the jurisdiction of the Secretary of War.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to accept in behalf of the United States lands, interest in lands, easements, and improvements located on McQueens and Tybee Islands, in Chatham County, Ga., as may be donated for an addition to the Fort Pulaski National Monument, and upon acceptance thereof the same shall be a part of said monument, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized to construct, or cause to be constructed, in connection with and as a part of the road system of Fort Pulaski National Monument, a bridge or causeway and approaches thereto across the South Channel of the Savannah River from Cockspur Island to McQueens Island in Chatham County, Ga., at a point which he may designate as most suitable to the interests of the Federal Government.

SEC. 4. That the administration, protection, and development of the aforesaid national monument as extended by this act shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes": *Provided*, That there is permanently reserved for the unlimited use of the Corps of Engineers, United States Army, for deposit of dredging materials and other purposes, a strip of land along the north shore of Cockspur Island extending shoreward 200 feet from the present high-water line: *And provided further*, That the portion of Cockspur Island bounded on the east by a north and south line across the island, and distant 2,900 feet west from the northwesterly salient angle of Fort Pulaski, and extending from Savannah River on the north to the South Channel on the south; on the west by a north and south line, parallel with said east boundary, distant 1,700 feet therefrom, and likewise extending from the Savannah River on the north to the South Channel on the south, is reserved to the Treasury Department for use for a quarantine station.

GOVERNMENT FREE BATHHOUSE, HOT SPRINGS, ARK.

Mr. ROBINSON. Mr. President, from the Committee on Public Lands and Surveys the bill (H. R. 11176) increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark., has been reported favorably and unanimously. The bill, as its title indicates, has relationship to the service at the Government bathhouse at Hot Springs, Ark., and would increase the penalty for making false oaths for the purpose of using the bathhouse facilities. I ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER (Mr. POPE in the chair). Is there objection to the request of the Senator from Arkansas?

Mr. McNARY. Mr. President, has the bill passed the House?

Mr. ROBINSON. Yes. It passed the House and has been unanimously reported by the Senate Committee on Public Lands and Surveys, the report having been made since the calendar was printed.

Mr. McNARY. I have no objection.

There being no objection, the bill (H. R. 11176) increasing the penalty for making false oaths for the purpose of bathing at the Government free bathhouse at Hot Springs, Ark., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act limiting the privileges of the Government free bathhouse on the public reservation at Hot Springs, Ark., to persons who are without and unable to obtain the means to pay for baths", approved March 2, 1911 (U. S. C., 1934 ed., title 16, sec. 371), is hereby amended to read as follows:

"That only persons who are without and unable to obtain the means to pay for baths and are suffering from ailments for which bathing in the water of the Hot Springs Reservation will afford relief or effect a cure shall be permitted to bathe at the free bathhouse on the public reservation at Hot Springs, Ark., and before any person shall be permitted to bathe at the free bathhouse on the reservation he shall be required to make oath, before such officer duly authorized to administer oaths for general purposes as the superintendent of the Hot Springs Reservation shall designate, that he is without and unable to obtain the means to pay for baths, and any person desiring to bathe at the free bathhouse on the Hot Springs Reservation making a false oath as to his financial condition shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not less than $25 nor more than $300 and be imprisoned for not more than 60 days."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, communicated to the Senate the resolutions of the House (H. Res. 554) adopted as a tribute to the memory of Hon. Duncan U. Fletcher, late a Senator from the State of Florida.

The message requested the Senate to return to the House of Representative the engrossed bill of the Senate (S. 3843) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes.

The message announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 1794. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925; and

S. J. Res. 278. Joint resolution to modify and extend the act entitled "An act to include sugar beets and sugarcane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, as amended, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 12869) to liberalize the provisions of Public Law, No. 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate no. 49 to the said bill and concurred therein with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate nos. 29, 30, and 41 to the bill.

The message also announced that the House insisted upon its amendment to the bill (S. 2456) to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WALTER, Mr. RAMSAY, and Mr. GUYER were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

House Concurrent Resolution 56

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for the use of the select committee of the House of Representatives appointed to inquire into old-age pension plans and organizations not to exceed 200,000 additional copies of House Report No. 1, Seventy-fifth Congress; and that, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the aforesaid committee be, and is hereby, authorized and empowered to have printed for

its use 10,000 additional copies of the hearings held before said committee during the current session pursuant to the resolution (H. Res. 443) authorizing the appointment of a Select Committee to Inquire Into Old Age Pension Plans with respect to pending legislation.

House Concurrent Resolution 58

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill H. R. 12624, the First Deficiency Appropriation Act, fiscal year 1936, the Clerk of the House of Representatives is hereby authorized and directed to include in said bill, on page 2, after line 13, a new paragraph to read as follows:

"For payment to the widow of Joseph W. Byrns, late a Representative from the State of Tennessee, $10,000 to be disbursed by the Sergeant at Arms of the House."

And—

House Concurrent Resolution 59

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be, and he is hereby, requested to return to the House the enrolled bill (H. R. 12848) to provide an additional place of holding terms of the United States district court in the eastern district of Kentucky, and to amend section 83 of the Judicial Code, as amended;

That the action of the Speaker and of the President of the Senate in signing the said enrolled bill be rescinded; and

That in the reenrollment of the said bill the Clerk of the House of Representatives be, and he is hereby, authorized and directed to make the following correction, namely: Strike out the word "Pikesville" wherever it appears in said bill and insert in lieu thereof the word "Pikeville."

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 11501. An act to authorize the acquisition of lands in the vicinity of Jacksonville, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon;

H. R. 12490. An act authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy; and

H. R. 12831. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of Hartford, Conn.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 1318. An act to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes;

S. 1795. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 1976. An act to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps;

S. 3257. An act to amend the World War Adjusted Compensation Act;

S. 3344. An act to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky;

S. 3488. An act to provide for the examination and survey to determine the best utilization of the surplus waters of the San Juan River and the Animas River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama and Rio Grande;

S. 3784. An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes;

S. 3805. An act to authorize the Secretary of the Interior to reserve certain lands on the public domain in Nevada for addition to the Walker River Indian Reservation;

S. 3907. An act for the relief of the State of Nevada;

S. 3997. An act to authorize the Secretary of War to lend War Department equipment for use at the Eighteenth National Convention of the American Legion at Cleveland, Ohio, during the month of September 1936;

S. 4038. An act to amend an act of Congress approved March 3, 1863, entitled "An act to reorganize the courts in the District of Columbia, and for other purposes";

S. 4105. An act authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission, of Maryland, for park, parkway, and playground purposes;

S. 4132. An act to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army;

S. 4252. An act to provide for the modification of the contract of lease entered into on June 12, 1922, between the United States and the Board of Commissioners of the Port of New Orleans;

S. 4461. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.;

S. 4462. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa;

S. 4463. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa;

S. 4584. An act to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), to extend and adapt its provisions to the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals concluded at the city of Mexico February 7, 1936, and for other purposes;

S. 4618. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a free or toll highway bridge, or a railway bridge in combination with a free or toll highway bridge, and approaches thereto, across the Mississippi River at or near Baton Rouge, La.;

S. 4654. An act to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923;

S. 4658. An act to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes;

S. 4667. An act to prohibit the commercial use of the coat of arms of the Swiss Confederation pursuant to the obligation of the Government of the United States under article 28 of the Red Cross Convention signed at Geneva July 27, 1929;

S. 4680. An act authorizing the State of Wisconsin to construct, maintain, and operate a free highway bridge across the Mississippi River at or near La Crosse, La Crosse County, Wis.;

S. 4709. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.;

S. 4710. An act authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa.;

S. 4734. An act to provide for hurricane patrol in the Gulf of Mexico and environs during the hurricane season;

H. R. 12. An act to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.;

H. R. 1392. An act to extend the provisions of certain laws to the island of Puerto Rico;

H. R. 2259. An act for the relief of Addie I. Tryon and Lorin H. Tryon;

H. R. 5730. An act to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934;

H. R. 6258. An act for the relief of D. E. Woodward;

H. R. 9153. An act for the relief of Evelyn Harriett B. Johnstone;

H. R. 9185. An act to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes;

H. R. 9483. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests;

H. R. 9484. An act to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended;

H. R. 10101. An act to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes;

H. R. 10104. An act to authorize a study of the park, parkway, and recreational-area programs in the United States, and for other purposes;

H. R. 11614. An act to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.;

H. R. 11690. An act relating to the admissibility in evidence of certain writings and records made in the regular course of business;

H. R. 11915. An act to amend the Coastwise Load Line Act, 1935;

H. R. 12073. An act to reserve certain public-domain lands in New Mexico as an addition to the school reserve of the Jicarilla Indian Reservation;

H. R. 12419. An act to apply laws covering steam vessels to seagoing vessels of 300 gross tons and over propelled by internal-combustion engines;

H. R. 12599. An act to provide more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property wherever situated, belonging to the United States of America, by granting to the several States jurisdiction and authority to apply their State workmen's compensation laws on all property and premises belonging to the United States of America;

H. R. 12799. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundred and fiftieth anniversary of Sir Walter Raleigh's colony on Roanoke Island, N. C., known in history as the Lost Colony, and the birth of Virginia Dare, the first child of English parentage to be born on the American continent;

S. J. Res. 187. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1936, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski;

S. J. Res. 235. Joint resolution authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress;

S. J. Res. 243. Joint resolution authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; and

S. J. Res. 245. Joint resolution authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor.

HOUSE BILLS AND CONCURRENT RESOLUTION REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 11501. An act to authorize the acquisition of lands in the vicinity of Jacksonville, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon; to the Committee on Naval Affairs.

H. R. 12490. An act authorizing a preliminary examination of the Levisa Fork of Big Sandy River in the vicinity of the Breaks of Sandy; to the Committee on Commerce.

H. R. 12831. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of Hartford, Conn.; to the Committee on Banking and Currency.

The concurrent resolution (H. Con. Res. 56) authorizing the printing of additional copies of the Report of the Select Committee Investigating Old Age Pension Plans and Organizations, together with additional copies of the hearings held before said committee, was referred to the Committee on Printing.

PROMOTION OF EFFICIENCY, BUREAU OF ENGRAVING AND PRINTING

The PRESIDING OFFICER laid before the Senate the amendments of the House to the bill (S. 2712) to promote the efficiency of the Bureau of Engraving and Printing, which were to strike out all after the enacting clause and insert:

That section 23 of the Independent Offices Appropriation Act, 1935, is amended by adding at the end thereof the following new paragraph:

"Where the adjustment of regular hours of duty of employees subject to the provisions of the preceding paragraph requires the adjustment of regular hours of duty of any employee whose compensation is fixed under the Classification Act of 1923, as amended, the aggregate weekly earnings of such employee whose compensation is fixed under the Classification Act of 1923, as amended, for full-time service shall not be less by reason of such adjustment than his aggregate weekly earnings for full-time service prior to March 28, 1934. Full-time service within the meaning of this paragraph shall not be less than 40 hours per week. For the purposes of this paragraph, authority is hereby granted to adjust the hourly rates of compensation of employees whose compensation is fixed under the Classification Act of 1923, as amended, to such extent as may be necessary to make the aggregate compensation for a 40-hour week equal to the compensation for a full-time week prior to March 28, 1934."

SEC. 2. This act shall take effect as of the 1st day of the first calendar month following the date of its enactment.

And to amend the title so as to read: "An act to amend section 23 of the Independent Offices Appropriation Act, 1935."

Mr. O'MAHONEY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

GLACIER BAY NATIONAL MONUMENT

Mr. COPELAND obtained the floor.

Mr. PITTMAN. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield to the Senator from Nevada.

Mr. PITTMAN. From the Committee on Public Lands and Surveys, I report back favorably, with an amendment, Senate bill 4784, to permit mining within the Glacier Bay National Monument. The report is unanimous, and I desire to ask for the present consideration of the bill. The reason why I am doing so is that it is an emergency matter.

It seems that about 10 years ago, by proclamation, 50 square miles of land up in Alaska was set aside as a monument. At that time no provision was made for prospecting or mining in that area. For about 10 years an effort has been made to open it. At last the Secretary of the Interior has approved the proposal in the form of a bill which he himself prepared, which allows mining under regulations. The measure has been unanimously reported from the Committee of the House, and a similar measure has been unanimously reported from the Senate committee.

Work in that country must be done in the summer. An entire year will be lost unless the bill shall be passed at

this time. If that is done, it means—so the committee was informed by those who testified before it, and I think the Government geologists will agree to the statement—the employment of several hundred men right away.

The report is as follows:

[S. Rept. No. 2408, 74th Cong., 2d sess.]

The Committee on Public Lands and Surveys, to whom was referred the bill (S. 4784) to permit mining within the Glacier Bay National Monument, after careful consideration of same, report favorably thereon with the recommendation that the bill do pass with the following amendment:

Page 1, line 8, strike out the word "law" and insert in lieu thereof the word "laws."

The enactment of this measure is recommended by the Interior Department in a letter, dated June 5, 1936, addressed to Hon. RENÉ L. DEROUEN, chairman of the Committee on the Public Lands of the House of Representatives, and signed by Hon. Charles West, Acting Secretary of the Interior, copy of which is hereinafter set out:

OFFICE OF THE SECRETARY OF THE INTERIOR,
Washington, June 5, 1936.

Hon. RENÉ L. DEROUEN,
Chairman, Committee on the Public Lands,
House of Representatives.

MY DEAR MR. CHAIRMAN: Further reference is made to the report of this Department under date of February 14, 1936, on H. R. 9275, entitled "A bill to permit mining within the Glacier Bay National Monument."

The Glacier Bay National Monument was established by Presidential proclamation under date of February 26, 1925, pursuant to the authority contained in the act of June 8, 1906 (34 Stat. 225), the purpose being to preserve for all time the scientific, historical, and other features thereof for the benefits of future generations. This action removes the area from the operation of the mining laws of the United States. It is the view of this Department that if prospecting and mining within the area of the Glacier Bay National Monument are to be permitted it will be necessary, in order to protect the features for which this monument was established, to provide that any mining therein and the surface use of the lands be subject to general rules and regulations prescribed by the Department.

Therefore H. R. 9275 has been redrafted in this Department and a copy of the proposed substitute bill is enclosed for the consideration of your committee. If H. R. 9275 is amended as indicated in the enclosed substitute draft of bill, I recommend that the proposed legislation receive favorable consideration by the Congress.

I have been advised by the Bureau of the Budget that there would be no objection to the presentation of this report to your committee.

Sincerely yours,

CHARLES WEST,
Acting Secretary of the Interior.

The copy of the proposed bill accompanying the letter above quoted is identical with the bill under consideration with the amendment recommended herein.

STATEMENT OF FACT

Glacier Bay National Monument, situated in southeastern Alaska, was created by proclamation of President Coolidge dated February 26, 1925, Executive Order 1733. The area embraced within the boundaries of the monument is approximately 1,820 square miles.

The withdrawal of the area and the reservations made as to entry are expressed in the Executive order in the following terms:

"There is hereby reserved from all forms of appropriation under the public land laws, subject to all prior valid claims, and set apart as the Glacier Bay National Monument, the tract of land lying within the following-described boundaries, to wit, * * * containing approximately 1,820 square miles * * *.

"Warning is hereby given to all unauthorized persons not to appropriate or injure any natural feature of this monument or to occupy, exploit, settle, or locate upon any of the lands reserved by this proclamation."

The monument was established in order to preserve intact a region containing a number of tidewater glaciers surrounded by lofty peaks presenting a unique opportunity for the scientific study of glacier behavior and of resulting movements and development of flora and fauna and certain relics of ancient intergiacial forests. The region, while generally bare, is reported to contain a great variety of forest coverings, and it is said that a portion of the ground now bare may become forested in the course of the next century.

It has become highly desirable to permit prospecting and mining in the region covered by the monument. Reliable reports indicate that deposits of ore and valuable minerals are known to exist within the monument, and geologic conditions throughout most of the accessible portions of the area are favorable for their occurence. The accuracy of this view is indicated in a letter dated February 6, 1924, written by the late Dr. Alfred H. Brooks, then chief Alaska geologist of the United States Geological Survey. Very strong evidence of the probable existence of minerals in paying quantities within the monument is contained in a telegram from the Commissioner of Mines for Alaska, who advises that he has specific information of discovery of several deposits of gold and copper on which development work would be done if permitted by law, and that he also knows from personal observation during 1 week spent in field examination within the area embraced in the monument that gold and copper mineralizations occur there and geologic conditions favorable for such mineralization prevail throughout much of that area; that the entire area embraced in the monument is almost wholly devoid of wildlife of any kind, and that the extensive glacier fields and denuded surface render the area unfit for animal habitation, and that the other natural features are of such type that they cannot be defaced or destroyed by human agencies.

It is evident that the working of the mineral lands within the boundaries of the monument under reasonable regulations will in no wise impair the natural beauties of the monument or make it less attractive to visitors.

In this connection it is worthy of note that the act creating Mount McKinley National Park, Alaska, expressly permits mineral development and operation within the park region, and the experience of years has shown that the natural beauties of the park have not been impaired, nor has the wildlife therein been endangered, by the provisions of the law permitting mining and prospecting within the park area.

The Delegate from Alaska has introduced in the House a bill (H. R. 9275) seeking to apply the mining laws of the United States to the region within the Glacier Bay National Monument. On June 16, 1936, the Committee on the Public Lands of the House of Representatives reported the bill and recommended that the entire text be stricken and that the language found in the bill under consideration, S. 4784, be inserted instead. Accordingly the bill under consideration as reported is identical with the bill recommended by the House committee.

While strong reasons exist for applying the mining laws of the United States to the monument area, it seems probable that the enactment of this measure will reach substantially the same result, since the regulations prescribed for the mining and removal of minerals within the monument will be reasonable and will give fair opportunity for the development of the mineral lands therein.

I ask for the present consideration of the bill.

Mr. McNARY. Mr. President, is this the bill which Mr. Rex Beach was discussing here yesterday?

Mr. PITTMAN. It is the same bill.

Mr. McNARY. It permits mining in the national monument in Alaska?

Mr. PITTMAN. Under regulations prescribed by the Secretary of the Interior.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the bill (S. 4784) to permit mining within the Glacier Bay National Monument, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 8, after the word "such", to strike out "law" and insert "laws", so as to make the bill read:

Be it enacted, etc., That in the area within the Glacier Bay National Monument in Alaska, or as it may hereafter be extended, all mineral deposits of the classes and kinds now subject to location, entry, and patent under the mining laws of the United States shall be, exclusive of the land containing them, subject to disposal under such laws, with right of occupation and use of so much of the surface of the land as may be required for all purposes reasonably incident to the mining or removal of the minerals and under such general regulations as may be prescribed by the Secretary of the Interior.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BENEFIT PAYMENTS UNDER AGRICULTURAL ADJUSTMENT ACT

Mr. VANDENBERG. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. VANDENBERG. I have had innumerable inquiries regarding Senate Resolution 265, which was adopted by the Senate on April 27, calling upon the Secretary of Agriculture to report to the Senate various benefit payments under the Triple A. Seven weeks have gone by since the Secretary was asked for the information. Yesterday I consulted him on the subject; and, to answer all these questions at once, I wish to state that the Secretary believes it will be possible for him to make his report to the Senate tomorrow. If he should fail to make it before adjournment, however, he has given me the assurance that he will make the report public immediately when it is available, even though the Senate be in recess or adjournment.

OFFICERS AND SOLDIERS OF VOLUNTEER SERVICE

Mr. CAPPER. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield to the Senator from Kansas.

Mr. CAPPER. Mr. President, for several weeks we have had on the calendar a motion made by the Senator from Utah [Mr. KING] for the reconsideration of the votes by which the Senate ordered to a third reading and passed House bill 9472, for relief of officers and soldiers of the volunteer service of the United States. It is the measure known as the Philippine travel pay bill.

I am deeply interested in this measure. I have been doing my best to get it before the Senate; but I realize that on account of the duties of the senior Senator from Utah as a member of the conference committee on the tax bill, it has been impossible for him to be here at this time. I shall not undertake to press the measure in his absence; but I wish to say now that the measure is so important to a large number of deserving veterans of the Philippine conflict that I shall seek an opportunity before we adjourn, when the Senator from Utah is on the floor, to bring up the matter.

Mr. McKELLAR. Mr. President, the Senator from Utah is not on the floor now, and I hope the Senator from Kansas will not make the request at this time.

Mr. CAPPER. I shall not make the request at this time; but the measure is one which should have the attention of the Senate before final adjournment, and I shall do my best to secure its consideration.

RESETTLEMENT OF RURAL REHABILITATION PROJECTS

Mr. BLACK. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield to the Senator from Alabama.

Mr. BLACK. From the Committee on Education and Labor I report back favorably Senate bill 4754, to waive any exclusive jurisdiction over premises of resettlement or rural rehabilitation projects; to authorize payments to States, political subdivisions, and local taxing units in lieu of taxes on such premises; and for other purposes.

In making the report I desire to make a request for immediate consideration, and to explain the bill. I shall attempt to do so in such manner that there may be no question as to what it implies.

Mr. McNARY. Mr. President, is this a House bill?

Mr. BLACK. It is not; but I believe the Senator will agree with me as to the necessity of its passage when I explain it to him. If he has any objection whatever, I shall not press the matter.

Mr. McNARY. I will anticipate the speech by stating that I shall have to object to the consideration of a Senate bill. It is not on the calendar. It is a House bill of but little importance. While I consented to the consideration of the bill presented by the Senator from Arkansas [Mr. ROBINSON] and the bill presented by the Senator from Nevada [Mr. PITTMAN], I shall have to object to the consideration of a Senate bill of this nature.

Mr. BLACK. This is a bill of importance. I may state to the Senator that I had the report yesterday, but because I did not think it would be proper under the circumstances to make the report and place it in the RECORD I did not present it at that time. If the Senator will let me explain the matter, I think in all probability he will not object. If he has any objection, I shall not insist on the request.

Mr. McNARY. I have no objection to the Senator making the statement; but I thought it would save time for me frankly to say to the Senator that since this is a Senate bill, and has not gone to the calendar, and will have to lie over for a day, I shall object. If, in view of what I have said, the Senator desires to make a statement regarding the bill, very well.

Mr. BLACK. I desire to make a statement regarding the bill, because I wish to place in the RECORD a statement of the importance of the bill and what it involves.

Under a ruling of the Comptroller General, the probability is that it will be held that the Resettlement Agency of the Housing Administration has not the right to make any payment to any municipality or State or county in lieu of taxes. The Congress has passed legislation which permits the P. W. A., of the Interior Department, to make payments in lieu of taxes in vicinities where it is necessary. This has been found wise, according to the Departments statement, by reason of the fact that in some places they wish to aid the schools, or to dedicate a street. Under the ruling, it is even doubtful if they have a right to dedicate a part of their own property for use as a street or an alley.

A law has already been passed by the Congress which permits the P. W. A. to exercise these authorities. The result is that in a community where there are two housing programs, one by the Resettlement Agency and one by the agency of the Public Works Administration, the latter will have a right to make a payment in lieu of taxes, and will have a right to dedicate streets and alleys, while the housing unit of the Resettlement Administration will have no such privilege.

Mr. McNARY. What is the number of the bill?

Mr. BLACK. It is Senate bill 4754. I have been informed that if the bill should pass the Senate, it would have a chance to pass both Houses before we adjourn, if we should adjourn on Saturday night. I have also been informed that there is a probability that if we do not secure passage here first, we shall not be enabled to enact a measure on the subject. I have no interest in it except that the bill was presented to me, and I was requested to introduce it; and upon looking into the facts, and seeing what would be the result, it seemed to me it was obviously inconsistent to have one law relating to the housing unit under one agency of the Government and another law relating to the housing unit of another agency.

For that reason I have introduced the bill and have made the favorable report. If the Senator from Oregon feels that on account of the fact that he has not gone into the matter he would prefer that I should not make the request at this time, I shall not make it; but I desired to have the privilege of making the statement.

May I ask the Senator from Oregon if he would prefer that I should not make the request at this time?

Mr. McNARY. Yes; I should.

Mr. BLACK. Then I shall not make the request at this time. I submit the report, however, and have made the statement in order that the Senator may have an opportupity to consider it, so that I may bring the bill before the Senate at a later time.

SERVICE OF OFFICERS AND ENLISTED MEN OF NATIONAL GUARD

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 4026) to amend the National Defense Act of June 3, 1916, as amended, which was, on page 1, line 6, after the word "training", to insert a colon and the following proviso:

Provided, That for the purposes of this section the service of officers, warrant officers, the enlisted men of the National Guard or of the National Guard of the United States while en route to or from or during their attendance at encampments, maneuvers, or other exercises, or at service schools, under the provisions of sections 94, 97, and 99 of the National Defense Act of June 3, 1916, as amended, shall be considered as service under a call or order into the active service of the United States.

Mr. SHEPPARD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

RETURN OF A BILL TO THE HOUSE OF REPRESENTATIVES

On motion by Mr. ROBINSON, the request of the House of Representatives that the Senate return to the House the engrossed bill (S. 3843) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes was complied with.

WATERTON OIL, LAND & POWER CO.

Mr. MURRAY. Mr. President——

Mr. COPELAND. I yield to the Senator from Montana.

Mr. MURRAY. By unanimous consent, I ask to revert to Calendar No. 2505, Senate bill 4642. This bill was objected to by the Senator from Tennessee [Mr. McKELLAR]; but since that time I have explained the purpose of the bill, and I understand that he now has no objection.

The purpose of the bill is merely to permit the presentation of a legitimate claim to the Court of Claims. The bill involves some land in Glacier National Park, some rights that were initiated there prior to the establishment of the park. A sawmill and lumber business was being carried on there at the time the park was established. The object of the bill is merely to permit the claim to be presented before the Court of Claims.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 4642) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States for damages arising out of the breach of various contracts entered into in the years 1906, 1907, 1908, and 1909 for the cutting of timber by such company from certain lands in the Glacier National Park and the cancelation of certain mining claims of such company covering such land.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the date of enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, and appeals from and payment of any judgment thereon, shall be in the same manner as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

FIRST DEFICIENCY APPROPRIATION BILL, 1936—CONFERENCE REPORT

Mr. COPELAND. Mr. President, I understand that the Senator from Colorado [Mr. ADAMS] desires to have considered the conference report on the deficiency bill.

Mr. ADAMS. That is correct. I shall be glad if the Senator from New York will be good enough to allow the conference report to be considered at this time.

Mr. COPELAND. I assume that that will not interfere with any rights I have.

The PRESIDING OFFICER. The Chair understands that a conference report is a privileged matter. Does the Senator from New York yield for that purpose?

Mr. COPELAND. I yield for that purpose.

The PRESIDING OFFICER. The Chair lays before the Senate a conference report which has heretofore been read.

The Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes.

Mr. ADAMS. Mr. President, as the bill passed the Senate some 153 amendments were attached to it. The conference committee spent a great deal of time, and went into the matter with a good deal of care, and reached an agreement upon all but four of the amendments. Two of these amendments, nos. 29 and 30, have to do with the Tennessee Valley Authority; one amendment, no. 41, has to do with the Florida ship canal, and amendment no. 49 was a textual amendment.

I move that the Senate recede from its amendments nos. 29 and 30 and from its amendment no. 41, and that it concur in the amendment of the House to the amendment of the Senate no. 49.

In order to make the situation clear, I may say that the motion which I make is a recession from the amendments of the Senate on the Tennessee Valley Authority matter and on the Florida ship canal amendment. The Senate conferees did their utmost to maintain the position of the Senate, the House declined to recede—the matters were taken to the House and a vote was taken in the House yesterday, both on the Tennessee Valley Authority amendment and the Florida ship canal amendment. The vote on the Florida ship canal amendment was 63 for and 108 against. The vote on the T. V. A. amendment was 10 for and 116 against.

My view is that it is entirely useless for the Senate to insist upon these two amendments. If we do insist, we will delay the passage of the bill and perhaps will delay the adjournment of the Congress. Therefore I make the motion.

Mr. McKELLAR. Mr. President, as I understand, in regard to the two additional dams under the Tennessee Valley Authority, the House vote was largely against the dams.

Mr. ADAMS. Yes.

Mr. McKELLAR. Of course, the Senator knows that those of us who were conferees on the part of the Senate fought steadfastly to add these two dams, as they would virtually make a completed project of the Tennessee Valley project from Knoxville to the Ohio River. I am deeply disappointed, naturally, that these two dams were rejected by the House of Representatives, but as they seem to have been rejected by quite a large majority, I do not see anything that we can do in connection with the matter in this deficiency bill. I shall therefore adopt the course proposed by the Senator, and shall not object to the conference report.

Mr. LOFTIN. Mr. President, I hope the Senate will not agree to recede as to amendment numbered 41, which relates to the Florida canal. If my late distinguished colleague, Senator Fletcher, were here this morning, standing in his place, I am sure that Senators would find him ably, aggressively, and eloquently pleading for the Florida canal, as he has been doing for many years. It had become a part of his heart's work.

I shall not this morning review the merits or the arguments in favor of the canal because my late distinguished colleague did that so often on the floor of the Senate and so convincingly that the Senate agreed to the amendment. He has so ably said all that can be said about the canal and its advantage to the Nation, as well as to my State, that anything I could say would not add to the information the Senate already possesses.

I merely ask that before Senators vote to recede from this amendment they recall what my distinguished colleague so often said about the canal, and the arguments he offered in its favor. Whatever may be the action of this body today, as a matter of expediency to secure early adjournment, I want the Senators to know that the people of Florida still feel that the canal is a worthy project; that it will be of great benefit to the Nation and to the shipping of the world, and that they will be found again and again insisting that the canal be constructed until finally it will become a realization.

Mr. ROBINSON. Mr. President, when legislative provisions are at issue between the two Houses, according to the precedent which has prevailed, when the House opposed to an amendment inserted by the other votes upon that amendment and rejects it, usually the body inserting the amendment recedes.

It will be recalled that the amendment covering what is known as the Florida ship canal project was offered by myself. The late Senator Fletcher gallantly supported the amendment, and as a result of his arguments the Senate agreed to it. Under the situation which exists, the House having voted by a considerable majority not to concur in the amendment, it is my judgment that the Senate should recede from the amendment, and I intend to vote to do so.

Mr. FRAZIER. Mr. President, I should like to inquire about amendment no. 89, which appeared on page 73 of the bill.

Mr. ADAMS. Mr. President, the amendment was discussed at some length. The Senate conferees insisted on retaining the amendment, but were not successful. I do not recall all the details of the argument, but we were met with a very positive and definite refusal to accede to the Senate

amendment. However, the suggestion was made that perhaps in some regular appropriation bill consideration might be given to the matter, rather than have it included in a deficiency bill. In any event, we were unable to secure the acquiescence of the House in the amendment. Personally I was for the amendment, not only as a conferee but as an individual Senator.

Mr. FRAZIER. I know the Senator was. The amendment was for the purpose of carrying out an appropriation passed by both Houses of the Congress. The amendment also had the approval of the Department interested and of the Bureau of the Budget. The report was late coming to the committee and the amendment was put in on the floor of the Senate. I thank the Senator from Colorado for his explanation.

Mr. NORRIS. Mr. President, I expect to vote for the conference report, but I desire to call attention to one item, although it is very small, as to which I think the action was most unreasonable, most unfair, and contrary to all precedents of the House and the Senate.

An act was passed earlier in the session the effect of which was to set up a national homestead monument to commemorate the development of a great portion of the Mississippi Valley, where settlement was made on lands under the National Homestead Act. It was not a local matter; it was not a State affair; but was to commemorate the enactment during the Civil War of the homestead law, which resulted in the conversion of a large portion of the desert into fertile farms, where pleasant homes are located, redeeming the country from the Indians, making out of the desert the most fertile portion of our great country, where a great civilization was developed. That region is now the bread basket of the American Nation. The homestead law is still on the statute books, but it is practically a dead letter because all the lands that could be taken for homesteads under that law have been in one form or another converted into private ownership.

The homestead law had more to do with the development of the great West than had any other one piece of legislation. The author of the law came from Pennsylvania. It was entirely national in its scope. Today that portion of our country on which formerly roamed the Indians and the buffalo has become, as I have said, the bread basket of the Nation.

The homestead law was not the result of hasty action on the part of Congress. Its enactment came after great deliberation. Andrew Johnson, one of the Presidents of the United States, was greatly interested in it.

The idea gradually developed into a fact, and it since has been demonstrated that a large portion of our country owed its advancement and its civilization to that beneficent law.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield.

Mr. McKELLAR. The Senator from Nebraska spoke of Andrew Johnson. For about 20 years of his life, both when a Representative in Congress and when a Senator, Andrew Johnson worked for the enactment of the homestead law. The act was passed before he actually became President, but during all the time he was in Congress he made homestead development his chief life's work. I wish to say to the Senator that I think his amendment ought to have been agreed to by the conferees. All members of the conference committee on the part of the Senate stood for it in conference and did everything in the world they could to keep it in the bill. It ought to be in the bill, and I desire to say to the Senator that if he shall reintroduce the measure and it comes up hereafter I shall take the greatest pleasure in helping in every way I can to see that it shall become the law. It ought to have become law at this time. However, we simply could not prevail upon the House conferees to agree to it.

Mr. NORRIS. Mr. President, I am not finding fault with the Senate conferees. Before I finish I shall commend them for the effort they made to retain this small appropriation in the bill. The Senator, however, is slightly mistaken in referring to the pending measure. The law dealing with the subject has been passed. The measure is on the statute books. There is not any question about the law. The only thing lacking was an appropriation of only $24,000 to carry out the law and to commemorate the pioneers of the great West; to show the hardship, the trials and the tribulations through which they had to pass to convert a vast area, then owned by Indians and roamed over by them and by buffalo, into a highly civilized and highly developed portion of our country.

Mr. McKELLAR. Mr. President, I understand fully that the law authorizing the commemoration has already been passed, but what I meant by the law was the inclusion in the deficiency bill of the comparatively small sum of $24,000 to commemorate the taking of the first homestead under the old homestead law. In my judgment, the Senator is entirely right in his position.

Mr. NORRIS. I thank the Senator from Tennessee, and all other Senators who favored the measure. I wish to pay my compliments in this respect to some of the highest officials of the Government of the United States, including President Roosevelt himself, who became enthusiastic about the matter. When they looked over the country and saw that the conditions of the earlier days had passed away, that they were all matters of history now, it was thought by men of all parties, of all creeds, and from all sections of the country, particularly the great West, that we should commemorate the hardships endured by the pioneers; that we should mark the place where they endured the trials and tribulations necessary to the development of the great section to which they went in order to bring about the very greatly desired and happy result which has ensued. So Congress passed a law for that purpose.

Mr. President, it just happens that the first homestead ever taken under the homestead law was in Nebraska. That is the reason for the law authorizing the purchase of 160 acres of land in that State.

The taking of the first homestead was almost a romantic event. The man who took it, Mr. Freeman, had the pick of all the country, and he selected the land we are now discussing. He was a Union soldier at the time, on duty in the West. He had been ordered to his command farther East and South. The law was to go into effect on the first day of January. In order to obey his command and get back to his regiment he had to leave at once. He could not wait until the land office opened up on the first day the law became effective, so he could file on the land, and at the same time obey his orders and return to his regiment. He prevailed on the officers of the land office to open the office right after midnight and let him file so he could go on his way and get back to his command. It was done. That is how it happened that this particular homestead, which is to be the foundation of this national monument, was located in my State.

Mr. President, we passed the law authorizing the Government of the United States to purchase this homestead land. It is the law now. As a matter of form only, it was proposed that the necessary appropriation should be made by Congress to carry out the contract which it authorized Government officials to enter into for the purchase of the land. So representatives of the Bureau of the Budget, having been furnished with an estimate by the Interior Department, appeared before the House Committee on Appropriations when the deficiency appropriation bill was first taken under consideration. They there testified. They stated the facts. The House committee refused to put the item in the bill. No reason was given at that time except that it appeared from the hearings, as Senators will see if they will read them, that the members of the House committee were of the opinion that the Indians were yet in that territory, that buffalos still roamed there, that we had no civilization beyond the Mississippi and the Missouri Rivers, when, as a matter of fact, this place lies in one of the most fertile tracts

of land in the United States. It is only 5 miles from the largest city in the southeastern part of the State, Beatrice, a city of twelve or fifteen thousand people.

The district has good gravel roads, which are graded and which run right through the land in question. The committee members thought at the time that it was only a scheme to build a road. The item went out of the bill. The Senate committee put it back in. The Senate adopted the appropriation, and it went to conference. I am sure the Senate conferees made the best efforts they could to retain the item in the bill. However, without any reason and without any argument, it was thrown out of the window bodily. The House conferees refused to consider it. They would not give it any consideration. The Senate conferees in the end, of course, were compelled to recede. I know we want to get away. I know it is desired to adjourn Congress, and the conferees knew that; so under the circumstances they had to recede.

Mr. President, it is a deplorable situation. The item involved is very small. I would not ask the Senate to reject the conference report for the reason that the item I am speaking of was rejected. It would not be fair or reasonable if I should do so. However, I desire to enter my protest as emphatically as I can against the fact that we are compelled now, in order to get any bill at all, to recede from an item such as this. The officials of the Government are authorized under the law to buy this particular piece of land. We are now refusing to appropriate the money under the law to pay for it. It is not a hold-up. I have been all over the land. It is one of the nicest pieces of land under the sun. There is no attempt from any source to take advantage anywhere in order to get a dollar from the Government that is not just or fair to give. We are going to let this historical picture of the great West pass out without commemorating in any way the many deeds of heroism and the advancing civilization which have changed the desert and the Indian country, the buffalo country, into a country which is highly civilized and as well developed as is any other portion of the United States.

These are historic considerations; they are sentimental, I concede; but I think every man having a proper appreciation of his country's history will concede that the Congress of the United States ought to take some action to commemorate the enactment of the homestead law.

As I have said, the law providing the authorization for the purchase of the land has been passed; but, without any reason, without any justification, one man says, "No; we will kick it out of the window without any argument, without any reason." And so we cannot have it; we cannot complete the contract which by our own law and act we have authorized the officers of the Government of the United States to make.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. CLARK. Is it not a fact that, except for the Louisiana Purchase, the enactment of the homestead law was the most important factor in the development and expansion of the great western section of the United States?

Mr. NORRIS. The Senator is absolutely correct. It was the most important act of Congress passed having to do with the development of the great West. It is humiliating to think that now, after we have passed the law, and taken the step to bring about a proper commemoration of the enactment of the Homestead Act, without reason, without justification, without logic the project is thrown out of the window so far as appropriating any money is concerned. I know the law will still stand; eventually we will carry it into effect; eventually we will carry out and pay for the contract that the Government makes for the purchase of this land; I realize that; but I am humiliated at the delay, and I believe that likewise every homesteader throughout the length and breadth of that great section of country will feel humiliated.

Mr. COPELAND obtained the floor.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Oregon?

Mr. ROBINSON. Mr. President, the question is on the motion of the Senator from Colorado [Mr. ADAMS] that the Senate agree to the conference report.

Mr. McNARY. Mr. President, may I ask the Senator from Colorado what disposition was made of the provisions with respect to irrigation projects, appropriations for which were carried in the bill?

Mr. ADAMS. Mr. President, the bill as it left the Senate contained a series of appropriations for reclamation projects. As the Senator from Oregon will recall, it was stated on the floor at that time that an identical list of appropriations was carried in the Interior Department appropriation bill, and if they should remain in that bill that the items in the deficiency bill would be eliminated. The conferees on the Interior Department bill have agreed to all these items, save one. As a result they were eliminated from this bill, with the single exception of the central California project, which was included in accordance with an understanding between the two committees.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Colorado that the Senate agree to the report.

Mr. COPELAND. Mr. President, I wish to ask the Senator from Colorado what happened to the amendment inserted by the Senator relating to star-route and air-mail service across Alaska? Was that amendment retained in the conference report or was it eliminated?

Mr. ADAMS. Mr. President, the Senate conferees presented the views of the Senate, but the amendment was finally receded from by the Senate conferees, on the insistence of the House, and on the basis of the argument which I will state. The item the Senator has in mind I assume is the $200,000 item?

Mr. COPELAND. That is correct.

Mr. ADAMS. The House conferees stated that this item had been considered in connection with former appropriation bills; that it had been put on a former bill at the instance of the Senate; that it had gone to a former conference; that the conferees had either disagreed to it or eliminated it; and it had come back to the Senate, and the Senate had receded from its contention in respect to the proposal. The House conferees took the position that we had no right, on a deficiency bill, to endeavor to override action which had been taken by former conferences and former Appropriations Committees.

Let me say to the Senator from New York, and at the same time to the Senator from Nebraska, that, so far as I know, there is no more unpleasant place in the world than that upon a conference committee on appropriation bills. This bill, for instance, left the Senate with 153 amendments as to which the conferees on the part of the Senate endeavored to carry out the will of the Senate. The Senator from New York knows, however, that the Senate conferees cannot go into a conference committee and come back with absolutely everything the Senate has put in the bill. The conferees necessarily have to make some concessions, and when the conferees are forced to come back, having made concessions, individual Senators whose interests are specifically directed to one item seem to feel that therefore the conference committee has sacrificed their particular interest. It is not an agreeable situation. I am merely asking such mercy as Senators may give to the conferees who, at least, aside from myself, made every effort earnestly to carry through the wishes of the Senate.

Mr. BONE. Mr. President will the Senator yield for a question?

Mr. ADAMS. Yes.

Mr. BONE. The item of $200,000 for an air-mail service in Alaska was under consideration in the Appropriations Committee. At the time I was advised that there was some question as to whether or not it was properly budgeted. I

know at that time that I had the impression that probably the money would be provided in a deficiency bill. Of course, the elimination of this item precludes, I take it, the possibility of an air-mail service of the type that was contemplated under this appropriation?

Mr. COPELAND. Mr. President, I should like to add that I have no fault to find with our conferees. I have had experience as a member of conference committees. I am quite surprised, however, at the tenderness with which in this instance the conferees considered previous conference committees whom they were so anxious not to offend.

Mr. ADAMS. I may say to the Senator I was presenting the argument that was made by the House conferees?

Mr. COPELAND. I recognize that.

Mr. President, this proposal is a matter of great concern to Alaska. The only reason I have any interest in it is because I have been serving for a year as a member of the Committee on Aviation. I did not know anything about aviation before that time and perhaps I do not know very much about it now, but there was established a star route mail service from Juneau into the interior of Alaska, which had to cross a corner of Canada in order to get there. In order that there might be a continuous air service, which was really an American service, it was necessary to have permission of Canada.

I assure Senators that foreign governments are not very eager to make any concessions to other countries. We ourselves are not eager to do it; but an arrangement has been made with Canada, and the mail is now being carried from Juneau across a corner of Canada into the interior of Alaska. The failure of the inclusion of this item means that that service will stop, and consequently a large appropriation—I think nearly a million dollars worth of navigational aid, provided by American money but placed in Canada, such as radio beams and beacon lights—will be lost.

That, however, is not all. It means that there will be a failure of development of the interior of Alaska, because of the inability to have rapid transportation between Alaska and continental United States or the main portions thereof.

Mr. President, we have not brains enough to know how to treat our Territories and possessions. We have in Alaska untold wealth. Millions upon millions of dollars' worth of gold—new wealth—could be taken out. I went on a fishing trip a year ago in Canada up toward the Hudson Bay, in a remote section of the country, where I had to go a long way by canoe and over portages; but every day there went over the lakes, where I was, hydroplanes, because they could start from the water, into parts of Ontario to the north; and that year they took $100,000,000 worth of gold out of the dirt of Ontario. Why do we not do that with our possesions? Here we have Alaska, richer far in gold than is northwest Ontario; and yet, because we are so afraid of hurting the sensibilities of a conference committee, we hesitate to appropriate $200,000.

Now I come to the question asked by the Senator from Washington [Mr. BONE]. The item was approved by the Bureau of the Budget. The Bureau of the Budget approved an appropriation of $245,000. I did not ask by my amendment for that entire sum; I asked for but $200,000 in order that star-route service might be carried on. The item was valiantly and ably supported by the Post Office Department—and praise from me of the Post Office Department is praise indeed—and there was support from practically everyone else.

We are just blind to our own welfare as a country and blind and deaf and dumb as regards the people of Alaska. It is a shame, Mr. President. Out of that star route there could have been collected in the form of the special postage fee that is charged all the money appropriated, but that will be lost, because over in some other part of the Capitol they were so sensitive about some previous conference committee they did not want to give offense. I hope that that spirit of conciliation will continue, but I have not been conscious of it any too much in my experience.

I have before me a letter from the Secretary of the Interior about Puerto Rico and our neglect of Puerto Rico and stating that unless we do something for the island of Puerto Rico our present policy will not afford any solution to the problem of relieving the destitute Puerto Ricans.

We have made the Virgin Islands a poorhouse. We have kicked the Filipinos into the Pacific Ocean. We do not have brains enough to know how to take care of the outlying people who have come under the American flag and domination for one reason or another. The people in our own country need help, God knows; but God help any people outside of our own country who may come under the domination of the United States.

It is a shame that we cannot carry on this work in connection with the Alaska development. Not only is it an indecent thing from the standpoint of the wishes of the Alaskan people, but the Governor himself came down here by airplane, asking that this might be done. He arrived late last night, but I saw him and talked with him.

Mr. President, I enter the most solemn protest against the failure of the United States to deal justly and rightly and decently by the people who have come under our flag.

Mr. ADAMS. Mr. President, I merely wish to call to the attention of the Senator from New York the statement which was submitted to the conference committee by one of the House conferees in reference to the Budget estimate. The House conferees insisted that there was no Budget estimate to support the item and made the following statement, also quoting a statement made by the Senator from New York when the matter was being discussed on the floor of the Senate:

> The following statement was made by Senator COPELAND in support of the amendment for adding $247,000 additional for air-navigation facilities. A reading of the statement clearly indicates that the Senator was working under a misapprehension as to the state of facts. There is a total of $6,770,000 carried in the four-department appropriation bill for the Bureau of Air Commerce which is a sum in excess of the Budget estimates by $50,000, rather than being less than the estimates by $247,000 as Senator COPELAND indicates. In reading the Senate hearings I note that Senator COPELAND appeared before the committee in behalf of this item and submitted evidence on the basis of appropriations for the Bureau of Air Commerce in the four-department bill as it passed the House. You will recall that the Senate restored all amounts provided by the estimates, plus $50,000, and the House accepted them in the conference report. So it would seem that Senator COPELAND was not informed as to this change but used figures in the bill as passed the House rather than those incorporated in the law. He said:
>
> "Mr. President, if I may answer the question asked by the Senator from Oregon, let me say that an effort was made to increase by a very considerable amount the appropriation for air navigational aids. As a result of the investigation into the Cutting disaster and safety in the air it has been made very apparent to our committee that not enough money is being spent for such navigational aids. Some additional money was appropriated in the Agricultural Department bill for weather reporting, but the item now under consideration has to do with radio beams and the other aids to navigation. The reason the sum is fixed at $247,000 is because there is an unappropriated balance of that amount already authorized by the Bureau of the Budget, and there was apparently no disposition on the part of the Bureau of the Budget to make further recommendations at this time. Therefore the $247,000 was added to the pending bill in order that at least that much might be available for the protection of those who navigate the air."

I merely give this as a statement made to the conference committee. I do not attempt to attest its accuracy.

Mr. COPELAND. Mr. President, I have not had an opportunity to find it this morning, but in the record of the last day's hearings on the bill I inserted a letter from Mr. Harley Brent, one of the Assistant Postmasters General, and a letter from the Director of the Budget. If there is one man in the American Government who is hard-boiled it is the Director of the Budget. He does not make any concessions. He is more hard-boiled than are conferees on deficiency bills. He said there was $242,000 unappropriated and that there was an approval by the Bureau of the Budget of that unappropriated amount. When I asked for a similar amount, which I judge from the statement of my genial friend from Colorado was left in the bill——

Mr. ADAMS. Which item?

Mr. COPELAND. I had two items, one relating to navigational aids——

Mr. ADAMS. One was $247,000 and the other was $200,000.

Mr. COPELAND. Yes.

Mr. ADAMS. Neither was left in the bill. They both went out.

Mr. COPELAND. Worse and worse! [Laughter.] Not only are the conferees willing to balk Alaska, but they are willing to have airplanes operated in America without safety devices.

Mr. President, I hesitate to say so, but I am going to say that unless I can see evidence of progress, in my opinion, blind flying should be eliminated in many sections of the country. Here I learn now for the first time that the bill has been raped a second time and the proposed appropriation for navigational aids has been eliminated. It does not make any difference to me, personally. I do not use the ships of the air. I have been foolhardy at times in my life, but I am not going to take a chance on my life by flying until I know the navigational aids are in existence. The science of aviation has progressed amazingly as regards the development of airplanes, but the Government of the United States is $20,000,000 behind commercial aviation because of the failure of the Government to provide radio beams and beacon lights to give protection to the ships of the air as they sail through the air and seek to land.

Mr. President, I was inclined a little while ago to forgive our conferees because I thought perhaps they might have found some justification as regards the star route in Alaska, but nobody could possibly allege that there was not money approved by the Bureau of the Budget to provide navigational aids. But it is too late. The die is cast. Aviation has had another blow delivered to it by the Government of the United States.

Mr. BARKLEY. Mr. President, I rise merely to express my very great regret as well as my protest over the elimination of the amendment which was inserted in the bill by the Senate providing $1,200,000 additional funds for the Tennessee Valley Authority with which to begin the construction of a dam at Gilbertsville, Ky., and another dam in Tennessee in which my friend the Senator from Tennessee [Mr. McKELLAR] is interested. I wish to express my appreciation for the fight made by the Senate conferees to retain the item.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Tennessee?

Mr. BARKLEY. I yield.

Mr. McKELLAR. I wish to say for the Senator from Kentucky and myself too that the great project of improving the Tennessee River by dams is almost completed. Nearly all the dams have been built or provided for. The item to which the Senator from Kentucky refers would have provided money for the construction of the last two important dams on that river between Knoxville and the Ohio River.

The Senator from Kentucky and his colleague [Mr. LOGAN] fought vigorously for the dam in Kentucky. My colleague the junior Senator from Tennessee [Mr. BACHMAN] and I both fought vigorously in the committee and in the Senate, and in the conference as well, for the construction of both those dams. They should be built, but the House voted against them, and for that reason we cannot get them at this time.

I shall be glad to join with the Senator from Kentucky at the next session of Congress in doing everything we can to have this great project completed.

Mr. BARKLEY. I thank the Senator.

For the RECORD I wish to make a very brief statement about the situation in order that there may be no misunderstanding as to why I protest against what the House has done.

Ever since the war I have favored the development of the Tennessee River. We fought here for years for the completion of Muscle Shoals, which was started during the war. Between the end of the war and the passage of the Tennessee Valley Authority Act private concerns interested themselves in the construction of a dam on the lower Tennessee River. When the Tennessee Valley Authority was created we all recognized that it had to be a unified project under the control of the Government; that it could not effectively serve the Tennessee Valley and could not afford a fair yardstick if the Government was to own part of it and construct some of the dams and private interests were to construct and own others of the dams. The Tennessee Valley Authority recognized the wisdom of that policy, and insisted, as we all insisted, that there should be no private ownership of dams on the Tennessee River.

Negotiations were entered into between the Tennessee Valley Authority and the private interests which had projected a dam at a place called Aurora, in the lower Tennessee River; and it was announced by the Tennessee Valley Authority, and was stated by them to us in private, and announced in the public press, that the only obstacle in the way of beginning the construction of a dam in the lower Tennessee River was this private interest which had been established there prior to the establishment of the Tennessee Valley Authority.

The Federal Power Commission offered its services to negotiate a settlement, to pay these persons whatever was a just compensation for what they had expended; and over and over again it was announced that upon the settlement of that problem the Tennessee Valley Authority would be prepared to go forward with building a dam. That controversy was settled. An adjustment was made. In the last deficiency bill a sum was provided for the investigation of sites at Aurora and other places in the lower Tennessee River.

The investigations were made. The Tennessee Valley Authority engineers considered that Aurora was not a suitable place for the dam, and they made investigations farther down the river, and located it at Gilbertsville, some 20 miles below the site originally designed. They made their recommendations to the Tennessee Valley Authority, and the Tennessee Valley Authority made their recommendations to Congress; and the chairman of the Tennessee Valley Authority, in the reception room here off the floor of the Senate, told me that whenever the engineers made their report and recommendation, he himself and the Tennessee Valley Authority would ask Congress to appropriate money to begin the dam. Not only did the Tennessee Valley engineers make their recommendations, but the Army Engineers who were called into joint service with the Tennessee Valley Authority engineers participated in the investigation, and all of them together recommended this site.

That was done prior to the introduction of the deficiency bill, and prior to its consideration by the other body. Notwithstanding all that, when the House committee had under consideration the appropriation, the chairman of the Tennessee Valley Authority went before the committee and said they would not be ready to begin this dam until 1940, according to the debate which occurred in the other body on yesterday.

This dam is the largest of the dams to be built in the Tennessee Valley. The entire project cannot be completed, and the people of the lower Tennessee Valley in Tennessee and in Kentucky and in Illinois and in Missouri cannot receive any benefit from this great project, fathered by the able and distinguished Senator from Nebraska [Mr. NORRIS], until this dam is completed; and to postpone until 1940 the beginning of the construction of the dam, which is the largest one on the Tennessee River, is simply ridiculous. All we asked in this bill was $600,000, enough money to begin in the fiscal year 1937 the construction of the dam. The bill does not allocate the funds, but the report of the House committee and the understanding is that it contains $650,000 for further investigation. The engineers have already made their investigation and their report; and all we asked in this bill was $600,000 more to be earmarked

for beginning the construction of the dam. That is what the House has knocked out. That is what it has eliminated. That is what the chairman of the House committee announced he would not stand for.

I will join the Senator from Tennessee and other Senators who are interested and concerned over the early completion not of a few dams in the upper stretches of the Tennessee River but of the entire project, in order that the people of the entire Tennessee Valley and all of the region which it may serve may obtain the advantages of the earliest possible completion of this project as a whole; and they will not obtain these advantages until it has been completed as a whole.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to add to what the Senator has said that the building of the dam at Gilbertsville—that seems to be settled as the place where the dam ought to be built—means one dam below the dam that is now being constructed near Shiloh Battlefield at Pickwick Landing. It will take a long time to make the necessary preparations to commence the construction of the dam at Gilbertsville, and with the completion of that dam the Tennessee River will be made navigable from its mouth clear to and including Chattanooga. Without that dam or some other dam located between the Pickwick Landing Dam and the mouth, although the river would be navigable farther up, there would be no outlet to the Ohio and the Mississippi Rivers; so that dam is an absolutely necessary step to make the Tennessee River navigable. It is the only step that it is necessary to take to complete the navigability of the Tennessee River clear up to Chattanooga.

Mr. BARKLEY. I thank the Senator for that observation; and he is absolutely correct. The dam which is projected at Gilbertsville is a combination power and navigation dam. Until that dam is completed—and its completion will take longer than that of any other dam in the river—the navigability of the river with a yearly 9-foot stage from Knoxville down to the Ohio River will be retarded.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. It is true, as the Senator from Nebraska has said, that this one dam at Gilbertsville will make the river navigable from Chattanooga to the Ohio River. The completion of the Watts Bar Dam, to which the Senate agreed, and which was in conference, would substantially make the river navigable from Knoxville to the mouth of the river and on to the ocean through the Mississippi.

Mr. BARKLEY. That is correct.

Mr. McKELLAR. And it ought to have been done. This project ought to be closed. We ought to provide for the entire project, for the reasons which the Senators from Nebraska and Kentucky have so well given; and I am happy to know that they feel about the matter as they do.

Mr. BARKLEY. I have already occupied more time than I intended to occupy. I wish again to thank the Senate conferees for the fight they have made and to express my deep regret that the House of Representatives did not see fit to agree to the amendments which have been eliminated.

JURISDICTION OF UNITED STATES COURT FOR CHINA—CHANGE OF REFERENCE

Mr. PITTMAN. Mr. President, by mistake House bill 12257, to extend the jurisdiction of the United States Court for China to offenses committed on the high seas, was referred to the Foreign Relations Committee. I ask that the committee be discharged from the further consideration of the bill, and that it be referred to the Committee on the Judiciary, where it properly belongs.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL BUREAU OF INVESTIGATION

Mr. ASHURST. Mr. President, at this juncture, when time is precious, I would not vex the ears of the Senate with a discussion of an article in a newspaper that is personal to myself. After a long public service here, the only complaint I have to make against the newspapers is that they have constantly overpraised me; but when an injustice apparently inadvertently is done to others, it ought to have some notice from one who knows the facts.

I read from a morning newspaper a copyrighted article:

> Drastic efforts to shift the major investigative work of the Government from the Department of Justice have been started in Congress by personal order of President Roosevelt.
>
> Postmaster General James A. Farley and Secretary of the Treasury Morgenthau have joined in a drive to create the Treasury Agency Service, first of the new order of law-enforcement machines.
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> * * * * * * *
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> Further reading:
>
> Although the Treasury Agency Service bill has been handled very quietly to date behind the scenes, details of the administration's plans are known to have come into the possession of Republican leaders, who are scheduled to bring it into the open for full debate.
>
> One of the chief intentions of the bill's proponents, it has been alleged, is to create an organization sufficiently large to overshadow the Department of Justice's Bureau of Investigation. This is necessary, it is held, in order to shift from the Bureau of Investigation to the new agency some of the present duties of the G-men, such as enforcement of bankruptcy and admiralty laws.

Mr. President, I speak with some degree of knowledge, and I assert that there is no purpose on the part of the President, there is no purpose on the part of the Treasury Department, there is likewise no purpose on the part of the Department of Justice, in any way to hamper, to restrict, or to impair the activities of the Federal Bureau of Investigation, of which Mr. Hoover is the Director, and under whom work the so-called G-men. The Attorney General of the United States, Mr. Cummings, takes particular pride in the activities and successful work of the G-men. No longer than a fortnight ago Attorney General Cummings appeared before the Senate Committee on the Judiciary and urged an increase in the salary of Mr. Hoover, the Director of the Federal Bureau of Investigation; and in the course of his address Attorney General Cummings pointed out the superb work of Mr. Hoover, and how various gangsters had been apprehended, convicted, and are being punished.

Attorney General Cummings likewise gave assurance, which indeed was not necessary, that he did not intend either directly or by any indirection to hamper or thwart the movements of the Federal Bureau of Investigation. That Bureau has been clean; it has been free from graft; it has been without scandal. It stands a shining example of successful performance of duty, and I myself would view not only with alarm but almost with indignation, as would the Attorney General, any attempt to cripple or hinder or restrict the Federal Bureau of Investigation.

This much should be said in reply to this newspaper article. I realize that reporters, in gathering and in printing spot news, must "shoot from the hip." The writers of editorials can turn the stylus, consult the dictionary, and consult the encyclopedia, but the reporter has no time to do that. He must get his article to the desk. Hence, I am inclined to be forgiving, because I understand the difficulties under which the reporter labors. However, I should say an injustice has been done to the President, to the Department of Justice, and to the Department of the Treasury by the implications of this article.

This is not a mere jeremiad I have risen to chant against the press. I have no complaint personally, but I should be lacking in courage and remiss in the performance of a duty if I did not declare in this forum that there exists no purpose on the part of the President, the Attorney General, or the Secretary of the Treasury to hamper, interfere with, or in any way restrict the splendid activities of the Bureau of Investigation.

If I could be pardoned so ungracious a procedure as to refer to one of my own speeches, I ask the Senate to refer to the CONGRESSIONAL RECORD in its issue of proceedings of May 12 last, when I spoke nearly an hour, pointing out in detail the superb work of the Federal Bureau of Investigation and

indicating by name the various gangsters who have been apprehended, convicted, and are being punished through the activities and energies of the Federal Bureau of Investigation. I read one paragraph from what I said on that occasion:

When Homer S. Cummings was inducted into the office of Attorney General he made a careful investigation of the character and attainments of Mr. J. Edgar Hoover; and I say advisedly that General Cummings exhibited much courage and foresight in retaining Mr. Hoover as Director of the Federal Bureau of Investigation, and he gave Mr. Hoover all possible encouragement and assistance in order that the work of thwarting gangsters might be successfully performed. Arguments were made to General Cummings to try to induce him not to retain Mr. Hoover's services, but Mr. Cummings, with a judgment and a foresight almost telepathic, retained Mr. Hoover.

Mr. Cummings' judgment and sagacity have been vindicated.

I ask permission to reprint at this juncture in my remarks this entire address, together with exhibit A, which I had printed in the RECORD that day, because it summarizes the work of the Bureau of Investigation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

LAW ENFORCEMENT

Mr. ASHURST. Mr. President, superlatives in speech are frequently looked upon as evidences of a weary man or sometimes an indolent man who does not seek a more nearly exact medium of expression. Nevertheless, I choose in these remarks to employ superlatives, because the results achieved by Hon. Homer S. Cummings, the Attorney General, in his successful and constant warfare upon gangsters are of surpassing importance, and only superlatives would truly delineate and set forth the arduous labors of Attorney General Cummings and his Department, with particular reference to the energies of the Federal Bureau of Investigation of that Department, in coping with professional criminals.

I ask unanimous consent to have printed in the RECORD at the end of my remarks a detailed statement showing the recorded activities of the Federal Bureau of Investigation, Department of Justice, for the past 3 years.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. ASHURST. Mr. President, there is no such thing as the "clueless crime." In every crime, no matter what degree of cunning may be employed or how many times the perpetrator may double on his track, there invariably remains that which, in the nomenclature of detection and investigation, is called the "dropped stitch." The "dropped stitch" is that inescapable, irresistible, unavoidable impression, sign, or track made by any and all human activities. To find the "dropped stitch" and then ascertain who dropped it is, of course, the duty and task of all who are engaged in the work of detection and investigation.

The Department of Justice, under the administration and leadership of Attorney General Cummings, has proved that there is no such thing as a "perfect crime." The Federal Bureau of Investigation in the Department of Justice is equipped, among other apparatus and paraphernalia, with microscopes for examination of bullets and other articles of evidence, an ultraviolet—black light—device for revealing secret writing and identifying stains, chemicals for developing latent fingerprints, and analyzing various substances.

The activities of Attorney General Cummings, through the Federal Bureau of Investigation, embrace and comprehend physics, that is to say, that branch of science which deals with biology, chemistry, geology, mechanics, ballistics, electricity, heat, light, and sound. The G-men must be cool, courageous, resourceful, unpurchaseable. They must be trained in psychology—the science of human emotions—and must know what a particular person would be likely to do under given circumstances. The G-man must have a camera eye and a phonographic brain.

Today, the laboratory of the Department of Justice in its Federal Bureau of Investigation is housed in rooms especially constructed and equipped to meet the needs of the research experts engaged in the varied phases of criminological study.

So-called perfect crimes are almost daily solved by the test tube, by the microscope, and other intricate instruments of science in the technical laboratories of the Federal Bureau of Investigation in the Department of Justice.

When Homer S. Cummings was inducted into the office of Attorney General, he made a careful investigation of the character and attainments of Mr. J. Edgar Hoover; and I say advisedly that General Cummings exhibited much courage and foresight in retaining Mr. Hoover as Director of the Federal Bureau of Investigation, and he gave Mr. Hoover all possible encouragement and assistance in order that the work of thwarting gangsters might be successfully performed. Arguments were made to General Cummings to try to induce him not to retain Mr. Hoover's services, but Mr. Cummings, with a judgment and a foresight almost telepathic, retained Mr. Hoover.

Mr. Cummings' judgment and sagacity have been vindicated.

This Federal Bureau of Investigation is charged with the duty of investigating violations of the laws of the United States, and collecting evidence in cases in which the United States is or may be a party in interest. The organization has a personnel of over 1,600 employees throughout the United States. Under the supervision of the Attorney General, the Director of the Bureau directs the work of the special agents who are employed for the purpose of detecting crime and collecting evidence.

The Attorney General has under his immediate supervision the Identification Division of the Federal Bureau of Investigation, which has on file over 5,700,000 sets of fingerprint records of persons who have been arrested in the United States and foreign countries, representing the largest and most nearly complete collection of fingerprint records of current value in existence. In addition, he has under his supervision the technical laboratory of the Federal Bureau of Investigation, wherein scientific detection aids are utilized in connection with the solving of crimes under the Bureau's jurisdiction. The experts of this laboratory also assist State and local law-enforcement officials throughout the country in the use of scientific crime-detection aids, such as handwriting and typewriting analysis, the examination of blood, hair, cloth, soils, and bullets, the use of ultra-violet light in the examination of substances, and the decoding of cryptographic messages.

Not the least in importance of the arduous labors of Attorney General Cummings was his formulation and advocacy of the so-called antigangster or anticrime laws passed during the Seventy-third and Seventy-fourth Congresses. This task of itself was of immense proportion. The more prominent of these recent Federal anticrime laws include those relating to kidnaping, extortion, the interstate transportation of stolen property, the robbery of banks organized or operating under the laws of the United States, interstate flight to avoid prosecution or to avoid testifying in certain cases, the Federal Antiracketeering Act, and the killing or assaulting of Federal officers. One of the most helpful and enlightening of all the conferences ever held in Washington was the Attorney General's conference on crime, called by Mr. Cummings in 1934, from December 10 to December 13, inclusive. The program of the various sessions of that conference were planned by the Attorney General so as to give cross-sectional views of the problem of crime control in its various aspects. It would have been possible to have held one session on crime prevention, to be attended by teachers, medical authorities, juvenile-court authorities, and churchmen; another session on detection and apprehension to be attended by police and investigators; another on courts and prosecution to be attended by judges, prosecuting attorneys, and defense lawyers; another on probation and parole; another on penal institutions; another on legal research and legislation; and so on throughout the whole contributing structure of governmental organization and professional service. Instead, representatives of all professional groups, together with representatives of outstanding civic and scientific associations, met here in common conference.

If the so-called gangsters—that is, the unsocial persons—become convinced that detection and punishment follow their unlawful forays, such forays will, if not entirely subside, at least vastly diminish in volume. The unsocial, the malicious, those who try to reap where they have not sown, those who have no regard for human life and who have no regard for the property of others, have found to their dismay that the policy of Attorney General Cummings was to prosecute with vigor, determination, and success. They—the unsocial—have discovered that behind the criminally disposed persons there follows silently but relentlessly the shadow of retributive justice. Some shallow-pated citizens have from time to time mistakenly believed that a tinge of romanticism surrounded desperate public enemies. One of the master strokes of Attorney General Cummings was to divest crime of any and all of its supposed romance by showing that crime does not pay and that so far from being romantic or glamorous, crime is instead sordid, low, ignoble, and debased, and that professional criminals are neither brave nor chivalrous nor generous but are cowardly, cruel, unfair, and obscene.

There is no honor among thieves; they always sell out one another. In many, if not most, instances, the capture and conviction of the gangster or professional criminal has been brought about by clues or evidence furnished to the officers by other gangsters. These professional criminals or so-called gangsters or public enemies, desire ease, luxury, money, and excitement. Civilization has been geared up to a point where only men of industriousness, honesty, superior mind, and courage can ever hope to win these prizes legitimately.

The gangster or public enemy possesses none of these attributes and vainly and illegitimately endeavors to win these prizes.

Statistics covering the work of the Department of Justice through its Federal Bureau of Investigation are prepared to cover fiscal-year periods. During the past 3 fiscal years 11,144 convictions were secured in cases wherein special agents of the Department of Justice performed investigative work. Fines of $1,433,090 were imposed. The Department of Justice is now obtaining convictions in 94 percent of all cases brought to trial which it investigates. The total value of recoveries effected in cases wherein special agents of the Department of Justice performed investigative work amounted to $9,718,220, whereas the entire cost of operating the Bureau of Investigation during this period was $9,726,241. In addition, there was saved the Government in Court of Claims cases and other civil cases investigated by the Bureau, exclusive of war-risk insurance cases, the sum of $1,378,693.62. The war-risk insurance suits terminated since this work was taken over by the Bureau on September 10, 1933, to this date has resulted in a saving to the Government of $78,879,532.04.

For each $1 appropriated for the use of the Federal Bureau of Investigation during the past fiscal year there has been returned

to the Government approximately $8, in the form of fines, recoveries, and savings effected in war-risk insurance, Court of Claims, and miscellaneous cases.

In conclusion, Mr. President, it will be perceived that I was justified in employing superlatives while describing the activities of the Department of Justice in its efforts to detect crime, prosecute law violators, and guarantee to the peaceful, law-abiding citizen protection and security from unlawful attempts against his person or his property. The industrious citizen of good will, walking the paths of peace, is entitled to protection and security, and these rights Attorney General Cummings and Mr. J. Edgar Hoover have nobly striven to provide.

EXHIBIT A

STATEMENT OF THE RECORDED ACTIVITIES OF THE FEDERAL BUREAU OF INVESTIGATION, DEPARTMENT OF JUSTICE, FOR THE PAST 3 YEARS

On September 19, 1934, Bruno Richard Hauptmann was taken into custody by special agents of the Federal Bureau of Investigation, assisted by local and State police officers, and subsequently turned over to the New Jersey State authorities.

The kidnaping of Mr. Charles F. Urschel at Oklahoma City on July 22, 1933, is an illustration of the need of an agency such as the Federal Bureau of Investigation, which is unhampered by State boundaries. Immediately after Mr. Urschel's kidnaping Mrs. Urschel telephoned the Federal Bureau of Investigation, and special agents of the Bureau immediately instituted an investigation.

The kidnapers demanded $200,000 ransom and, during the time the negotiations were in process, the special agents of the Bureau conducted their investigation in such a manner as would insure the safe return of the victim, which is the procedure followed in all kidnaping cases, the Bureau having this as its primary objective at all times. Within 90 days after Mr. Urschel was kidnaped, 16 persons had been convicted in Federal courts, 6 of these receiving life sentences; ultimately 20 persons were convicted and 3 persons are still in custody awaiting trial.

The investigation conducted in this case covered 23 States, resulting in the apprehension of the notorious "Machine-Gun" Kelly, who is credited with having first applied the appellation "G-men" to representatives of this Bureau at the time of his apprehension. Harvey Bailey was apprehended near Paradise, Tex.; Albert Bates in Denver, Colo.; and in addition, the money changers, lawyers criminal, and individuals who harbored the criminals during their flight were taken into custody in various sections of the country. Ransom money was located in Oregon, Washington, California, and Texas. Investigation as to the activities of this gang was conducted in many other States.

Of the persons convicted and now awaiting trial, only a small number actually participated in the kidnaping, the remainder aided and assisted the kidnapers by providing places of refuge, acting as money changers, or otherwise assisting. Ben B. Laska, a lawyer criminal of Denver, Colo., was convicted of receiving part of the ransom money and was sentenced on July 29, 1935, to 10 years, from which he has taken an appeal, and Mollie O. Edison, another attorney associated with Laska, is now in custody awaiting trial.

The case involving John Herbert Dillinger demonstrates the necessity for an organization having jurisdiction beyond the confines of State boundary lines. After having served 8½ years for assault and battery with attempt to rob, Dillinger was paroled from the Indiana State prison on May 10, 1933, comparatively unknown to law-enforcement officers. He was killed by special agents of the Federal Bureau of Investigation while resisting arrest on July 22, 1934. Within this brief period of time he became the country's most notorious and highly publicized outlaw. Within 15 months he committed major offenses, mostly bank robberies, in over half a dozen Midwestern States and his apprehension was sought in virtually every section of the country.

The Federal Bureau of Investigation, as a result of its investigation, convicted 27 persons; 4 of his companions were killed while resisting arrest, including "Baby Face" Nelson, Homer Van Meter, Tommy Carroll, and Eddie Green, all of whose depredatory activities extended throughout the country and many atrocious crimes were attributed to them; one of the members of the Dillinger gang was found murdered; one had committed suicide; and one received a life sentence. In addition to those who were killed, the total convictions represent individuals who in any way assisted these criminals in their flight. These individuals included persons who rendered medical assistance by plastic-surgery work, attempts to mutilate prints and treatment of their wounds, and, in addition thereto, those persons who harbored these individuals.

During the course of the investigation conducted looking to the apprehension of the so-called Dillinger gang, three special agents of the Federal Bureau of Investigation, namely, Inspector Samuel P. Cowley, Special Agent Herman E. Hollis, and Special Agent W. Carter Baum, were murdered while engaged in gun battle, resulting from the resistance of John Dillinger, "Baby Face" Nelson, Homer Van Meter, and other members of the gang to arrest.

On January 17, 1934, Edward George Bremer, president of the Commercial State Bank, St. Paul, Minn., was kidnaped between 8:15 and 8:45 a. m., immediately after he had driven his daughter to the Summit School. He was taken to an unknown hideout, where he was held until February 7, 1934, when he was released near Rochester, Minn., after the payment of $200,000 by Walter McGee, who was named by the victim as the intermediary.

The arrest of Alvin Karpis on May 1, 1936, at New Orleans, La., and the arrest of Harry Campbell at Toledo, Ohio, on May 7, 1936, by a group of special agents, personally led by the Director, brought about a solution and apprehension of all persons involved in this abduction. There are presently in custody awaiting trial eight persons; by way of recapitulation, five life sentences were received, three persons were killed while resisting arrest, being "Ma" Barker, Fred Barker, and Russell Gibson; two were murdered by the underworld; a total of 75 years and 6 months was meted out to those persons who assisted in any way members of the Barker-Karpis gang. The Bureau relentlessly sought all individuals, whether doctors, lawyers, relatives, or other associates, who in any way rendered aid to these persons, and it was as a result of the Bureau's activities that 15 convictions have so far been obtained.

The latest major kidnaping case which has been investigated by this Bureau was that of George Weyerhaeuser, who was kidnaped while en route home from school at noon on May 24, 1935. He was released on June 1, 1935, after the payment of $200,000 ransom. Within 2 weeks after the kidnaping of the Weyerhaeuser child the perpetrators of the kindaping were known to the Federal Bureau of Investigation, and two of them had been apprehended, Harmon Metz Waley and his wife, who were subsequently sentenced in Federal court to 45 and 20 years, respectively. Extensive investigation was immediately begun seeking the apprehension of William Dainard, investigation being conducted throughout the entire United States and Canada, which resulted in his apprehension by special agents of the Federal Bureau of Investigation in San Francisco on May 7, 1936. On May 9, 1936, Dainard was sentenced in Federal court to serve 60 years on each of the two counts of the indictment charging him with this kidnaping, to run concurrently. There has been recovered in this case over $142,000 of the ransom which was paid.

As a result of the Bureau's investigation of kidnaping cases, kidnapings have temporarily ceased. Since the passage of the Federal kidnaping law, 142 of the kidnapers involved in 62 cases have been convicted, 29 received life sentences, 4 death sentences, 2 individuals were lynched, 3 committed suicide, 6 were murdered, and 5 were killed while resisting arrest, the remainder receiving sentences approximating 2,000 years. Twenty-three persons are now in custody awaiting trial and sentence.

Not all of the notorious criminals who are apprehended by special agents of the Federal Bureau of Investigation are involved in kidnaping cases. One of the most atrocious crimes committed in modern times was the murder of four peace officers, including a special agent and their prisoner, at Kansas City, Mo., on the morning of June 17, 1933, when an attempt was made by "Pretty Boy" Floyd and two associates, Adam Richetti and Verne Miller, to deliver Frank Nash, an escaped Federal prisoner, who was being returned to the United States penitentiary at Leavenworth, Kans., by special agents and local officers. Frank Nash was originally sentenced to this penitentiary on March 1, 1924, to serve 25 years upon his conviction of the charge of assaulting a mail custodian. He escaped from the penitentiary on October 19, 1933. Inasmuch as the Federal Bureau of Investigation is charged with the responsibility of apprehending all escaped Federal prisoners, an immediate investigation was instituted, which resulted in evidence being obtained by special agents indicating Nash's participation in the sensational escape of seven notorious prisoners from the United States penitentiary, Leavenworth, Kans., on December 11, 1931. He was apprehended by employees of the Bureau in a pool hall at Hot Springs, Ark., on June 16, 1933, and it was while being returned to Leavenworth that he and the law-enforcement officers, including Special Agent Raymond J. Caffrey, were killed. Verne Miller was the victim of a gang slaying in Detroit; Adam Richetti was apprehended by local officers, and "Pretty Boy" Floyd was killed by special agents while resisting arrest near East Liverpool, Ohio.

The Bureau has primary investigative jurisdiction over the Federal Extortion Act, approved July 8, 1932, and since that time has performed investigative work in a large number of extortion cases. The investigation in these cases resulted in the conviction of 230 persons who received actual, suspended, and probationary sentences of 1,359 years 7 months and 6 days, and there are now in custody 55 persons awaiting trial.

A part of the armed horde of criminals operating in the United States today secure their firearms and ammunition through the robbery of Government arsenals and armories, which constitutes a theft of Government property and which is within the investigative jurisdiction of the Bureau. Since January 1, 1933, to date, a total of 278 such robberies have been investigated by the Bureau. In these cases a total of 2,409 pistols, rifles, machine guns, and other miscellaneous weapons were stolen. There have been recovered 1,099 of these weapons. Two hundred and eighty-seven thousand seven hundred and fifty-one rounds of ammunition were also taken, of which 205,578 rounds have been recovered. Two hundred and fifteen convictions have been obtained, and there are now 46 persons awaiting trial.

There also falls within this Bureau's investigative jurisdiction violations of the National Motor Vehicle Theft Act. In violations of this act in which the Bureau performed investigative work during the past 3 fiscal years, 8,274 automobiles have been recovered, valued at $3,301,473.52. Since the passage of the act in October 1919, a total of 41,544 stolen motor vehicles valued at $25,803,793.73, have been recovered in cases in which the Bureau performed investigative work. While persons violating this act are usually considered to be minor criminals, it has in some instances given the Bureau investigative jurisdiction in cases of the more notorious criminals; in fact, it was the violation of this act which permitted the Bureau to undertake the investigation seeking the apprehension of such notorious individuals as John Herbert Dillinger, Eddie Doll, and others.

One of the recently enacted Federal statutes is that of the Federal Bank Robbery Act, approved by the President on May 18, 1934, making it a Federal offense to rob a national bank or member bank of the Federal Reserve System. This act was amended on August 23, 1935, to include insured banks in the Federal Deposit Insurance Corporation. There has been a total of 183 robberies of national banks and member banks reported to the Bureau, and 62 robberies of insured banks since the enactment of the legislation. Prior to the passage of this act the average number of robberies per month in the national banks and member banks, based upon the figures of the American Bankers' Association, were 16 per month. This number of robberies was reduced until during the year 1935 the average robberies of such banks were 6.4 per month. The average robberies of all banks, other than national and member banks, based upon the American Bankers' Association figures, for the 5-year period 1929 to 1933, inclusive, was 30 robberies per month. The average monthly number of robberies of the State banks insured by the Federal Deposit Insurance Corporation since these banks were included under the provisions of the Federal Bank Robbery Act has been less than six per month.

Indicative of the effectiveness of the Bureau's investigation in bank-robbery cases is the result secured in the robbery of the Peoples National Bank, Kingfisher, Okla., on May 31, 1934. The identity of the perpetrators of this robbery was ascertained, through investigation conducted by the Bureau, to be James Clark, Frank Delmar, Aubrey Curtis Unsell, and Ennis Smiddy. Clark and Delmar escaped from the Kansas State penitentiary, Lansing, Kans., on January 19, 1934. Clark had previously escaped from this same institution on May 30, 1933, with Harvey Bailey, George Brady, Wilbur Underhill, and other noted desperadoes. He had been originally received in the penitentiary on July 8, 1932, to serve a life sentence as a bank robber and habitual criminal. The other participants in the robbery were equally notorious. Clark was apprehended by agents of the Bureau on July 1, 1934, at Tulsa, Okla. Delmar was taken into custody near Claremore, Okla., on August 11, 1934. Unsell was apprehended on September 10, 1934, by special agents, assisted by local officers, and on Christmas Day, 1934, Ennis Smiddy was taken into custody by special agents of the Bureau assisted by local officers.

Clark, Delmar, Unsell, and Smiddy were indicted in Federal court on January 19, 1935; all entered pleas of guilty. Clark and Delmar were given actual sentences of 99 years each and fined $5,000. Unsell and Smiddy were given actual sentences of 50 years each and fined $5,000. The total actual sentences imposed upon the four robbers of this bank were 298 years.

As a result of investigations conducted in bank robberies by the Bureau, 116 persons have been convicted in Federal courts and given sentences, actual, suspended, and probationary, of 2,523 years, 6 months, and 2 days, and three individuals were sentenced to life imprisonment.

Jurisdiction of the Federal Bank Robbery Act not being reserved exclusively to the courts of the United States, investigation was conducted in numerous bank robberies resulting in the information developed by this Bureau being furnished to State officials for prosecution in State courts.

During the year 1935 the Bureau conducted investigation in a case involving the theft of $185,000 in jewelry from Mrs. J. C. Bell at the Miami-Biltmore Hotel, Coral Gables, Fla. The investigation of this case was important inasmuch as the participants were engaged in a particularly evil practice which had arisen in recent years in various sections of this country, whereby robberies of jewelry, securities, and other valuables have been settled by the return of the stolen property in consideration for the repayment of rewards by insurance companies and other interested persons, affording a practical immunity for the perpetrators of the original crime. As a result of the Bureau's investigation of this case, a Federal grand jury at New York City returned an indictment charging Noel C. Scaffa, the head of a private detective agency, who had specialized in operations of this crime, with perjury. Scaffa was convicted in Federal court and sentenced to serve 6 months in prison on each of three counts of the indictment to run concurrently. Scaffa and associates, including one Robert C. Nelson, reported to be a well-known "fence", are presently under indictment for violation of the National Stolen Property Act.

Another case recently investigated by this Bureau involving a violation of the National Stolen Property Act resulted from the theft of $590,000 from the United Trust Co. of New York City during December 1934. Subsequent information was obtained indicating that the securities stolen had been transported in interstate commerce. The Bureau was successful in recovering over $300,000 of the stolen securities and in apprehending eight individuals, some of whom are nationally known sneak thieves, as well as known international dealers in stolen securities. However, investigation is still being continued in this case looking toward the identification and the apprehension of other individuals who participated in the disposition of these stolen securities.

As recently as last Monday, May 11, Thomas H. Robinson, Jr., kidnaper, was captured in Glendale, Calif., by G-men and was immediately taken by plane to Louisville, Ky., to be placed on trial for abducting and kidnaping Mrs. Alice Speed Stoll.

Investigations are also conducted by the Bureau in antitrust cases. Many complaints involving violations of the Federal antitrust laws have been investigated by the Bureau since July 1, 1933. Since that date 151 convictions have been obtained in cases in which the Bureau conducted investigations resulting in actual, suspended, and probationary sentences of 28 years and 6 months. Fines totaling $65,996 were imposed and 17 fugitives were located. Of the 151 convictions obtained, 41 persons and corporations were perpetually enjoined from continuing business operations which would be in direct conflict with the antitrust laws of the United States.

Investigations were conducted by the Bureau in violations of the White Slave Traffic Act during the fiscal years 1933, 1934, and 1935, which resulted in the obtainment of 744 convictions in which actual, suspended, and probationary sentences were imposed of 1,560 years 1 month 18 days, and fines of $30,466.01. During this same period of time 269 fugitives whose apprehension was being sought for violations of the White Slave Traffic Act were located.

The Bureau also conducts investigations of the impersonation statutes, which make it a Federal offense for any person, with the intent to defraud, to impersonate a Government employee, and to take it upon himself to act as such an employee and demand or obtain a thing of value. Investigations conducted in this type of violation during the past 3 fiscal years resulted in 552 convictions. Actual, suspended, and probationary sentences totaling 1,272 years 7 months 9 days, and fines of $30,066.87 were imposed, and 243 fugitives were located.

Relative to violations of the National Bankruptcy Act during the 3-year period ending June 30, 1935, there have been secured 501 convictions, resulting in the imposition of sentences totaling 1,038 years 22 months 16 days. Fines amounting to $74,136.20 were imposed, and recoveries were effected amounting to $187,858.55. From the period June 30, 1935, to date there have been secured 102 convictions, resulting in the imposition of sentences amounting to 230 years 9 months 15 days. Fines totaling $19,100.04 were imposed, and recoveries effected totaling $105,518.13. In addition to the aforementioned results, 118 fugitives have been apprehended since July 1, 1933.

The Federal Bureau of Investigation has investigative jurisdiction over all violations of Federal laws and matters in which the United States is or may be a party in interest, except those matters specifically assigned by congressional enactment or otherwise to other Federal agencies, and performing other duties imposed upon it by law. Among those matters under the primary jurisdiction of this Bureau, which have not previously been referred to, are the following: Admiralty law violations, bank embezzlements in the District of Columbia, bondsmen and sureties, bribery, claims against the United States, claims by the United States, condemnation proceedings, conspiracies, contempt of court, copyright violations, crimes on the high seas, crimes in Alaska, crimes in connection with Federal penal and correctional institutions, crimes on Indian reservations, crimes on Government reservations, destruction of Government property, espionage, frauds against the Government, harboring of Federal fugitives, illegal wearing of service uniforms, interstate transportation of explosives, intimidation of witnesses, international claims, larceny from interstate shipments, National Bank Act, neutrality violations, obstruction of justice, peonage statutes, passports and visas, patent violations, parole and probation violations, Federal perjury, Red Cross violations, theft or embezzlement of Government property, treason, Veterans' Administration violations.

During the fiscal years 1933, 1934, and 1935, 3,121 fugitives, whose apprehension was being sought by the Bureau for the violation of some Federal law, were located as a result of investigations conducted by the Bureau.

Not all of the investigations conducted by the Bureau are confined to violations of the criminal statutes of the United States. During the past 3 fiscal years there were conducted for the Department of State and other Federal agencies a large number of investigations which did not require actual court procedure, including the investigation of applicants for positions in the Department of Justice; and, at the request of the Attorney General, the Bureau also inquired into the qualifications of applicants for appointment as United States judges, United States attorneys and their assistants, and United States marshals. As an indication of some of the miscellaneous investigations so conducted during the past few years, as a result of an Executive order of April 5, 1933, requiring the return to Federal Reserve banks outstanding gold which was generally known as the Gold Hoarding Act, an additional burden was placed on the Bureau which necessitated the interviewing of approximately 10,000 persons, calling upon them to return this gold.

Probably one of the more important types of civil investigations now being conducted by the Bureau are those investigations involving fraudulent claims made in connection with war-risk insurance cases. Since this work was taken over by the Bureau on September 10, 1933, a total of 6,949 cases have been investigated, resulting in savings to the Government of $78,879,532.04. When the Bureau took over these investigations, the percentage of suits terminated favorably to the Government was approximately 60 percent. At this time the percentage of suits which are terminated favorably to the Government is slightly less than 95 percent. These figures are exclusive of compromises and cases reversed upon appeal.

In addition to the criminal and civil investigations conducted by the Bureau of Investigation, it is also charged with the duty of acquiring, maintaining, preserving, and disseminating identification data. The growth of the Identification Division of the Bureau of Investigation has increased appreciably, as indicated by the fact that at the end of 1932 there were 4,712 fingerprint contributors, which number has increased until today there are over 9,600 contributors. Since the first of 1933 the total number of fingerprints on file has increased from 3,078,572 to over 5,800,000 at the present time. At the present time an average of over 3,700 criminal fingerprint cards are received each day, which are an-

swered to the contributors within 36 hours after receipt in the Bureau. There are a grand total of over 5,800,000 fingerprint cards on file. During the past 3 fiscal years effective progress has been made in the exchange of international fingerprints with foreign countries. The officials of 70 of the identification bureaus of the principal nations of the world are cooperating with the Identification Division of the Federal Bureau of Investigation. This is the largest depository of criminal identifying data in the world, which will be readily realized when it is considered that Scotland Yard has only approximately 750,000 prints on file and the French Surete 1,800,000. The percentage of identifications made on criminal prints now being received in the Bureau is over 50 percent. During the fiscal years 1933, 1934, and 1935, 12,577 fugitives whose apprehension was being sought by Federal, State, and local law-enforcement agencies were identified in the Identification Division of this Bureau throught their fingerprints.

Civil-service fingerprints of applicants for appointment to the Federal service are also received in the Identification Division of this Bureau. The fingerprints of such applicants are searched against the Bureau's files, and the Civil Service Commission is advised of any police record of the applicant.

During the year 1935 a civil identification section was established where the fingerprints of citizens are filed for personal and precautionary reasons. Indicative of the interest in civil identification is the fact that at this time 600 fingerprint cards are being received in the Bureau each day for inclusion in this file, and there are now on file the fingerprints of over 100,000 citizens.

The technical laboratory of the Federal Bureau of Investigation was formed for the purpose of making scientific examinations of evidence developed in cases investigated by the Bureau and also for the purpose of aiding and assisting local law-enforcement officials by making such examinations for them of physical evidence secured in the investigation of some criminal offense within their jurisdiction. Since the establishment of this laboratory until the end of the fiscal year 1935 there has been made a total of 3,300 examinations. Of this total 2,337 were made during the fiscal year ending June 30, 1935. The following tabulation is indicative of the types of scientific examinations made in connection with criminal cases during the fiscal year 1935:

Examination of questioned documents	2,028
Microscopic examinations	57
Chemical analyses	60
Examination of firearms evidence	165
Examination of coded messages	23
Miscellaneous examinations	4
Total number of examinations	2,337

In its efforts to combat bank robberies, kidnapings, and other serious crimes the Bureau established a single fingerprint file, in which are included the single fingerprints of approximately 12,000 known kidnapers, bank robbers, extortionists, and gangsters. One thousand eight hundred and seventy-six examinations were made in connection with this file during the fiscal year ending June 30, 1935.

There has also been established for the same general purpose a modus-operandi file upon bank robberies, affording detailed information on the methods of commission of bank robberies in order that the identities of the perpetrators may be established by a comparison of similar methods of operation.

During the year 1935 there was initiated the first police training school of the Federal Bureau of Investigation. In this school selected, qualified law-enforcement officials from police and State law-enforcement agencies throughout the country are given instructions in scientific and practical law-enforcement methods. The graduation exercises of the first training school were held on October 19, 1935, and since that time an additional class has completed the course of instructions. The entire staff of instructors and lecturers of the Bureau's regular training school, and in addition 41 outstanding criminologists and police officials selected from higher institutions of learnings and law-enforcement agencies, assisted in the course of instructions. During the past 3 years the training course for newly appointed special agents has been increased from 4 to 14 weeks, the present course of training affording theoretical and practical instructions under experienced instructors and investigators. The retraining of experienced agents of the Federal Bureau of Investigation was initiated during the fiscal year ending June 30, 1935, this training affording the experienced investigator the latest approved instruction upon the developments in scientific investigative methods, firearms training, and kindred subjects.

Since September 1932 a monthly publication entitled "F. B. I. Law Enforcement Bulletin" has been circulated to law-enforcement officials and agencies contributing fingerprint records to the Bureau. This publication includes information relative to the fugitive status of criminals and makes this information available to police agencies throughout the country upon the earliest practicable date. Information is cataloged in the publication concerning individuals sought for the offenses of murder, burglary, robbery, rape, kidnaping, and escapes growing out of these offenses. Information is also published in the bulletin concerning those fugitives whose apprehension is being sought by this Bureau. Physical descriptions and fingerprint classifications of the fugitives are listed, in addition to the reproduction of the fingerprint pattern of one finger. Articles of special interest to law-enforcement officials dealing with the science of fingerprint identification, the deciphering of charred paper, the handling of bombs and explosives, information on police problems and criminology, and the dissemination of practical and scientific knowledge intended to aid police officials in the detection and apprehension of criminals is also published in each issue of the bulletin.

Mr. DUFFY. Mr. President, will the Senator from Arizona yield?

Mr. ASHURST. I yield.

Mr. DUFFY. The Senator has performed a very fine service in calling the attention of the country to the remarkable work which has been done under the Attorney General, and particularly through Mr. J. Edgar Hoover, the Director of the Bureau of Investigation. On last Saturday I spent 2 hours going through that Bureau, and while the Senator's picture of it is very fine and most illuminating, I would recommend to my fellow Senators, at any time they can find an extra hour, to go to the Bureau of Investigation and make a personal inspection. They will get a graphic picture of a splendidly run department of this Government.

Mr. ASHURST subsequently said: Mr. President, this morning I addressed the Senate in reference to a newspaper article to which I took exception, and stated it did an injustice to the President, the Treasury Department, and the Department of Justice. It is possible that the article had some reference to House bill 12557, which was reported unanimously by the House Committee on Ways and Means. I have here an analysis of that bill, and I ask that it be printed at the conclusion of the remarks I made this morning on the subject of the newspaper article.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

STATEMENT ON H. R. 12556

H. R. 12556 consolidates those law-enforcement agencies of the Treasury Department which detect, investigate, and prevent willful frauds on the revenue, customs, and currency. It was recommended to the Congress by the Secretary of the Treasury after careful study over a considerable period of time, and has the approval of the President. The bill was reported unanimously by the House Ways and Means Committee after full public hearings, and passed the House unanimously. In fact, Representative REED, of New York, Republican member of the Ways and Means Committee, in a splendid statement on the floor of the House, urged the enactment of the bill. The bill does not affect any other department of the Government, and the Attorney General has personally advised the Secretary of the Treasury and several members of the Senate Finance Committee, which reported the bill favorably to the Senate, that in his opinion the bill is a meritorious measure.

The agencies consolidated by this bill are the Customs Agency Service, the Enforcement Division of the Alcohol Tax Unit of the Bureau of Internal Revenue, and the Secret Service Division. The new organization will be known as the Treasury Agency Service. The bill also authorizes the Secretary to coordinate the activities of the Treasury Agency Service with the criminal work of the Bureau of Narcotics. Under the present statutory set-up these four agencies operate independently of each other. Nevertheless, since crime is today highly organized, a smuggling operation often involves a violation of the laws administered by each of the four agencies affected by this consolidation. Liquor and narcotics are frequently involved in the same smuggling operation. When such is the case, the smuggling operation involves a violation of the customs laws, the internal-revenue laws, and the narcotic laws; and if the liquor or narcotics bear counterfeit labels, the laws enforced by the Secret Service are violated. Nonetheless, under the present statutory set-up, each of these organizations must investigate such a smuggling operation independently of the others. The Secret Service operates through its 38 field districts, Narcotics through its 16, Customs Agency through its 13, and the Enforcement Division of Alcohol Tax through its 15 districts. Each group of agents in these districts reports to a separate field chief, who in turn reports to a separate head in Washington.

The purpose of this bill is to eliminate this duplication and overlapping and to enable the law-enforcement activities in the Treasury Department to be uniform as to districts with a single field chief in charge of each district (of which there will probably be about 15 in the United States) and a single chief in Washington.

Although the primary purpose of this bill is to bring about more effective law enforcement, the consolidation will necessarily result in economy. To reduce revenue losses without increasing existing enforcement personnel is just as real economy as to effect savings in expenditures by decreasing enforcement personnel. Through the enactment of the Antismuggling Act last year by Congress the Treasury Department has been able almost completely to wipe out a post-repeal rum row of 51 known smuggling vessels, and on the 14th of last month the coasts of the United States were completely clear of smuggling vessels for the first time in 16 years. At the time the Anti-Smuggling Act was recommended to the Congress it was estimated that the Government was losing annually about $30,000,000 in revenue on account of liquor smuggled into the United States. Since the enactment of that act our estimated annual losses have decreased tremendously.

The consolidation of these law-enforcement agencies by this bill will further curtail losses of revenue through more effective law enforcement, not only in the field of smuggling activities along our coasts but also in illicit operations within the United States. Other economies will result from the elimination of the present overlapping and duplication of effort, as well as transportation and other expenditures necessarily incident to independent investigations by separate agencies.

The Treasury Agency Service will be a strictly civil-service organization, as are at present the agencies which are affected by the consolidation contemplated by this bill.

PAYMENTS TO WIDOWS OF DECEASED MEMBERS OF THE CONGRESS

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 58, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H. R. 12624), the First Deficiency Appropriation Act, fiscal year 1936, the Clerk of the House of Representatives is hereby authorized and directed to include in said bill, on page 2, after line 13, a new paragraph to read as follows:

"For payment to the widow of Joseph W. Byrns, late a Representative from the State of Tennessee, $10,000 to be disbursed by the Sergeant at Arms of the House."

Mr. GLASS. I ask unanimous consent for the present consideration of the concurrent resolution.

There being no objection, the Senate proceeded to consider the resolution.

Mr. GLASS. I submit an amendment to the concurrent resolution.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. After line 6, it is proposed to insert:

SENATE

To pay Anna Louise Fletcher, widow of Hon. Duncan U. Fletcher, late a Senator from the State of Florida, $10,000.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

FIRST DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes.

Mr. BORAH. Mr. President, I desire to ask the Senator in charge of the conference report in regard to the items which were in the bill when it passed the Senate touching reclamation projects. I understand they have been eliminated, because they have been taken care of in the Interior Department appropriation bill.

Mr. ADAMS. That is correct, with the single exception of the Central Valley of California item, which was not taken care of in the Interior Department appropriation bill, but is taken care of in the deficiency bill.

Mr. BORAH. May I ask whether the items which are now taken care of in the Interior Department appropriation bill are coming back to the Senate in the conference report in the same form in which they were passed by the Senate?

Mr. HAYDEN. No.

Mr. BORAH. Except, I mean, the one in California, and one other.

Mr. HAYDEN. All of the reclamation items are coming back, but will not carry the same amounts of money. I expect to call up the conference report on the Interior Department appropriation bill immediately after the conference report on the deficiency bill shall be disposed of and ask the Senate to pass on the action taken by the House in concurring in the Senate amendment relating to United States reclamation projects with an amendment.

Mr. BORAH. What changes were made in the amounts?

Mr. HAYDEN. The amounts were materially reduced by the House of Representatives. The Senate proposed a total appropriation of $57,610,000 for reclamation projects. The final result will be that $6,900,000 of that amount would be cared for by the item for the Central Valley project in this deficiency bill. There will be appropriated in the Interior Department appropriation bill $20,750,000 for the Grand Coulee Dam, and a total of $10,860,000 for the remaining reclamation projects.

Mr. BORAH. Were the items for the State of Idaho changed in amount?

Mr. HAYDEN. There was a reduction in the item for the Boise project. As it passed the Senate the Interior Department bill carried $1,800,000. As approved by the House, $1,000,000 is appropriated for the Payette division of that project.

Mr. RUSSELL. Mr. President, when the deficiency bill was pending in the Senate an amendment was adopted to the title providing an appropriation for the continuance of the Works Progress Administration which limited the number of the employees serving in an administrative and supervisory capacity who might be transferred or moved from one State to another. I regret very much to observe in reading the conference report that this provision has been emasculated and made practically meaningless by the language that was inserted in substitution of that which was adopted by the Senate. The conference report refers to the subject, but in lieu of the language adopted by the Senate the following proviso was inserted:

That appointments to Federal positions of an administrative or advisory capacity under the foregoing appropriation in any State shall be made from among the bona-fide residents of that State so far as not inconsistent with efficient administration.

The last clause of this proviso of course removes whatever virtue the remainder might possess, and leaves it wholly to the discretion of the administrative authorities of the Works Progress Administration to decide whether or not they shall continue the vicious and inexcusable practice of transferring to those States which were taken over early under Federal control all of the employees from all of the other States who might have special claims on those in charge of the administration of this work, but who cannot be used in the States or in the central office where they have been heretofore employed. In my opinion, the original Senate provision was just and proper, and I regret exceedingly that the Senate conferees were forced to compromise the position of the Senate at the insistence of the House conferees.

Mr. President, there is not a State in this Union which cannot furnish, to fill positions of an administrative and supervisory character charged with carrying on the various projects of the Works Progress Administration, those who are much more competent than people who are unfamiliar with local conditions, who have no knowledge of the social systems and the economic systems of the States to which they are transferred, and where they are placed in positions of great importance.

Not only that but the system which prevails is most unfair and unjust in that, using my State as an illustration, the people receiving the highest salaries are paid out of allocations made to that State for relief purposes, and the money is charged up to that purpose as an expenditure for relief to that State, but is absorbed by these carpetbaggers when it should be paid to residents of Georgia who are in need of relief. In my State, which was early Federalized, many of the responsible positions, which pay attractive salaries, are held by those who are nonresidents of the State.

I realize the impossibility at this late date of accomplishing any good by opposing the adoption of the report. I further realize that the Senate conferees insisted on the position of the Senate, but I could not let this opportunity pass without expressing my profound regret that the House would not accede to the Senate's position, in order that these relief funds might be disposed of in the States to which they are allocated to serve the purpose for which they are intended, instead of in some few States of this Union, including my State, being used to employ those who are dumped in from the outside when they cannot secure or hold positions in the States of their nativity or of their residence. I protest the policy today, and I intend to continue to protest it.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate the following action of the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES,
June 17, 1936.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 49 to the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes, and concur therein with the following amendment:

In lieu of the matter proposed to be inserted by said amendment insert:

"In order to increase employment by providing for useful public-works projects of the kind and character for which the Federal Emergency Administrator of Public Works (hereinafter called the Administrator) has heretofore made loans or grants pursuant to title II of the National Industrial Recovery Act or the Emergency Relief Appropriation Act of 1935, the Administrator may, upon the direction of the President, use not to exceed $300,000,000 from funds on hand or to be received from the sale of securities, for the making of grants to aid in the financing of such projects: *Provided*, That no part of the sum made available by this paragraph shall be granted for any project unless, in the determination of the Administrator, the completion thereof can be substantially accomplished prior to July 1, 1938, and adequate provision has been made or is assured for financing such part of the entire cost thereof as is not to be supplied through the Federal Emergency Administration of Public Works: *Provided further*, That this limitation upon time shall not apply to any project enjoined in any Federal or State court: *Provided further*, That in no case shall the amount of the grant exceed 45 percent of the cost of the project. Nothing herein shall be construed to increase the amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered under existing law to issue and to have outstanding at any one time, and nothing herein shall be construed to limit or curtail in any way any powers which the Federal Emergency Administration of Public Works or the Administrator is now authorized to exercise"; and that the House insist upon its disagreement to the amendments of the Senate numbered 29, 30, and 41 to said bill.

Mr. ADAMS. I move that the Senate agree to the House amendment to Senate amendment numbered 49.

The motion was agreed to.

Mr. ADAMS. I further move that the Senate recede from its amendments numbered 29, 30, and 41.

The motion was agreed to.

COMMITTEE SERVICE

Mr. ROBINSON. Mr. President, I ask that the order, which I send to the desk and ask to have read, be entered.

The PRESIDING OFFICER. The order will be read.

The Chief Clerk read as follows:

Ordered, That the Senator from Massachusetts [Mr. WALSH] be excused from further service as the chairman of the Committee on Education and Labor and that he be appointed chairman of the Committee on Naval Affairs.

Ordered further, That the Senator from Alabama [Mr. BLACK] be appointed chairman of the Committee on Education and Labor.

The PRESIDING OFFICER. Without objection, the order is entered.

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. HAYDEN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 24, 53, and 54 to the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement amendments numbered 24, 53, and 54.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
GERALD P. NYE,
FREDERICK STEIWER,
Managers on the part of the Senate.

EDWARD T. TAYLOR,
B. M. JACOBSEN,
JED JOHNSON,
J. G. SCRUGHAM,
Managers on the part of the House.

The PRESIDING OFFICER. Without objection, the conference report is agreed to.

Mr. HAYDEN. Mr. President, the House of Representatives in the meantime has acted upon the amendments in disagreement. I ask that the action of the House be laid before the Senate.

The Presiding Officer laid before the Senate the action of the House of Representatives on certain amendments of the Senate to House bill 10630, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
June 15, 1936.

Resolved, That the House recede from its disagreement to the amendment of the Senate no. 24, to the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, and concur therein with the following amendment:

In lieu of the matter proposed to be inserted by said amendment, insert:

"For the construction, repair, and rehabilitation of irrigation systems on Indian reservations; for the purchase or rental of equipment, tools, and appliances; for the acquisition of rights-of-ways, and payment of damages in connection with such irrigation systems; for the development of domestic and stock water and water for subsistence gardens; for the purchase of water rights, ditches, and lands needed for such projects; and for drainage and protection of irrigable lands from damage by floods or loss of water rights, as follows:

"Arizona: Havasupai, $5,000, reimbursable; Hopi, $50,000, reimbursable; Navajo, $60,000, reimbursable; Ak Chin, $3,000, reimbursable; Navajo and Hopi (domestic and stock water), $45,000; Chiu Chui, $5,000, reimbursable; Papago (domestic and stock water), $26,400.

"Montana: Fort Belknap, $12,000, reimbursable; Fort Peck, $100,000, reimbursable.

"Nevada: Fort McDermitt, $2,000, reimbursable; Moapa, $5,000, reimbursable; Summit Lake, $5,000, reimbursable; Walker River, $5,000, reimbursable; miscellaneous (garden tracts), $5,000.

"New Mexico: Navajo, $30,000, reimbursable; Pueblo, $100,000, reimbursable; Jicarilla, $13,000, reimbursable; Navajo and Pueblo (domestic and stock water), $50,000.

"North Dakota: Miscelloneous (domestic and stock water and garden tracts), $15,000.

"Oklahoma: Miscellaneous (garden tracts), $16,000.

"Oregon: Warm Springs, $10,000, reimbursable; miscellaneous (garden tracts), $5,000.

"South Dakota: Miscellaneous (domestic and stock water), $10,000.

"Utah: Uncompahgre, $10,000, reimbursable; Oljeto and Montezuma Creeks, $3,500, reimbursable; miscellaneous (garden tracts), $5,000.

"Washington: Lummi, $20,000, reimbursable; Makah (dikes and flood gates), $5,000, reimbursable; miscellaneous (domestic and stock water and garden tracts), $20,000.

"Wisconsin: Miscellaneous (garden tracts), $5,000.

"Wyoming: Wind River, $85,000, reimbursable.

"For administrative expenses, including personal services in the District of Columba and elsewhere, $50,000, of which amount $35,000 shall be reimbursable.

"In all, $780,900, to be immediately available: *Provided*, That the foregoing amounts may be used interchangeably in the discretion of the Secretary of the Interior, but not more than 10 percent of any specific amount shall be transferred to any other amount, and no appropriation shall be increased by more than 15 percent: *Provided further*, That when necessary the foregoing amounts may be used for subjugating lands for which irrigation facilities are being developed: *Provided further*, That the cost of the foregoing irrigation projects and of operating and maintaining such projects where reimbursement thereof is required by law, but not including the cost of domestic and stock water projects and of projects for the development of water for garden tracts, shall be apportioned on a per-acre basis against the lands under the respective projects and shall be collected by the Secretary of the Interior as required by such law, and any unpaid charges outstanding against such lands shall constitute a first lien thereon, which shall be recited in any patent or instrument issued for such lands."

That the House recede from its disagreement to the amendment of the Senate numbered 54 to said bill and concur therein with the following amendment:

In lieu of the matter proposed to be inserted by said amendment insert:

"Construction: For continuation of construction of the following projects in not to exceed the following amounts, respectively, to be expended from the reclamation fund under the same general conditions as those specified for projects hereinbefore included under the caption 'Bureau of Reclamation' and payable from the reclamation fund:

"Gila project, Arizona, $1,250,000;
"Salt River project, Arizona, $1,500,000;
"Grand Valley project, Colorado, $200,000;
"Pine River project, Colorado, $1,000,000;
"Boise project, Idaho, Payette division, $1,000,000;
"Boise project, Idaho, drainage, $160,000;
"Carlsbad project, New Mexico, $900,000;
"Deschutes project, Oregon, $450,000;

"Owyhee project, Oregon, $200,000;
"Yakima project, Washington, Roza division, $1,000,000;
"Provo River project, Utah, $500,000;
"Casper-Alcova project, Wyoming, $1,000,000;
"Riverton project, Wyoming, $250,000;
"Shoshone project, Wyoming, Heart Mountain division, $700,000;

"For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, $750,000, in addition to and for the same objects of expenditure as enumerated in paragraphs 2 and 3 under the caption 'Bureau of Reclamation'; in all, $10,860,000, to be immediately available: *Provided*, That of this amount not to exceed $75,000 may be expended for personal services in the District of Columbia: *Provided further*, That the last line of section 10 of the act of April 1, 1932 (47 Stat. 75), as amended by the act of March 3, 1933 (47 Stat. 1427), is hereby further amended by substituting '1938' for '1936.'

"Grand Coulee Dam, Wash.: For continuation of construction of the Grand Coulee Dam, $20,000,000; for administrative expenses, $750,000, including personal services in the District of Columbia and in the field; in all, $20,750,000, to be immediately available and to be available for the same purposes as those specified for projects hereinbefore included under the caption 'Bureau of Reclamation', and to be reimbursable under the reclamation law: *Provided*, That not to exceed $75,000 may be expended for personal services in the District of Columbia: *Provided further*, That this appropriation shall be available for the employment of personal services without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided further*, That the obligations for the construction of the Grand Coulee Dam and appurtenant works, including those heretofore entered into, shall not exceed a total of $63,000,000, and no obligations in excess of that amount shall be incurred for such dam, or dams, canals, structures, or incidental works in connection therewith under section 2 of the Rivers and Harbors Act, approved August 30, 1935 (49 Stat. 1039, 1040), until appropriations, or contract authorizations, or both, therefor are hereafter specifically granted by Congress"; and

That the House still further insist upon its disagreement to the amendment of the Senate numbered 53 to said bill.

Mr. HAYDEN. I move that the Senate concur in the amendment of the House to the amendment of the Senate no. 24.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona.

The motion was agreed to.

Mr. McKELLAR. Mr. President, what is amendment no. 54?

Mr. HAYDEN. Senate amendment no. 54 relates to construction on 15 United States reclamation projects which the House has agreed to by reducing the amount to be appropriated. I move that the Senate concur in the amendment of the House to the amendment of the Senate no. 54.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. I also move that the Senate recede from its amendment no. 53.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I have asked the Senate to recede from this amendment because its enactment is no longer necessary. With the appropriations made in this bill, in the form and manner proposed by the House of Representatives, each and every one of the irrigation projects listed in amendment no. 54, which immediately follows the amendment, is adopted and approved by Congress and recognized as a regular United States reclamation project for the continuation of the construction of which money is made available. The legal status of these projects having thus been properly established, there is no further need for the adoption of amendment no. 53. All of its purposes have been otherwise accomplished either in this Interior Department bill or in the deficiency appropriation bill which extends like adoption and congressional approval to the Central Valley project in California.

Mr. McNARY. Mr. President, in what part of the conference report will we find reference to the irrigation projects?

Mr. HAYDEN. There is no reference to the irrigation projects in the conference report except to report a disagreement. After the disagreement between the two bodies the House acted upon the amendments in disagreement by agreeing to two of them with amendments, and insisting upon its disagreement to the third amendment authorizing the construction of certain reclamation projects. If the Senator from Oregon will permit, I should like to make a brief statement to the Senate as to just what has been accomplished.

With respect to amendment no. 24 as it passed the Senate, $3,710,000 was carried for the construction of various Indian irrigation projects. As it comes back from the House $780,000 is appropriated for that purpose. The amount agreed to by the House is made up of the sums recommended by the Bureau of the Budget for the several Indian irrigation projects in an estimate submitted on May 29, 1936.

Amendment no. 54 as it left the Senate carried $57,610,000 from the Treasury to continue construction on a number of United States reclamation projects. As it comes back from the House the amendment appropriates $10,860,000 from the reclamation fund for the several projects listed therein, and $20,750,000 from the Treasury to carry on construction of the Grand Coulee Dam, or a total of $31,610,000.

In addition, as has been pointed out by the Senator from Colorado [Mr. ADAMS], there was included in the deficiency bill $6,900,000 to continue construction of the Central Valley project in California, making a total of $37,510,000. So that the proposal of the Senate to appropriate $57,610,000 for all reclamation projects has been reduced through the enactment of these two bills by $20,100,000 due to the action taken in the House of Representatives.

Mr. McNARY. Mr. President, the Senator refers to two bills dealing with the same subject matter. What is the total amount carried in all the bills touching the construction of the Central Valley of California project?

Mr. HAYDEN. The provision contained in the deficiency bill which has just been agreed to by the Senate reads as follows:

Central Valley project, California: For continuation, $6,900,000, to remain available until June 30, 1937, of which $6,000,000 shall be available for construction of Friant Reservoir and irrigation facilities therefrom in the San Joaquin Basin and $250,000 for administrative expenses (including personal services in the District of Columbia and elsewhere), to be available for the same purposes as those specified for projects included in the Interior Department Appropriation Act for the fiscal year 1937 under the caption "Bureau of Reclamation" and to be reimbursable under the Reclamation Law: *Provided*, That not to exceed $25,000 may be expended for personal services in the District of Columbia.

No money is carried in the Interior Department bill for the Central Valley project. The appropriation, however, made in the deficiency bill is in practically the same language and to the same effect as was provided by the Senate, but the amount of money appropriated from the Treasury is reduced from $16,000,000 to $6,900,000.

The status of the Central Valley project in California is that there will be available during the next fiscal year a total of $15,000,000 for that project. First, $8,100,000 being money now available from allotments from emergency relief funds and, second, $6,900,000 which is carried in the deficiency bill.

Mr. McNARY. That is what I want to know. Were the allotments heretofore made from Public Works Administration or Works Progress Administration?

Mr. HAYDEN. From the $4,800,000,000 appropriated work-relief fund and not from the 1933 public-works money.

Mr. McNARY. Was that amount allotted by Mr. Ickes in his administration or through his agency, or by Mr. Hopkins?

Mr. HAYDEN. It was allotted by the President to the United States Reclamation Service by transfer of funds from the appropriation of $4,800,000,000. It is not a public-works project, but is a regular reclamation project, and money to continue its construction is so carried in the deficiency bill.

Mr. McNARY. I think the Senator has made definite and clear the answer to my inquiry. Now, will the Senator take up the Coulee project in eastern Washington and tell me where that is carried and how much is provided for it?

Mr. HAYDEN. The amount carried in the Interior Department appropriation bill is $20,750,000 to continue construction of that project during the next fiscal year.

Mr. McNARY. I see by the press—I rely upon information of that kind—that there was a restrictive clause to the effect that this was all the money that was to be appropriated for that project. Was there such language used in the report?

Mr. HAYDEN. The restriction is to this effect:

> That the obligations for the construction of the Grand Coulee Dam and appurtenant works including those heretofore entered into, shall not exceed a total of $63,000,000, and no obligations in excess of that amount shall be incurred for such dam or dams, canal structures, or incidental works in connection therewith under section 2 of the Rivers and Harbors Act approved August 30, 1935 (49 Stat., 1039, 1040), until appropriations or contract authorizations, or both, therefor are hereafter specifically granted by Congress.

It is evident that this restriction cannot in any manner affect the law authorizing the construction of the project. It merely provides that no money shall be appropriated to continue the construction of that dam and incidental works, once it is completed to the height that is now contracted for, unless Congress shall make a specific grant for that purpose. In other words, the basic law authorizing the construction of the Grand Coulee Dam is not changed by this limitation.

Mr. McNARY. What has been the total sum appropriated or allocated and transferred and made available for that project?

Mr. HAYDEN. I have a tabulation here, Mr. President, relating to all of the reclamation projects, which I intend to place in the RECORD. I can say to the Senator from Oregon that the total sum made available up to the present time for the Grand Coulee Dam is $35,000,000 from public-works and relief funds. There is appropriated $20,000,000 more in this bill, and there will be required a remainder of about $5,000,000 to complete the contract, to be appropriated for the fiscal year 1938.

Mr. McNARY. I make one further and final inquiry. The money appropriated in the deficiency bill is taken from the Treasury of the United States. Money appropriated by the bill now before us comes out of what we call the reclamation fund created by the act of 1902.

Mr. HAYDEN. That is true, Mr. President, with respect to all of the projects except the Grand Coulee Dam. The Grand Coulee appropriation of $20,750,000 made in this Interior Department bill is from the Treasury of the United States. The $6,900,000 in the deficiency bill for the Central Valley project is also from the Treasury, but the appropriations for the remainder of the reclamation projects, amounting to $10,860,000, is appropriated from the reclamation fund.

Mr. McNARY. I desire to testify where my interest lies. It is probably in the latter group. I recall under the act passed in 1902 that the accretions to that fund came from royalties on public domain and sale of public land from the public domain. When sales and royalties did not occur there was no fund for that purpose.

When the Senator speaks of $10,000,000 for the latter group, comprising projects in most of the States of the West, is that actual money in existence and now available for appropriation, or is it just a mere promise that some day, when the reclamation fund is increased to that point, the projects may go forward?

Mr. HAYDEN. There is actually in the Treasury of the United States this day to the credit of the United States reclamation fund available for expenditure between ten and eleven million dollars. The exact amount in that fund on April 30, 1936, was $10,289,253. It is expected that between now and the close of the fiscal year ending on June 30, 1937, there will be accretions and collections amounting to $5,000,000 additional. So there will be over $15,000,000 in the Treasury available to meet these appropriations of $10,860,000, and about $2,000,000 which will be required to pay operation and maintenance charges.

The reason why this $15,000,000 will be available, if I may explain to the Senator, is that while during the past 2 or 3 years the receipts going into the reclamation fund from the sources he has mentioned have not been great, there have been practically no expenditures from that fund since most of the money expended on reclamation projects during the past 3 years has been from public-works and relief appropriations. Therefore an accumulation has occurred that now makes it possible to appropriate for the next fiscal year for the several projects out of that special fund.

However, after June 30, 1937, we were met with a very serious situation. The amount of money to be derived from the sale of public lands is practically nil since the passage of the Taylor Grazing Act. With the stoppage of further development of the oil resources of the public domain the income from oil royalties has been very greatly reduced. Therefore we can only count as an assured source of revenue the repayments made by the settlers on the completed reclamation projects which will amount, at best, to about $5,000,000 each year.

I shall place in the RECORD a statement showing what money the Bureau of Reclamation estimates will be required to carry on the projects that have been adopted by Congress for the next 5 years and an estimate of the amount of money which will normally accrue each year to the reclamation fund. An examination of these figures will demonstrate to the Senate and the country why the reclamation fund will have to be supplemented by additional funds from the Federal Treasury. There is no other way to provide the money whereby the construction of these approved projects may be continued in orderly way. The normal accretions to the reclamation fund that would have been obtained from repayments by settlers on the projects have not been received because of various acts of Congress that have been passed granting moratoriums. That type of relief legislation must come to an end. The moratorium this year is only for one-half of the construction charges. Senators and Members of the House of Representatives from the West must be frank with their constituents by advising them that there will be no more general reclamation moratoriums. Upon that basis an annual income to the reclamation fund from repayments of about $5,000,000 a year can be counted upon, but that in itself will not be sufficient.

Mr. McNARY. Mr. President, I gather from the statement of the able Senator from Arizona that there was some cutting down of the appropriations carried for these projects from the original estimates. That is correct, is it not?

Mr. HAYDEN. The Senator's statement is entirely correct.

Mr. McNARY. What was the method employed which would justify the diminution of the appropriation for one project and not for another? Was there some equitable plan worked out, or was there some philosophy back of it, or was it just an arbitrary plan that was conceived by the conferees?

Mr. HAYDEN. No. I will explain the basis of the action taken by the House conferees. After the Senate adopted the amendment appropriating $57,000,000 for reclamation projects a hearing was held by the chairman of the House Committee on Appropriations and the House conferees.

At that hearing appeared the Acting Commissioner of Reclamation. Mr. Page was closely questioned, first, as to what sums which would be available in the reclamation fund during the next fiscal year, and, second, as to what were the minimum amounts that should be appropriated by Congress in order to carry on the work on these various projects for another year. Consideration was also given to balances available from allotments from relief appropriations. Based upon the evidence submitted at that hearing by the head of the United States Reclamation Service, the House conferees arrived at the conclusion expressed by the House amendment to the Senate proposal.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Idaho?

Mr. HAYDEN. I yield.

Mr. BORAH. I understand that the item for the Boise project in the State of Idaho was reduced $800,000?

Mr. HAYDEN. That is correct.

Mr. BORAH. It was reduced from $1,800,000 to a million dollars. Was that done upon a recommendation or statement coming from the head of the Reclamation Service?

Mr. HAYDEN. The hearings have not as yet been printed, but my information is that the head of the Reclamation Service said in that instance, as he said in other instances, that substantial progress could be made with $1,000,000. Of course, if more money were appropriated, construction could proceed at a faster rate; but a worth-while amount of new work could be carried on with that sum of money.

Mr. BORAH. Why was it not thought well to go faster?

Mr. HAYDEN. Because of the fact that there is only a limited amount of money in the reclamation fund.

Mr. BORAH. Is it apparent now that there is sufficient money in the reclamation fund to take care of the million-dollar appropriation?

Mr. HAYDEN. Yes. Every cent of the $10,800,000 appropriated by this bill, of which $1,000,000 is for the Payette division, Boise project, in Idaho, is now in the Treasury and will be available beyond question during the next fiscal year.

Mr. BORAH. Was the appropriation for the Boise project the only one which was reduced?

Mr. HAYDEN. By no means.

Mr. BORAH. I mean the only project in the State of Idaho.

Mr. HAYDEN. The other project in Idaho was the Boise drainage project, and in that case the amount appropriated was left unchanged at $160,000.

Mr. President, I wish to say, in conclusion, that, in the light of this tabulation and other figures which I ask to have printed in the RECORD, there is nothing for Congress to do but to give very, very serious consideration at its next session to the best means to be adopted to provide an adequate amount of money for the reclamation fund in order to carry on the construction of these congressionally approved projects in an orderly way. We who represent 14 States in the arid region must devote our time and attention to that subject.

I wish to suggest to the Senate that the President has stated in a recent message to Congress that in normal times and under normal conditions the Congress can afford to appropriate about $500,000,000 a year for public works. With such a total sum of money allocated for internal improvements of various kinds, such as rivers and harbors, flood control, public buildings, and Federal aid for roads, there must be found, within the limits and scope of that $500,000,000, a reasonable sum of money to be taken out of the Federal Treasury and added to the reclamation fund each year so as to supplement it to an extent which will permit necessary construction to properly proceed. Congress can afford to do that because of the vast benefit which comes to the Nation as a whole by the development and utilization of the waters of our western streams.

Since 1902, when the Reclamation Act was passed, the Bureau of Reclamation has constructed 40 projects, creating 45,790 farms and providing a livelihood for a population of 752,766 persons in project communities. This has been done through the investment of approximately $200,000,000 obtained from the sale of public lands, and oil and mineral royalties from public lands in the arid and semiarid States where these projects were constructed. The investment has been increased by approximately $50,000,000 through reinvestment of moneys once used and repaid by those benefited. These new communities have added to the taxable wealth of these far Western States a total of more than $1,000,000,000.

Not only has Federal reclamation benefited the West—it has been of equal national advantage. The national benefits are of two forms; one brought through integrating the national development, joining the West with the East to make a solidified country, and the other through the creation of markets for the industrial centers.

Economists of the Bureau of Reclamation whose work has been checked and found conservative, estimate that three-fourths of all the money paid to reclamation farmers for their produce goes immediately into the purchase of materials, agricultural and manufactured, which originate in the Middle West and East. These materials range from automobiles, household machinery and appliances, farm machinery, down through clothing to ham and other pork products, and flour and grains.

In the course of 20 years these farms created under the national reclamation policy have produced products of a value of $2,000,000,000. Thus, in the same score of years, a market for the East and Middle West worth $1,500,000,000 was created, through the irrigation of our western deserts, on projects that are self-financing.

Let me remind Senators that not a particle of the vast clouds of dust which they saw pass over Washington last year came from any Federal reclamation project. Irrigated areas are not dust bowls." Instead of wind-blown soil one sees green fields and orchards and shade trees. If it had not been that for over 30 years the Federal Government has been bringing water to arid lands the effects of the great drought would have been ever more appalling. But the United States Reclamation Service had provided places where livestock, which would have otherwise died of thirst and starvation, could be fed. Let it also be remembered that not one dollar of the vast sum of $525,000,000, which was appropriated by Congress for drought relief, was paid to any farmer on any Federal reclamation project.

Mr. BONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Washington?

Mr. HAYDEN. I yield.

Mr. BONE. The Senator from Oregon [Mr. MCNARY] has asked what purpose lay behind the definite cut in the allocation of funds to western reclamation projects. I am wondering if any reason was advanced by the Reclamation Service for the reduction in the case of the Yakima project, Roza division?

Mr. HAYDEN. The same situation exists there as on the Boise project in Idaho to which the Senator from that State referred. There is a certainty of carrying on a real and substantial improvement to the project with the $1,000,000 appropriated by this bill. The Reclamation Service would like to have more funds for the Roza division of the Yakima project, but it can do a good job with that amount.

Mr. HATCH. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. HATCH. The Senator was just speaking about Senators and Representatives studying the question of reclamation projects with a view to possible legislation at the next session. It occurs to me in that connection that the bill passed at the present session appointing a fact-finding commission to study the general problems of reclamation will be of much assistance.

Mr. HAYDEN. That is a most excellent piece of legislation. The only comment that I should like to make on it is that I hope the commission will go promptly to work and will bring a set of reliable and convincing facts for early consideration when Congress shall reconvene next January.

Mr. HATCH. The point I intended to make was to urge the Senator from Arizona when the commission shall be appointed to call to the view and attention of that commission his very excellent ideas on the subject.

Mr. HAYDEN. I shall be most happy to do so.

The PRESIDING OFFICER. The Senator from Arizona indicated that he wanted to put certain figures in the RECORD.

Mr. HAYDEN. I shall insert in my remarks the tabulations and a letter of transmittal, if there is no objection.

The PRESIDING OFFICER. The Chair hears no objection.

The letter and the tabulations are as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, June 17, 1936.

Hon. CARL HAYDEN,
United States Senate.

MY DEAR SENATOR HAYDEN: In accordance with your telephone request there is attached a tabulation giving a very rough estimate of the requirements for the construction of the various reclamation projects for the next 5-year period. It should be realized that little time is available for consideration and that revisions of this program will probably be necessary. It will, however, indicate the funds which should be available for construction during this period.

If, in the future, construction appropriations are to be confined to the reclamation fund, this table emphasizes the need for additional sources of returns to this fund, and I feel that all interested parties should fully understand this situation. Possible logical sources from which additional money might be returned seem to me to be (a) repayments from emergency-fund projects, (b) oil royalties from naval reserves, and (c) fees for public-land grazing. In addition, the bond loan repayments might be deferred or canceled in the special legislation required for all of the above changes.

It is hoped that this table will answer your purposes, but I trust you understand that request to the Budget may not be made in accordance therewith when a more mature determination is possible concerning this program. Also, it takes into account no new projects, a number of which are in prospect. A rough estimate of the probable requirements for these is $5,000,000 per year for the first few years.

Very truly yours,

JOHN C. PAGE,
Acting Commissioner.

TABLE I.—*Tentative program for reclamation construction*

State and project	Ultimate cost	Previously expended	Necessary to complete	Available to June 30, 1937 (including H. R. 10630)	Additional required					Thereafter
					Fiscal year 1938	Fiscal year 1939	Fiscal year 1940	Fiscal year 1941	Fiscal year 1942	
Arizona:										
Gila	$20,500,000		$20,500,000	$3,050,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$7,450,000
Salt River	18,744,000	$12,744,000	6,000,000	5,000,000	500,000	500,000				
Colorado:										
Grand Valley	4,600,000	4,300,000	300,000	200,000	50,000	50,000				
Pine River	3,000,000		3,000,000	1,000,000	1,000,000	1,000,000				
Idaho:										
Boise:										
Payette	5,800,000	870,000	4,930,000	1,700,000	500,000	500,000	1,000,000	500,000	500,000	230,000
Arrowrock, dam and drainage	13,443,000	12,643,000	800,000	800,000						
New Mexico: Carlsbad	3,964,650	1,464,650	2,500,000	1,900,000	300,000	150,000	150,000			
Oregon:										
Deschutes	6,065,000		6,065,000	515,000	1,300,000	750,000	500,000	500,000	500,000	2,000,000
Owyhee	18,000,000	11,500,000	6,500,000	5,300,000	500,000	500,000	200,000			
Washington: Yakima, Roza	14,446,600	2,813,000	11,633,600	3,500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	3,133,600
Utah: Provo River	10,000,000		10,000,000	1,500,000	1,500,000	1,000,000	1,000,000	750,000	750,000	3,500,000
Wyoming:										
Casper-Alcova	20,000,000		20,000,000	13,300,000	2,000,000	1,500,000	500,000	500,000	500,000	1,700,000
Riverton	8,670,000	3,900,000	4,770,000	1,250,000	300,000	300,000	300,000	300,000	300,000	2,020,000
Shoshone, Heart Mountain	6,500,000		6,500,000	2,000,000	800,000	800,000	500,000	500,000	500,000	1,400,000
Construction	153,733,250	50,234,650	103,498,600	41,015,000	11,750,000	10,050,000	7,150,000	6,050,000	6,050,000	21,433,600
Bond repayment						2,000,000	2,000,000	2,000,000	2,000,000	7,000,000
Subtotal required					11,750,000	12,050,000	9,150,000	8,050,000	8,050,000	28,433,600
California: Central Valley	170,000,000		170,000,000	15,000,000	15,000,000	15,000,000	16,000,000	16,000,000	20,000,000	73,000,000
Washington: Columbia Basin	389,000,000		389,000,000	55,750,000	15,000,000	18,000,000	20,000,000	20,000,000	20,000,000	240,250,000
Total	712,733,250	50,234,650	662,498,600	111,765,000	41,750,000	45,050,000	45,150,000	44,050,000	48,050,000	341,683,600

ESTIMATED INCOME TO RECLAMATION FUND AVAILABLE FOR CONSTRUCTION

	Average for 5-year period
Accretions:	
Sale of public lands	$200,000
Oil royalties	1,700,000
Other	100,000
Repayments, reclamation fund projects	4,500,000
Total available for construction	6,500,000
Possible additions by legislation, repayments emergency-fund projects	500,000
Grand total	7,000,000

TABLE II.—*Accretions to the reclamation fund from June 17, 1902, to June 30, 1935*

Fiscal year ended June 30—	Sale of public lands	Oil Leasing Act	Potassium royalties and rentals	Federal water-power licenses	Total
1901	$3,144,821.91				$3,144,821.91
1902	4,585,520.53				4,585,520.53
1903	8,713,996.60				8,713,996.60
1904	6,826,253.59				6,826,253.59
1905	4,805,515.39				4,805,515.39
1906	5,166,336.50				5,166,336.50
1907	7,914,131.71				7,914,131.71
1908	9,430,573.98				9,430,573.98
1909	7,755,466.81				7,755,466.81
1910	7,028,185.73				7,028,185.73
1911	6,135,547.76				6,135,547.76
1912	5,657,498.83				5,657,498.83
1913	3,737,910.55				3,737,910.55
1914	3,460,451.63				3,460,451.63
1915	3,268,057.73				3,268,057.73
1916	2,648,057.74				2,648,057.74
1917	2,865,386.34				2,865,386.34
1918	2,552,650.65				2,552,650.65
1919	1,959,496.58				1,959,496.88
1920	2,422,614.77				2,422,614.77
1921	2,466,273.08	$4,617,665.13	$12,724.47		7,096,662.68
1922	1,775,500.80	3,186,806.74	1,495.71	$106.31	4,963,909.56
1923	1,382,853.13	4,391,425.59	1,958.46	1,757.44	5,777,994.62
1924	705,076.48	6,693,908.15	3,792.91	3,048.13	7,405,825.67
1925	757,109.97	4,820,614.96	5,216.52	5,844.17	5,588,785.62
1926	509,624.61	4,448,373.42	5,791.94	7,700.07	4,971,490.04
1927	604,001.04	3,504,689.93	3,634.21	12,986.29	4,125,311.47
1928	705,822.66	2,454,168.66	5,552.90	10,565.63	3,176,109.85
1929	647,236.95	1,852,785.03	12,317.57	17,201.18	2,529,740.73
1930	690,563.36	2,315,509.77	15,611.82	151.13	3,021,836.08
1931	635,290.72	2,098,855.96	11,732.61	212,063.43	2,957,942.72
1932	430,444.51	1,429,272.00	11,245.22	94,299.66	1,965,261.48
1933	293,863.78	1,833,721.00	8,692.03	102,811.82	2,239,088.63
1934	325,210.65	1,649,288.92	50,088.98	98,450.99	2,123,009.54
1935	204,856.07	1,838,257.77	31,302.76	86,514.42	2,160,931.62
Total	112,212,204.09	47,135,313.12	181,358.11	653,500.67	160,182,375.99

Source: Department of the Interior, Bureau of Reclamation.

TABLE III

Fiscal year	Annual accretions to reclamation fund	Annual repayments by water users and other collections	Total annual accretions and collections	Accumulative accretions and collections
1901	$3,144,822		$3,144,822	$3,144,822
1902	4,585,520		4,585,520	7,730,342
1903	8,713,997		8,713,997	16,444,339
1904	6,826,254		6,826,254	23,270,593
1905	4,805,515		4,805,515	28,076,108
1906	5,166,336		5,166,336	33,242,444
1907	7,914,132	$244,736	8,158,868	41,401,312
1908	9,430,574	543,830	9,974,404	51,375,716
1909	7,755,467	774,436	8,529,903	59,905,619
1910	7,028,186	1,842,804	8,870,990	68,776,609
1911	6,135,548	2,173,277	8,308,825	77,085,434
1912	5,657,499	2,485,272	8,142,771	85,228,205
1913	3,737,911	2,395,683	6,133,594	91,361,799
1914	3,460,452	2,772,719	6,233,171	97,594,970
1915	3,268,058	2,427,944	5,696,002	103,290,972
1916	2,648,058	2,391,397	5,039,455	108,330,427
1917	2,865,386	3,244,734	6,110,130	114,440,547
1918	2,552,650	3,581,427	6,134,077	120,574,624
1919	1,959,497	3,972,950	5,932,447	126,507,071
1920	2,422,615	4,506,180	6,928,795	133,435,866
1921	7,096,662	4,248,273	11,344,935	144,780,801
1922	4,963,010	4,313,152	9,277,062	154,057,863
1923	5,777,995	5,151,985	10,929,980	164,987,843
1924	7,405,825	5,749,575	13,155,400	178,143,234
1925	5,588,785	7,156,957	12,745,742	190,888,985
1926	4,971,490	6,601,667	11,573,157	202,462,142
1927	4,125,311	5,555,408	9,680,719	212,142,861
1928	3,176,110	6,127,220	9,303,330	221,446,191
1929	2,529,740	7,321,698	9,851,438	231,297,629
1930	3,021,836	6,013,672	9,035,508	240,333,137
1931	2,957,943	7,409,724	10,367,667	250,700,804
1932	1,965,261	3,434,054	5,399,315	256,100,119
1933	2,239,089	2,449,167	4,688,256	260,788,375
1934	2,123,010	2,301,853	4,424,863	265,213,238
1935	2,160,932	2,355,079	4,516,011	269,729,249
Total	160,182,376	100,546,873	239,729,249	

JUNE 17, 1936.

TABLE IV.—*Memorandum from the Chief of Engineers on flood control and river and harbor appropriations*

FLOOD-CONTROL APPROPRIATIONS

Sacramento River	$4,769,900
Mississippi River	111,704,655
Mar. 1, 1917, to May 15, 1928	116,474,555

Subsequent to May 15, 1928:

Fiscal year	Regular	Emergency	Total
1928	$15,000,000		$15,000,000.00
1929	36,340,000		36,340,000.00
1930	36,400,000		36,400,000.00
1931	39,400,000		39,400,000.00
1932	33,400,000		33,400,000.00
1933	36,290,904		36,290,904.00
1934	29,341,291	$67,631,833.84	96,973,124.84
1935	16,078,656	46,000.00	16,124,656.00
1936	16,750,109	21,036,316.87	37,786,425.87
Total	239,000,960	88,714,150.71	347,715,110.71

RIVER AND HARBOR APPROPRIATIONS

Fiscal year	Regular	Emergency	Total
1927	$50,150,000		$50,150,000.00
1928	[1] 68,091,310		68,091,310.00
1929	50,000,000		50,000,000.00
1930	[2] 67,000,000		67,000,000.00
1931	[3] 82,520,000		82,520,000.00
1932	[4] 90,000,000		90,000,000.00
1933	30,418,129		30,418,129.00
1934	23,966,645	$179,923,752.84	203,890,397.84
1935	[5] 44,057,270	98,310,000.00	142,367,270.00
1936	159,427,899	111,731,649.13	271,159,548.13
Total	665,631,253	389,965,401.97	1,055,596,654.97

[1] Includes $11,550,000 for purchase of Cape Cod Canal.
[2] Includes $12,000,000, Deficiency Act of Mar. 26, 1930.
[3] Includes Emergency Construction Act of Dec. 20, 1930, $22,500,000, and Deficiency Act of Mar. 4, 1931, $20,000.
[4] Includes $30,000,000 Emergency Relief and Construction Act of July 21, 1932.
[5] Includes $10,000,000 Deficiency Act of Aug. 12, 1935.

Mr. HAYDEN. Mr. President, in order to correct certain representations that have been made of record in another body, I shall also attach to my remarks a memorandum and letter relative to the Gila project on the Colorado River which have been sent to me by the Bureau of Reclamation.

STATUS OF WORK UNDER EMERGENCY RELIEF ALLOCATIONS

Gila project, Arizona: This project involves the construction of canals, pumping plants, and other irrigation facilities. Contract for construction of a section of the main canal has been awarded and work is in progress. Obligations have been incurred—$1,057,599.79. The unobligated balance of the $1,800,000 allocation is necessary to purchase materials and supplies for this contract and for supervision by Government forces. The project was contemplated by section 15 of the Boulder Canyon Project Act of December 21, 1928.

UNITED STATES DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, June 16, 1936.

Hon. CARL HAYDEN,
United States Senate.

MY DEAR SENATOR HAYDEN: I have received your telephone inquiry as to the terms upon which water will be sold to the water users of the Gila project, the water supply for which will be derived from the water stored in the Boulder Canyon Dam.

On account of the unsettled condition of the land that will be watered by the Gila project, no contract has yet been executed with the water users of the project. However, the water supply will be derived from the Boulder Canyon project, authorized under the act of December 21, 1928 (45 Stat. 1057), and under the Colorado River compact of November 24, 1922.

In selling water for the Gila project the Secretary must follow the requirements of the Boulder Canyon Project Act, which provides in section 8 (a) as follows:

"The United States, its permittees, licensees, and contractees, and all users and appropriators of water stored, diverted, carried, and/or distributed by the reservoir, canals, and other works herein authorized, shall observe and be subject to and controlled by said Colorado River compact in the construction, management, and operation of said reservoir, canals, and other works and the storage, diversion, delivery, and use of water for the generation of power, irrigation, and other purposes, anything in this act to the contrary notwithstanding, and all permits, licenses, and contracts shall so provide."

Also the first three sentences of section 5 of the Boulder Canyon Project Act provide as follows:

"That the Secretary of the Interior is hereby authorized, under such general regulations as he may prescribe to contract for the storage of water in said reservoir and for the delivery thereof at such points on the river and on said canal as may be agreed upon, for irrigation and domestic uses, and generation of electrical energy and delivery at the switchboard to States, municipal corporations, political subdivisions, and private corporations of electrical energy generated at said dam, upon charges that will provide revenue which, in addition to other revenue accruing under the reclamation law and under this act, will in his judgment cover all expenses of operation and maintenance incurred by the United States on account of works constructed under this act and the payments to the United States under subdivision (b) of section 4. Contracts respecting water for irrigation and domestic uses shall be for permanent service and shall conform to paragraph (a) of section 4 of this act. No person shall have or be entitled to have the use for any purpose of the water stored as aforesaid except by contract made as herein stated."

Under the directions of this statute, the water users of the Gila project will be required expressly to contract, in order to obtain water for the irrigation of their land, that their rights are subject to the provisions of the Colorado River compact, one main purpose of which is to protect, to the extent stated in the compact, the irrigation potentialities of the upper basin from impairment by reason of the earlier use of water downstream.

Very truly yours,

JOHN C. PAGE,
Acting Commissioner.

Mr. HAYDEN. I understand the conference report has been disposed of.

The PRESIDING OFFICER. The three motions presented by the Senator from Arizona were agreed to.

Mr. HAYDEN. That finally disposes of the Interior Department appropriation bill?

The PRESIDING OFFICER. The Chair so understands.

ENFORCEMENT OF TWENTY-FIRST AMENDMENT

Mr. COPELAND obtained the floor.

Mr. KING. Mr. President, will the Senator yield to me to have disposed of a very important matter which has to go to the other House?

Mr. COPELAND. I yield.

Mr. KING. Mr. President, several weeks ago the Senate passed House bill 8368, being Calendar No. 1792. When the bill came to the Senate it was referred to the Committee on the Judiciary. That committee reported the bill unanimously. Within a day or two after it was passed, at the request of the Treasury Department, I moved to reconsider the vote by which it was passed, because the Department desired to have an amendment adopted. Furthermore, there was before the Senate what was known as the liquor bill, which contained some provisions that might conflict with House bill 8368. Therefore, I move to reconsider the vote by which the House bill was passed. That motion is pending now, and I ask that it be put.

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah to reconsider the votes by which the bill (H. R. 8368) to enforce the twenty-first amendment was ordered to a third reading, read the third time, and passed.

The motion was agreed to.

Mr. KING. I now ask that the Senate proceed to the consideration of the bill.

There being no objection, the Senate proceeded to consider the bill (H. R. 8368) to enforce the twenty-first amendment.

Mr. KING. Mr. President, I will state that it is a bill to enforce the twenty-first amendment to the Constitution, so that the laws of the States in regard to the transportation and sale of intoxicating liquors may be recognized by the Federal Government, and that the Government may aid the States in enforcing them.

I offer the amendments which I send to the desk, many of which are merely clerical in character.

The PRESIDING OFFICER. The Senator from Utah sends to the desk a series of amendments to House bill 8368. Without objection, the amendments will be considered en bloc and will be stated by the clerk.

The LEGISLATIVE CLERK. The amendments proposed by Mr. KING are as follows:

On page 1, line 4, strike out "1935" and insert "1936."

On page 2, line 10, strike out "attempts" and insert "attempt."

On page 2, beginning with line 18, strike out down to and including line 23 and in lieu thereof insert the following:

"(b) In order to determine whether anyone importing, bringing, or transporting intoxicating liquor into any State, or anyone

attempting so to do, or assisting in so doing, is acting in violation of the provisions of this act, the definition of intoxicating liquor contained in the laws of such State shall be applied, but only to the extent that sales of such intoxicating liquor (except for scientific, sacramental, medicinal, and mechanical purposes) are prohibited in such State."

On page 3, strike out lines 9 to 15, both inclusive.

On page 3, line 16, strike out "6" and insert "5."

On page 3, line 18, strike out "18 U. S. C." and insert "U. S. C., 1934 ed., title 18."

On page 3, beginning with line 20, strike out down to and including line 9 on page 4, and in lieu thereof insert the following:

"The Secretary of the Treasury is authorized to confer and impose upon the Commissioner of Internal Revenue and any of his assistants, agents, or employees, and upon any other officer, employee, or agent of the Treasury Department, any of the rights, privileges, powers, duties, and protection conferred or imposed upon the Secretary of the Treasury or any officer or employee of the Treasury Department by this act or by any law now or hereafter in force relating to the taxation, importation, exportation, transportation, manufacture, possession, or use of, or traffic in, distilled spirits, wine, fermented liquors, or denatured alcohol."

On page 4, line 13, strike out "7" and insert "6."

On page 4, lines 13 and 14, strike out "18 U. S. C." and insert "U. S. C., 1934 ed., title 18."

On page 5, line 9, strike out "8" and insert "7."

On page 5, line 9, strike out "18 U. S. C." and insert "U. S. C., 1934 ed., title 18."

On page 6, line 7, strike out "9" and insert "8."

On page 6, line 7, strike out "18 U. S. C." and insert "U. S. C., 1934 ed., title 18."

On page 6, lines 22, 23, and 24, strike out "the quantity contained therein, and the percentage of alcoholic content by volume of such liquor or compound," and in lieu thereof insert the following: "and the quantity contained therein."

On page 7, line 6, strike out "10" and insert "9."

On page 7, lines 8 and 9, strike out "(39 Stat. 1069; 18 U. S. C., sec. 341), as amended," and in lieu thereof insert a comma and the following: "approved March 3, 1917, as amended (U. S. C., 1934 ed., title 27, sec. 123)."

On page 7, line 10, strike out "11" and insert "10."

On page 7, line 14, strike out "12" and insert "11."

On page 7, line 19, strike out "13" and insert "12."

The PRESIDING OFFICER. The question is on agreeing to the amendments presented by the Senator from Utah.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. KING. Mr. President, I ask permission to have inserted in the RECORD at this point a memorandum explaining the purposes of the bill.

There being no objection, the memorandum was ordered to be printed in the RECORD as follows:

MEMORANDUM CONCERNING THE PURPOSE OF THE BILL (H. R. 8368) TO ENFORCE THE TWENTY-FIRST AMENDMENT

The purpose of the bill is to protect "dry" States against the importation of intoxicating liquors. The heart of the bill is section 3, which makes it a Federal offense for anyone to bring intoxicating liquor into a "dry" State (1) if the State prohibits all importation of intoxicating liquor, or (2) if the liquor is not accompanied by such permit as may be required by the laws of the State in cases where the State permits the importation of intoxicating liquor for scientific, sacramental, medicinal, or mechanical purposes. For the purposes of the section a "dry" State is one which prohibits all sales (except for scientific, sacramental, medicinal, or mechanical purposes) of intoxicating liquor containing more than 4 percent of alcohol by volume (3.2 percent by weight), and the section is not applicable to other States. The States' definition of intoxicating liquor is to be applied in determining when there is a violation of the act.

Section 4 contains forfeiture provisions and section 6 administrative provisions for the enforcement of the act.

The bill amends sections 238, 239, and 240 of the Criminal Code to change the references to "intoxicating liquor" to "spirituous, vinous, malted, and other fermented liquor" to remove the necessity of arguing in each case what constitutes intoxicating liquor.

Section 10 repeals the so-called "Reed amendment" which on January 11, 1934, was amended to read as follows:

"SEC. 5. Whoever shall order, purchase, or cause intoxicating liquors to be transported in interstate commerce, except for scientific, sacramental, medicinal, and mechanical purposes, into any State, Territory, or the District of Columbia, the laws of which prohibit the manufacture or sale therein of intoxicating liquors for beverage purposes, shall be fined not more than $1,000 or imprisoned not more than 6 months, or both; and for any subsequent offense shall be imprisoned not more than 1 year."

PRINTING OF DEMOCRATIC PLATFORM AND ADDRESSES

Mr. HAYDEN. Mr. President, the address of the permanent chairman of the Republican convention held at Cleveland last week has been printed in the CONGRESSIONAL RECORD. I ask unanimous consent that there may be incorporated in the RECORD the speeches of the temporary and permanent chairmen and the platform of the Democratic Party which will be adopted at its convention to be assembled in Philadelphia next week; also, nominating speeches and the acceptance speeches of the Democratic nominees, together with certain newspaper and magazine articles and other data.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COPIES OF REPORT OF SELECT COMMITTEE INVESTIGATING OLD-AGE-PENSION PLANS AND ORGANIZATIONS

Mr. HAYDEN, from the Committee on Printing, to which was referred House Concurrent Resolution 56, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for the use of the select committee of the House of Representatives appointed to inquire into old-age pension plans and organization not to exceed 200,000 additional copies of House Report No. 1, Seventy-fifth Congress; and that, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the aforesaid committee be, and is hereby, authorized and empowered to have printed for its use 10,000 additional copies of the hearings held before said committee during the current session pursuant to the resolution (H. Res. 443) authorizing the appointment of a Select Committee to Inquire Into Old-Age Pension Plans with respect to pending legislation.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolutions:

S. 4512. An act to amend section 641 of the Code of Law for the District of Columbia;

S. 4568. An act to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia;

S. J. Res. 241. Joint resolution to declare December 26, 1936, a legal holiday in the District of Columbia;

S. J. Res. 272. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937;

S. J. Res. 273. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes; and

S. J. Res. 280. Joint resolution to ratify and confirm the appointment of Isaac Gans as a member of the Alcoholic Beverage Control Board of the District of Columbia.

The message also announced that the House had agreed to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5368) to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes.

The message further announced that the House had passed a bill (H. R. 12324) to amend section 723 (a) of the Revenue Act of 1932, as amended, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a concurrent resolution (H. Con. Res. 60), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H. R. 12624, to amend the matter agreed to by both Houses in connection with Senate amendment no. 14, as follows:

Insert in such matter, after the figures "1936", the following: "including payment of salaries and expenses heretofore incurred in preparing to carry out the provisions of such act."

NAVIGATION FACILITIES ON COLUMBIA RIVER

Mr. BONE. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. Mr. President, does the Senator from Washington wish to take any time?

Mr. BONE. I desire to submit a request. I do not know that it will receive the friendly attention which I think it deserves. However, I desire to submit it.

I ask unanimous consent that the pending unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 2395, being the bill (S. 4695) to authorize completion, maintenance, and operation of certain facilities for navigation on the Columbia River, and for other purposes. This is known as the Bonneville project.

I am impelled to make the request only because of the imminent necessity for action on the bill. It is a bill introduced by the four Senators from the two Northwestern States of Oregon and Washington.

The Bonneville project is nearing completion. To all intents and purposes it is an accomplished fact. I feel we are going to make a mistake—not necessarily a political mistake but a practical business mistake—as representatives of the Government and the people if we leave here without doing something to make possible the operation of that great project. No other suggestion has been made save the bill to which I have referred. There cannot very well be any objection to the operating of the plant on the Columbia River. It should not lie idle. I am submitting the request for the consideration of my fellow Senators with the hope that we will not leave here and go home and allow this great project in the Northwest to remain dead and sterile.

I ask unanimous consent that the bill be disposed of at this time. It could be done, I believe, in 2 or 3 minutes. I understand the Senator from Rhode Island [Mr. GERRY] is not going to raise any further objection to it. I believe he objected when the bill was called on the calendar this morning.

The bill has been reported favorably by the Committee on Commerce. There were one or two small amendments tendered in committee, and I believe the Senator from Wyoming [Mr. O'MAHONEY] has an amendment which he wishes to tender from the floor.

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Is there objection to the request of the Senator from Washington?

Mr. COPELAND. Mr. President, I know of the great anxiety of the four Senators referred to—the two Senators from Washington [Mr. BONE and Mr. SCHWELLENBACH] and the two Senators from Oregon [Mr. MCNARY and Mr. STEIWER]—to have the bill passed. I may say that I received a letter from the President of the United States urging that the bill be enacted. The bill was referred to the committee of which I have the honor to be chairman.

But, Mr. President, in justice to another matter which is of vital importance, as I view it, I could not consent to lay aside the pending unfinished business for any measure, no matter what it is, that might lead to debate.

Mr. BONE. Mr. President, if it becomes obvious to my good friend from New York that there is to be no debate—and there seems to be no one present on the floor to debate it—would he yield long enough to have the bill passed?

Mr. COPELAND. I would gladly yield that long if there should be no debate.

Mr. BONE. We in the northwestern section of the country are anxious that the field be open so the Government may let some contracts on this plant. As I look around the Senate Chamber I see no evidence of any possible debate on the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. COPELAND. I dislike very much to be disagreeable, but I ask the Senator to withhold his request for the time being. Let us get started on the consideration of the unfinished business.

Mr. SCHWELLENBACH. Mr. President, would the Senator be willing to agree, if we can dispose of the bill in not more than 5 minutes, to yield for that length of time only?

Mr. COPELAND. I could not resist such a request, of course.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. MCNARY. Mr. President, when this bill was called on the calendar this morning, the Senator from Pennsylvania [Mr. DAVIS] and the Senator from Rhode Island [Mr. GERRY] objected. I do not see either Senator present at the moment. I think we should have a quorum call so that we may not appear to be taking advantage of any absent Members. I hope that may be done before we proceed to the consideration of the bill.

When the Senator from Washington was absent this morning I asked for the passage of the bill, and the Senator from Rhode Island [Mr. GERRY] objected to its consideration. He is absent from the Chamber. The Senator from Pennsylvania [Mr. DAVIS] was on his feet ready to object, and he is absent. Would the Senator be willing to withhold the request until they return to the floor?

Mr. BONE. In order to get action, I suggest to the Senator from Oregon and the other Senators present that we pass the bill, and then I shall not make any objection if there is a demand for reconsideration. We might pass the bill with the idea that if there is any objection we may reconsider it. I wish to get some action on it.

Mr. MCNARY. I am quite as anxious for action on the bill as my colleagues with whom I have conferred and collaborated on the bill, but I never wish to have bills taken up in the absence of objectors. I always cling to that rule, because it is bottomed in fairness.

Mr. COPELAND. Mr. President, I shall object.

Mr. MCNARY. If the matter is to be presented, I shall suggest the absence of a quorum, and then I shall join my colleagues from Washington in asking these Senators to withhold their objection.

The PRESIDING OFFICER. The Senator from New York objects.

Mr. BONE. Mr. President, I merely wish to say for the purpose of the RECORD, so that my own record in this matter may be clear and plain, that I am going back to the West with the RECORD showing that I have made every legitimate effort I could make to secure action on this bill. I was very hopeful that we might have action at this time, because, obviously, if action cannot be taken today, I feel, as do my colleagues here, that it will be impossible to accomplish any action on the bill at this session.

Mr. MCNARY. Mr. President, I wish to add the observation that the Senator from Washington has been ever alert in trying to bring up the bill, as, I think, has the Senator from Oregon. I hope that when we get away from the consideration of the calendar by unanimous consent we may have an opportunity to bring up the bill, make it the unfinished business, and pass it; or, during the afternoon, if the Senator from Washington will renew his request when the Senator from Pennsylvania and the Senator from Rhode Island are on the floor, I hope we may then dispose of the billl.

Mr. COPELAND. Mr. President, I ask the Chair whether there are any further conference reports which have not been handed down.

Mr. BORAH. There is another conference report which will be called up shortly.

Mr. O'MAHONEY. Mr. President, if the Senator from New York will yield to me, I send to the desk, to await consideration when the measure is up, an amendment which I intend to propose to Senate bill 4695.

PROMOTION OF GENERAL WELFARE OF OKLAHOMA INDIANS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2047) to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes, which was, to strike out all after the enacting clause and insert:

That the Secretary of the Interior is hereby authorized, in his discretion, to acquire by purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing Indian reservations, including trust or otherwise restricted lands now in Indian ownership: *Provided*, That such lands shall be agricultural and grazing

lands of good character and quality in proportion to the respective needs of the particular Indian or Indians for whom such purchases are made. Title to all lands so acquired shall be taken in the name of the United States, in trust for the tribe, band, group, or individual Indian for whose benefit such land is so acquired, and while the title thereto is held by the United States said lands shall be free from any and all taxes, save that the State of Oklahoma is authorized to levy and collect a gross-production tax, not in excess of the rate applied to production from lands in private ownership, upon all oil and gas produced from said lands, which said tax the Secretary of the Interior is hereby authorized and directed to cause to be paid.

SEC. 2. Whenever any restricted Indian land or interests in land, other than sales or leases of oil, gas, or other minerals therein, are offered for sale, pursuant to the terms of this or any other act of Congress, the Secretary of the Interior shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians of the same or any other tribe, at a fair valuation to be fixed by the appraisement satisfactory to the Indian owner or owners, or if offered for sale at auction said Secretary shall have a preference right, in his discretion, to purchase the same for or in behalf of any other Indian or Indians by meeting the highest bid otherwise offered therefor.

SEC. 3. Any recognized tribe or band of Indians residing in Oklahoma shall have the right to organize for its common welfare and to adopt a constitution and bylaws, under such rules and regulations as the Secretary of the Interior may prescribe. The Secretary of the Interior may issue to any such organized group a charter of incorporation, which shall become operative when ratified by a majority vote of the adult members of the organization voting: *Provided, however,* That such election shall be void unless the total vote cast be at least 30 percent of those entitled to vote. Such charter may convey to the incorporated group, in addition to any powers which may properly be vested in a body corporate under the laws of the State of Oklahoma, the right to participate in the revolving credit fund and to enjoy any other rights or privileges secured to an organized Indian tribe under the act of June 18, 1934 (48 Stat. 984): *Provided,* That the corporate funds of any such chartered group may be deposited in any national bank within the State of Oklahoma or otherwise invested, utilized, or disbursed in accordance with the terms of the corporate charter.

SEC. 4. Any 10 or more Indians, as determined by the official tribal rolls, or Indian descendants of such enrolled members, or Indians as defined in the act of June 18, 1934 (48 Stat. 984), who reside within the State of Oklahoma in convenient proximity to each other may receive from the Secretary of the Interior a charter as a local cooperative association for any one or more of the following purposes: Credit administration, production, marketing, consumers' protection, or land management. The provisions of this act, the regulations of the Secretary of the Interior, and the charters of the cooperative associations issued pursuant thereto shall govern such cooperative associations: *Provided,* That in those matters not covered by said act, regulations, or charters, the laws of the State of Oklahoma, if applicable, shall govern. In any stock or nonstock cooperative association no one member shall have more than one vote, and membership therein shall be open to all Indians residing within the prescribed district.

SEC. 5. The charters of any cooperative association organized pursuant to this act shall not be amended or revoked by the Secretary except after a majority vote of the membership. Such cooperative associations may sue and be sued in any court of the State of Oklahoma or of the United States having jurisdiction of the cause of action, but a certified copy of all papers filed in any action against a cooperative association in a court of Oklahoma shall be served upon the Secretary of the Interior, or upon an employee duly authorized by him to receive such service. Within 30 days after such service or within such extended time as the trial court may permit, the Secretary of the Interior may intervene in such action or may remove such action to the United States district court to be held in the district where such petition is pending by filing in such action in the State court a petition for such removal, together with the certified copy of the papers served upon the Secretary. It shall then be the duty of the State court to accept such petition and to proceed no further in such action. The said copy shall be entered in the said district court within 30 days after the filing of the petition for removal, and the said district court is hereby given jurisdiction to hear and determine said action.

SEC. 6. The Secretary is authorized to make loans to individual Indians and to associations or corporate groups organized pursuant to this act. For the making of such loans and for expenses of the cooperative associations organized pursuant to this act, there shall be appropriated, out of the Treasury of the United States, the sum of $2,000,000.

SEC. 7. All funds appropriated under the several grants of authority contained in the act of June 18, 1934 (48 Stat. 984), are hereby made available for use under the provisions of this act, and Oklahoma Indians shall be accorded and allocated a fair and just share of any and all funds hereafter appropriated under the authorization herein set forth: *Provided,* That any royalties, bonuses, or other revenues derived from mineral deposits underlying lands purchased in Oklahoma under the authority granted by this act, or by the act of June 18, 1934, shall be deposited in the Treasury of the United States, and such revenues are hereby made available for expenditure by the Secretary of the Interior for the acquisition of lands and for loans to Indians in Oklahoma as authorized by this act and by the act of June 18, 1934 (48 Stat. 984).

SEC. 8. This act shall not relate to or affect Osage County, Okla.

SEC. 9. The Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act. All acts or parts of acts inconsistent herewith are hereby repealed.

Mr. THOMAS of Oklahoma. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

HOUSE BILLS PLACED ON THE CALENDAR

Mr. THOMAS of Oklahoma. Mr. President, the House has passed two Indian bills that have the approval of both the Budget Bureau and the Bureau of Indian Affairs, which means the Secretary of the Interior. These bills were passed by the House on the 15th of June, and there has been no chance for the Senate committee to consider them. Inasmuch as they deal with purely administrative matters, I ask unanimous consent that the Committee on Indian Affairs be discharged from their further consideration, and that they be placed on the calendar. One is House bill 11221, to amend the last two provisos, section 26, act of Congress approved March 3, 1921 (41 Stat. L. 1225–1248). The other is House bill 11800, to reimpose a trust on certain lands allotted on the Yakima Indian Reservation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

THE MERCHANT MARINE

The Senate resumed the consideration of the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes.

Mr. COPELAND. Mr. President, in order that the Senate may be fully advised as to the legislative situation, let me say that we have voted to proceed to the consideration of House bill 8555, Calendar No. 1275.

A long time ago—indeed, it was last year—the Senate Committee on Commerce reported out House bill 8555, with an amendment in the form of a substitute; so the present bill contains the amendment which last August was considered to be an appropriate one.

Since that time the Senate committee has reported another merchant-marine bill, Calendar No. 1799, Senate bill 3500. That, too, is on the calendar.

Then our colleague from Vermont [Mr. GIBSON] presented a ship subsidy bill as a substitute for everything on the calendar.

Then our colleague from Pennsylvania [Mr. GUFFEY] presented for the consideration of the Senate another substitute.

Mr. BORAH. Mr. President, will the Senator from New York state which bill he would advise me to look at in order to know what we are considering?

Mr. COPELAND. I was saying that we could not consider all these bills, and finally the Senators from Vermont and Pennsylvania and myself agreed to see if we could reconcile our differences and present a bill in the name of all of us who have been particularly interested; so we are asking the Senate to give consideration to a bill given the designation "Committee print, June 13, 1936." I think the Senator will find a copy of it upon his desk.

Mr. BORAH. What is the number of the bill?

Mr. COPELAND. House bill 8555. It bears at the top the words "Committee print", and below, in small type, "June 13, 1936." That is the measure which we are presenting for the consideration of the Senate today, and which we hope may receive the support of the Senate.

I wish to say for the latest substitute bill that in my opinion, and in the opinion of experts with whom I have consulted, the present form is by all odds the best bill which has been studied by the Senate. So I hope the clerk has before him the committee print to which I have referred—that of June 13, 1936—and which, if it is favorably received by the Senate, we shall ask to substitute for everything else before us, and for the House print.

Before asking the clerk to proceed to read the bill, let me attempt in a brief way to explain it.

Mr. McNARY. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

This is a very important matter, and I think we should have a quorum here to listen to the able Senator from New York.

Mr. COPELAND. I yield for that purpose.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Loftin	Robinson
Bachman	Copeland	Lonergan	Russell
Bailey	Couzens	Long	Schwellenbach
Barbour	Davis	McAdoo	Sheppard
Barkley	Dieterich	McGill	Shipstead
Benson	Duffy	McKellar	Smith
Bilbo	Frazier	McNary	Steiwer
Black	George	Maloney	Thomas, Okla.
Bone	Gerry	Metcalf	Thomas, Utah
Borah	Gibson	Minton	Townsend
Brown	Glass	Moore	Truman
Bulkley	Guffey	Murphy	Tydings
Bulow	Hale	Murray	Vandenberg
Burke	Harrison	Neely	Van Nuys
Byrd	Hastings	Norris	Wagner
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Pittman	
Carey	King	Pope	
Chavez	La Follette	Radcliffe	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, there is a quorum present.

Mr. COPELAND. Mr. President, there have been many great men in the Senate, but there was in this body a man who for some reason or other came to take a special interest in the welfare of seamen. If I could have erected to me a monument such as the late Senator La Follette built for himself in the way of legislation, I can think of no other which would so appeal to me as that particular kind of a monument. Senator La Follette succeeded in having enacted into law a measure for the protection of American seamen, a measure which was, in my judgment, one of the most humanitarian ever enacted by the Congress.

It was the aim of the great Senator from Wisconsin to have American workmen upon the seven seas given the same privileges and the same advantages which workmen have upon the land, if that result could be accomplished by legislation. It has not been possible always for the seamen to have all the privileges and advantages which Senator La Follette intended they should have. There have been persistent violations of the Seamen's Act. There has been a tendency on the part of shipowners and operators to "chisel" a bit, to use a modern term. Even our immigration laws have been evaded. There have been employed upon the high seas men serving upon the various vessels who were, under the terms of our law, improperly there. Our own American seamen were disregarded and, in many instances, foreigners with no interest whatever in the United States, with no devotion whatever to the American flag, were given places which should have been filled by loyal, patriotic Americans.

Mr. President, if there is one place, if there is one institution under the American flag which should be under the domination and control of loyal, patriotic Americans it is a vessel upon the high seas. There may be labor disputes in a factory; there may be disturbances somewhere on land; but by reason of the activities of the police force or the peace officers, or perhaps moral suasion coming from the homes and the wives of the employees there is always a way to make certain that no great harm shall take place in one of our institutions on the land. However, when it comes to a vessel upon the high seas every passenger, every person upon that vessel is at the mercy of the sailors, of the officers, of those in command of the ship. Because of this it is essential, if we are to operate ships, to have them operated by a satisfied, contented, well-fed, well-housed, and well-cared-for crew. Every Senator has read of strikes upon ships. The charge of piracy has been heralded abroad. I am not entering at all into the merits of any of these disputes; I am not qualified to deal with them; but as one who has crossed the ocean many times I have always realized how essential it is that those who command and serve upon our ships should be dependable persons.

The Congress has always recognized that if American operators are successfully to compete in the commerce of the world there must be some assistance given to the owners and operators of the ships, otherwise those who sail the seas under the American flag will be forced to live in the crowded quarters, with a lack of air space, with a lack of ventilation, with the vile food and the ill treatment which are meted out to the sailors of many vessels upon the seas. We do not want our seamen to be forced to compete in respect of those human things which we hold so dear to America, and which cost so little, as the Senator from Pennsylvania (Mr. DAVIS) adds—a cost so small that we can ill afford and are quite unwilling to fail to give them.

Mr. President, the entire whole problem of shipping, with the competition between American shipping and foreign shipping, begins in the shipyard. It costs twice as much in general—perhaps that is a little bit extravagant, but it is not far from the truth—it costs twice as much to build a steamship in an American yard as it does in a foreign yard. Take a blue print for a great passenger ship or combination passenger and freight ship. Submit that blue print with the specifications to American builders and to foreign builders—and what I am suggesting has been done repeatedly—and it will be found that the identical ship which will cost $1,000,000 in an American yard can be built in a foreign yard for half a million dollars. Why is that? It is because the American carpenter gets higher wages; it is because the American steel worker receives higher wages; it is because the American miner who digs the iron ore out of the ground receives higher wages; it is because the American miner who digs the coal with which to smelt the iron receives higher wages. All the equipment going into a vessel—the furniture, the curtains, the linen, everything, the carpets upon the floor, the rugs in the cabins, all cost twice as much in the United States as in Europe.

Mr. President, there is no patriotism in dollars. Just think of that for a moment. If a man has $25,000, or if a corporation has $50,000, and decides to enter the ship-operation business, the money is going to be expended where the spender can get most for his money. We have long recognized in America that if we are to have American-built ships, there must be found some sort of subsidy or bounty or bonus—some sort of financial aid.

I was a party to the enactment of the Jones-White Act of 1928. That act provides for loans to those who build ships. It provides for the carriage of the mails at excessive rates. We attempted to make it appear that the money was to be spent for services rendered. That argument was pretty far-fetched, except so far as it succeeded in providing American service for work which otherwise would be done by foreigners. However, we entered into this arrangement for ocean-mail contracts. They amounted to from twenty to thirty million dollars a year. Those mail contracts were quite distressing to many Members of the Senate. I can recall many debates in the Appropriations Committee, as I dare say my friend from Tennessee [Mr. McKELLAR] can when we discussed the question of continuing these mail contracts.

Mr. McKELLAR. I certainly can.

Mr. COPELAND. However, in good faith, the contracts were entered into between the United States Government, represented by the Post Office Department, and the different shipping lines for the carriage of the mail. It has been often said here that for a much less sum a year the mail could have been carried. Nevertheless, the contracts were made, and they are in existence today; they are legal contracts; and, from the appropriations for the Post Office, the money was paid to liquidate the debts upon the ships and to make up the difference between the cost of American and foreign ship operation.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from New York yield to the Senator from Tennessee?

Mr. COPELAND. I yield.

Mr. McKELLAR. The Senator mentioned the amount appropriated in the Post Office and Treasury Departments appropriation bill and how much of it really went for the cost of transporting the mails and how much was subsidy. I think a fair illustration is the appropriation for the coming fiscal year, which is $26,500,000, whereas it is estimated—and the estimate is believed to be accurate—that four and a half million dollars is ample to pay the entire cost of carrying the mail on ocean vessels, and that $22,000,000 is the cost of the subsidy. The question that I should like to ask is, What is going to be the subsidy under the bill now presented by the Senator from New York?

Mr. COPELAND. I am glad to answer that question, perhaps, at some length, if the Senator will permit me to do so. The Senator from Tennessee, who has been a deep student of this subject, is entirely correct when he says that the difference between the actual cost of carrying the mail and the subsidy paid is about $22,000,000; that is to say, with four and a half million dollars the Postmaster General could transport the mail on foreign ships and they would be glad to perform the service at that price.

Mr. McKELLAR. Or on American ships. I think American ships carried quite a large portion of the mail—my recollection is more than 50 percent of it—before the subsidy was paid.

Mr. COPELAND. In the old days, of course, the Government paid a very much higher rate for the carriage of the mail.

Mr. BORAH. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield.

Mr. BORAH. What provision is there in this bill with reference to the manner of settling claims arising under the ocean-mail contracts?

Mr. COPELAND. This bill provides for setting up the maritime commission of five men, the commission to have 1 year in which to negotiate settlements with the various persons holding contracts, and, under the terms of the bill, the commission are under the obligation to proceed as expeditiously as possible. If the maritime commission cannot negotiate settlements, they may tender what they believe to be the proper amount by way of settlement to wipe out the contracts, and if the contractor or the operator is not satisfied he can go into the Court of Claims and ascertain if he has any excuse for claiming and receiving any further sum.

Mr. BORAH. Suppose the commission proposed to be created by the bill make a settlement, is there any other tribunal to which the Government may appeal for the correction of any settlement which it may consider to be excessive?

Mr. COPELAND. I think not. I assume that the commission itself is an arm of the Government.

It was suggested to me a few moments ago by the Senator from Montana [Mr. WHEELER] that a better way to provide for adjustments would be to permit the entire problem to be submitted to the Court of Claims.

Mr. BORAH. I agree with that suggestion.

Mr. COPELAND. And that the Court of Claims should determine the question. I am not interested in that, and I am not competent, as is the Senator, to judge whether or not that would be wise, but I should have no objection to it. I do not care how it is done; my anxiety is to get rid of the contracts as cheaply and as decently as possible.

Mr. BORAH. It would seem to me that the Court of Claims would be a more desirable tribunal than the commission which is proposed to be created by the bill.

Mr. COPELAND. I would appreciate it very much, as I know the Senator from Vermont [Mr. GIBSON] and the Senator from Pennsylvania [Mr. GUFFEY] would, if the Senator from Idaho, perhaps in conjunction with the Senator from Montana [Mr. WHEELER], would suggest language to cover the points in question.

Mr. BORAH. When the Senator from Montana comes to the floor I will consult with him about it.

Mr. McKELLAR. Mr. President, may I ask the Senator from New York a question?

Mr. COPELAND. Certainly.

Mr. McKELLAR. I have not had an opportunity to examine the last subsidy bill which is now pending before the Senate; I am told it is far preferable to the bill which was originally reported; but what becomes under this proposed substitute of the 39—I think there were 39——

Mr. COPELAND. Forty-two.

Mr. McKELLAR. Yes; 42 contracts which have already been entered into and which have not as yet expired? As I recall, the Postmaster General made a report holding that most of those contracts were null and void, or else they had been improperly entered into, and he recommended their cancelation.

Some years ago, in my own examination of the same matter, looking at the contracts as a lawyer, and the evidence connected with them—and there was a vast amount of it, as the Senator will recall—I came to the conclusion that about 39 out of the 42 contracts were void. What really becomes of those contracts? Is it proposed to cancel them all and start over again, or how is the matter taken care of in the bill?

Mr. COPELAND. If I may enlarge a little upon the matter in my answer, the Senator will recall that in the independent offices appropriation bill of 1933—I think it was—we gave the President a year within which to cancel or modify the contracts. The time passed and after long delay, as will be recalled, Congress extended the time. There was a further extension after that. So that the time of cancelation was finally continued up to the first of March of the present year.

Mr. McKELLAR. That is correct.

Mr. COPELAND. The remarkable thing about it is that the able Senator from Alabama [Mr. BLACK], chairman of a committee of which, I think, the Senator from Tennessee was a member——

Mr. McKELLAR. No. My recollection is that it was a special or select committee of the Senate of which the Senator from Alabama was the chairman. I was not a member of that committee.

Mr. COPELAND. But the committee was under the able chairmanship of the Senator from Alabama. It is perfectly apparent from the reports that that committee reached the same conclusion that the Senator from Tennessee had reached, namely, that these contracts were illegal.

Mr. McKELLAR. Thirty-eight or thirty-nine of them, as I recall, were illegal. I made a report in another connection, I think as a member of the Committee on Post Offices and Post Roads, which had the same matter under consideration for a while. In the report submitted by me, I came to the conclusion that at least 38 of the contracts, and possibly 39, were void for fraud or for other reasons.

Mr. COPELAND. We are reminded of Ivory soap, which is 99.44 percent pure. I suppose it was the attitude of the Senator from Tennessee that the contracts were 99.9 percent impure?

Mr. McKELLAR. That is correct.

Mr. COPELAND. But, anyway, it was the consensus of opinion of many who studied the matter that most of the contracts were not legal contracts. The fact remains, however, that the President never saw fit to cancel them. The contracts were called to the attention of the Comptroller General, and, in a formal statement, he expressed the opinion that they were lawful contracts. The Department of Justice never proceeded in the matter. I am not interested in whether they were legal or not legal. I know that whether or not these contracts are legal, it is a bad system. The lump-sum system is always bad. A ship contractor was given, we will say, $3,000,000. He did not have to account for what he did with the $3,000,000. He could have paid it out, and doubtless did in many instances, for high salaries for officials. He may have built a hotel with it somewhere.

Mr. McKELLAR. And in some cases he did. I think in several instances hotels were built.

Mr. COPELAND. I have a rather hazy idea that that was done.

Mr. McKELLAR. The record so shows.

Mr. COPELAND. At any rate, that is not the purpose for which we gave the money. We gave the money in the first place to help the operator to pay his debt upon the ship. We were generous with him. We loaned him 75 percent of the cost and he paid the other 25 percent of the cost. We gave him 20 years in which to pay the balance and he was supposed to take from the lump sum sufficient money with which to pay the interest and curtail the principal.

Mr. McKELLAR. While we required him to pay only 25 percent on long-time terms, my recollection is that the last records the Congress secured about it showed that substantially none of the 25 percent had ever been repaid.

Mr. COPELAND. We must be fair about it. The Senator from Mississippi [Mr. BILBO] went into the matter in great detail before the committee. As a matter of fact, the shipping concerns have paid us a surprising amount of money. Most of it was interest, but something was paid on the principal. It is amazing to contemplate how few of the loans are today in default, though some of them are.

But, as I said, I am not interested in the past. I was enthusiastically for that bill in 1928. I had a right to be enthusiastic over any prospect that would lead to the construction of ships. When the World War came on we had 15 ships in transoceanic service, and that was all. If it had not been for the providence of God that in our ports were great ships such as the *Leviathan*, then a German ship, no one knows what might have happened to us. Seventy-five thousand of the American expeditionary forces, 75,000 of the first men to go abroad, were carried by the *Leviathan*, a German ship. We had no shipping. Throughout the war we spent billions of dollars in hasty construction of ships, many of which are not worth the powder to blow them up at the present time.

Those of us who were sea-minded were anxious that such a thing should never happen again, but that we should have a fleet of merchant ships. We found this way and hoped that out of it would come the building up of a fleet. I dare say there are other things in addition to the vicious system itself which operated to defeat the carrying out of the project. We had the depression and we have had agitation for years as to a policy. There has been great uncertainty on the part of shipping men as to whether we really intended to proceed.

But that is in the past. That is water over the mill. What can we do now to build up and operate an American merchant marine? There are two or three possibilities. If this bill fails of passage and the Post Office appropriation bill does not have returned to it the $22,000,000 referred to by the Senator from Tennessee [Mr. McKELLAR], then on the 1st of July practically every shipping line in the country will be in bankruptcy.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield further to the Senator from Tennessee?

Mr. COPELAND. Certainly.

Mr. McKELLAR. I may say to the Senator that the conference committee on the Post Office Department appropriation bill have agreed to include the entire $26,500,000 for the ensuing fiscal year, with a specific statement in the bill that $4,500,000 is to be used for conveying foreign mails and $22,000,000 is actually to be devoted as a subsidy and is hereafter not to be charged to the Post Office Department for the carrying of the mails. In other words, while the conferees have permitted the entire amount to be retained, they have made it perfectly clear that at least $22,000,000 of the amount is a pure unadulterated gift by the Government to the owners of the contracts, or the alleged contracts, which I think are void. There can be no question about it being a subsidy. It is not chargeable to the carriage of the mail.

Mr. COPELAND. I thank the Senator. He is giving me information I did not previously possess. Of course that is a subsidy. The conferees have reached the only logical and sensible conclusion they could possibly have reached, in my opinion, because the $22,000,000 will be needed either to perpetuate and carry on the old system or to inaugurate a new one. The Congress has not faced the question of whether it will have a shipping bill, and spend money to build up shipping through its operation, or the saving of the $22,000,000, because it is going to expend the $22,000,000, anyway. With that amount of money, and less than that amount, in my opinion, we could carry out the provisions of the pending bill.

Mr. McKELLAR. The Senator has not as yet reached my question, which was whether the bill proposes to operate through the same contractors who now have the doubtful contracts with the Government.

Mr. COPELAND. The bill would give very wide powers to the maritime authority or commission. They may or may not enter into new contracts. I desire to be perfectly frank with the Senator, and I would not wish to mislead him. I am assuming they would deal with many of the present corporations now receiving benefits.

Mr. McKELLAR. Are there to be new contracts?

Mr. COPELAND. Yes; there are to be new contracts.

Mr. McKELLAR. In other words, the present contract, about which there has been so much controversy as to its validity, is to be done away with and the commission proposed to be created will advertise and enter into new contracts?

Mr. COPELAND. That is correct.

As I told the Senator from Tennessee, I do not wish to deceive or mislead him. I have no question that the corporations, to which he has referred, will be among those—perhaps the leading ones, perhaps the only ones—to apply for this new relief. But an entirely different condition exists under the present law, because under the present law they are given a lump sum, and they may do with it as they please. They may spend it as has been suggested; but under the proposed law, disregarding the construction feature for the moment, and considering only the operating differential, they may spend the money only for the added cost of wages, of subsistence, and of materials, which cost must be demonstrated to the authorities to be the actual truth. Their accounts are to be audited, and they are not to have a single penny unless they can show the auditors that they are justified in receiving that operating differential.

Mr. McKELLAR. Mr. President, I notice on page 26 of the substitute, under title IV, "Ocean-mail contracts", section 401, the following:

> No contract heretofore made by the Postmaster General, pursuant to the provisions of the Merchant Marine Act of 1928, for the carriage of mail, shall be continued in effect after June 30, 1937, and after that date it shall be unlawful for any officer of the United States to pay from any public funds any compensation to the holder of such contract for services thereunder, except for such voyages as were completed prior to the expiration date herein fixed and for voyages commenced prior to said expiration date and which shall not have been completed prior to said expiration date.

I judge from that language that these contracts are to become absolutely null and void after June 30, 1937, which is a little more than a year from now, and that the subsidies will be paid to the shipowners on a plan to be established by the commission, and that it will have nothing in the world to do with carrying the mails.

Mr. COPELAND. The Senator is entirely correct. He has stated the situation exactly as it is.

Mr. President, I do not know how much I need to say. I do not wish to say anything more than is necessary. I have already indicated that there are to be five members of the maritime commission, not more than three of them from one political party. The existing regulatory powers and all the Shipping Board properties are to be transferred to the maritime commission. The bill provides for a construction fund; and, as the Senator from Tennessee has just said, it prohibits further loans under the act of 1928.

As I said at the outset, to my mind, one of the appealing things about the bill—and I think we were inspired by the attitude of the Senator from Vermont [Mr. GIBSON] in this

matter, and the Senator from Pennsylvania [Mr. GUFFEY], and I gladly followed—is the emphasis it places upon the protection of American seamen; and a section is given over to that subject. The commission is to investigate the wages and living conditions on our ships, and prescribe minimum-marinning and minimum-wage scales. The bill proposes to Americanize the crews. They are to be all Americans on cargo ships, and 80 percent Americans on passenger ships, the proportion increasing in 2 years to 90 percent. The only reason why we did not make a 100-percent requirement on passenger ships was because so many of our merchant ships go to foreign countries, Spanish-speaking countries or oriental countries, and it was thought wise that in the stewards' department there might be employees speaking the language of the passenger. The bill also prescribes that the officers, so far as possible, shall belong to the Naval Reserve. That was a suggestion made by the Senator from Vermont [Mr. GIBSON].

Then, as has already been indicated, the ocean-mail contracts are to expire June 30, 1937. The commission is to pay just compensation, and may substitute new contracts in whole or in part.

I do not know what my colleagues think about the language suggested by the Senator from Idaho [Mr. BORAH] as to referring the whole matter to the Court of Claims. I understand, however, the suggestion is open to question, and we will consider it when we come to it.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. COPELAND. I yield.

Mr. BORAH. In looking over the bill, it occurred to me that the change could be made without very great labor on the part of anyone by striking out "Commission" in each instance and substituting "Court of Claims", so that, for instance, section 402, on page 26, would read:

SEC. 402. (a) The holder of any mail contract that is to be terminated as provided in section 401 of this title may, within 90 days after the passage of this act, file an application with the Court of Claims to adjust and settle all the rights of the parties under such contract and to substitute in whole or in part therefor a contract or contracts authorized in titles V and VI of this act in accordance with the conditions hereinafter prescribed. Such application shall be in such form and filed under such regulations as the Court of Claims may prescribe.

In my opinion, that would accomplish what is desired.

Mr. COPELAND. Permit me to call a matter to the attention of the Senator from Idaho. Before long the Senator from Mississippi [Mr. BILBO] is going to speak, and then we shall have some occasion to consider it.

Here is the difficulty: If the whole matter were taken into the Court of Claims and considered from the ground up on its merits, the Court of Claims might make a tremendous award to cover all the elements involved in voiding the old contract, and at the same time the new commission might make a contract and provide for a differential subsidy. Would there not be the possibility that thereby we would really be giving an undue advantage to the present holders of mail contracts, in that they would have a double visit to the larder? I think perhaps that query is worthy of some thought.

FIRST DEFICIENCY APPROPRIATIONS, 1936

Mr. ASHURST. Mr. President, will the Senator from New York yield to me for just a moment?

Mr. COPELAND. I yield.

Mr. ASHURST. I ask the Chair to lay before the Senate a concurrent resolution passed by the House, to wit, House Concurrent Resolution 60.

The PRESIDING OFFICER. The Chair lays before the Senate a concurrent resolution from the House of Representatives, which will be read.

The legislative clerk read the concurrent resolution (H. Con. Res. 60), as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H. R. 12624, to amend the matter agreed to by both Houses in connection with Senate amendment no. 14, as follows:

Insert in such matter, after the figures "1936" the following: "including payment of salaries and expenses heretofore incurred in preparing to carry out the provisions of such act,".

Mr. ASHURST. Mr. President, I may explain that in the deficiency bill there was an appropriation of $200,000 to pay the expenses of the sesquicentennial celebration of the formation of the Constitution. Prior to the adoption of the concurrent resolution, and prior to the appropriation, the Director proceeded to incur some expense in the way of salaries and printing. The concurrent resolution of course does not authorize any additional expenditure, but does authorize the payment of such salaries and other expenses as were incurred prior to the enactment of the bill itself. The amount involved is about four or five thousand dollars.

I ask for the present consideration and adoption of the concurrent resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered, and agreed to.

REQUEST TO PRESIDENT TO RETURN A HOUSE BILL

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 59, which was read, as follows:

House Concurrent Resolution 59

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be, and he is hereby, requested to return to the House the enrolled bill (H. R. 12848) to provide an additional place of holding terms of the United States District Court in the Eastern District of Kentucky, and to amend section 83 of the Judicial Code, as amended;

That the action of the Speaker and of the President of the Senate in signing the said enrolled bill be rescinded; and

That in the reenrollment of the said bill the Clerk of the House of Representatives be, and he is hereby, authorized and directed to make the following correction, namely: Strike out the word "Pikesville" wherever it appears in said bill and insert in lieu thereof the word "Pikeville."

Mr. ROBINSON. I move that the Senate concur in the House concurrent resolution.

The motion was agreed to.

CORPORATE BANKRUPTCY PROCEDURE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3841) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, which was to strike out all after the enacting clause and insert:

That subsection (e) of section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, be, and is hereby, amended to read as follows:

"(e) Upon the certification of a plan by the Commission to the court, the court shall give due notice to all parties in interest of the time within which such parties may file with the court their objections to such plan, and such parties shall file, within such time as may be fixed in said notice, detailed and specific objections in writing to the plan and their claims for equitable treatment. The judge shall, after notice in such manner as he may determine to the debtor, its trustee or trustees, stockholders, creditors, and the Commission, hear all parties in interest in support of, and in opposition to, such objections to the plan and such claims for equitable treatment. After such hearing, and without any hearing if no objections are filed, the judge shall approve the plan if satisfied that (1) it complies with the provisions of subsection (b) of this section, is fair and equitable, affords due recognition to the rights of each class of creditors and stockholders, does not discriminate unfairly in favor of any class of creditors or stockholders, and will conform to the requirements of the law of the land regarding the participation of the various classes of creditors and stockholders; (2) the approximate amounts to be paid by the debtor, or by any corporation or corporations acquiring the debtor's assets, for expenses and fees incident to the reorganization, have been fully disclosed so far as they can be ascertained at the date of such hearing, are reasonable, are within such maximum limits as are fixed by the Commission, and are within such maximum limits to be subject to the approval of the judge; (3) the plan provides for the payment of all costs of administration and all other allowances made or to be made by the judge, except that allowances provided for in subsection (c), paragraph (12), of this section may be paid in

securities provided for in the plan if those entitled thereto will accept such payment, and the judge is hereby given power to approve the same.

"If the judge shall not approve the plan, he shall file an opinion, stating his conclusions and the reason therefor, and he shall enter an order in which he may either dismiss the proceedings, or in his discretion and on motion of any party in interest, refer the proceedings back to the Commission for further action, in which event he shall transmit to the Commission a copy of any evidence received. If the proceedings are referred back to the Commission, it shall proceed to a reconsideration of the proceedings under the provisions of subsection (d) hereof. If the judge shall approve the plan, he shall file an opinion, stating his conclusions and the reasons therefor, and enter an order to that effect, and shall send a certified copy of such opinion and order to the Commission. The plan shall then be submitted by the Commission to the creditors of each class whose claims have been filed and allowed in accordance with the requirements of subsection (c) hereof, and to the stockholders of each class, and/or to the committees or other representatives thereof, for acceptance or rejection, within such time as the Commission shall specify, together with the report or reports of the Commission thereon or such a summarization thereof as the Commission may approve, and the opinion and order of the judge: *Provided*, That submission to any class of stockholders shall not be necessary if the Commission shall have found, and the judge shall have affirmed the finding, (a) that at the time of the finding the corporation is insolvent, or that at the time of the finding the equity of such class of stockholders has no value, or that the plan provides for the payment in cash to such class of stockholders of an amount not less than the value of their equity, if any, or (b) that the interests of such class of stockholders will not be adversely and materially affected by the plan, or (c) that the debtor has pursuant to authorized corporate action accepted the plan and its stockholders are bound by such acceptance: *Provided further*, That submission to any class of creditors shall not be necessary if the Commission shall have found, and the judge shall have affirmed the finding, that the interests of such class of creditors will not be adversely and materially affected by the plan, or that at the time of the finding the interests of such class of creditors have no value, or that the plan provides for the payment in cash to such class of creditors of an amount not less than the value of their interests. For the purpose of this section the acceptance or rejection by any creditor or stockholder shall be in writing, executed by him or by his duly authorized attorney, committee, or representative. If the United States of America, or any agency thereof, or any corporation (other than the Reconstruction Finance Corporation) the majority of the stock of which is owned by the United States of America, is a creditor or stockholder, the interests or claims thereof shall be deemed to be affected by the plan, and the President of the United States, or any officer or agency he may designate, is hereby authorized to act in respect of the interests or claims of the United States or of such agency or other corporation. The expense of such submission shall be certified by the Commission and shall be borne by the debtor's estate. The Commission shall certify to the judge the results of such submission.

"Upon receipt of such certification, the judge shall confirm the plan if satisfied that it has been accepted by or on behalf of creditors of each class to which submission is required under this subsection holding more than two-thirds in amount of the total of the allowed claims of such class which have been reported in said submission as voting on said plan, and by or on behalf of stockholders of each class to which submission is required under this subsection holding more than two-thirds of the stock of such class which has been reported in said submission as voting on said plan; and that such acceptances have not been made or procured by any means forbidden by law: *Provided*, That, if the plan has not been so accepted by the creditors and stockholders, the judge may nevertheless confirm the plan if he is satisfied and finds, after hearing, that it makes adequate provision for fair and equitable treatment for the interests or claims of those rejecting it; that such rejection is not reasonably justified in the light of the respective rights and interests of those rejecting it and all the relevant facts; and that the plan conforms to the requirements of clauses (1) to (3), inclusive, of the first paragraph of this subsection (e): *Provided further*, That if, in any reorganization proceeding under this section, the United States is a creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against, the debtor, as creditor or stockholder), no plan which does not provide for the payment thereof shall be confirmed by the judge except upon the acceptance, certified to the court, of a lesser amount by the President of the United States or the officer or agency designated by him pursuant to the provisions of the preceding paragraph hereof: *Provided further*, That if the President of the United States or such officer or agency shall fail to accept or reject such lesser amount for more than 90 days after receipt of written notice so to do from the court, accompanied by a certified copy of the plan, the consent of the United States insofar as its claims for taxes or customs duties are concerned shall be conclusively presumed. If the judge shall confirm the plan, he shall enter an order and file an opinion with a statement of his conclusions and his reasons therefor. If the judge shall not confirm the plan, he shall file an opinion, with a statement of his conclusions and his reasons therefor, and enter an order in which he shall either dismiss the proceedings or, in his discretion and on the motion of any party in interest, refer the case back to the Commission for further proceedings, including the consideration of modifications of the plan or the proposal of new plans. In the event of such a reference back to the Commission, the proceedings with respect to any modified or new plan shall be governed by the provisions of this section in like manner as in an original proceeding hereunder.

"If it shall be necessary to determine the value of any property for any purpose under this section, the Commission shall determine such value and certify the same to the court in its report on the plan. The value of any property used in railroad operation shall be determined on a basis which will give due consideration to the earning power of the property, past, present, and prospective, and all other relevant facts. In determining such value only such effect shall be given to the present cost of reproduction new and less depreciation and original cost of the property, and the actual investment therein, as may be required under the law of the land, in light of its earning power and all other relevant facts."

Mr. BURKE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF PUBLIC PRINTING ACTS—CONFERENCE REPORT

Mr. HAYDEN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3440) to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 7; and agree to the same.

Amendment numbered 12: That the Senate recede from its disagreement to the amendment of the House numbered 12, and agree to the same with an amendment, as follows: In lieu of the number proposed by the House insert: "one hundred"; and the House agree to the same.

Amendment numbered 14: That the Senate recede from its disagreement to the amendment of the House numbered 14, and agree to the same with an amendment, as follows: In lieu of the number proposed by the House insert: "sixty-eight"; and the House agree to the same.

Amendment numbered 16: That the Senate recede from its disagreement to the amendment of the House numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter proposed by the House insert the following:

"To each joint committee and joint commission in Congress, as may be designated by the Joint Committee on Printing, two copies of the daily, one semi-monthly copy, and one bound copy.

"To the Secretary and the Sergeant at Arms of the Senate, for office use, each, six semi-monthly copies.

"To the Clerk, Sergeant at Arms, and Doorkeeper of the House, for office use, each, six semi-monthly copies.

"To the Joint Committee on Printing, ten semi-monthly copies."

And on page 6, line 15, of the engrossed bill after the word "To" insert: "the Vice President and"; and the House agree to the same.

Amendment numbered 44: That the Senate recede from its disagreement to the amendment of the House numbered 44, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out insert:

"To the office of the Parliamentarian of the House of Representatives, two copies', and on page 9, line 22, of the engrossed bill after the word "many" insert: "daily and"; and the House agree to the same.

CARL HAYDEN,
DUNCAN U. FLETCHER,
A. H. VANDENBERG,
Managers on the part of the Senate.
J. WALTER LAMBETH,
WILLIAM B. BARRY,
ROBERT F. RICH,
Managers on the part of the House.

Mr. HAYDEN. I ask unanimous consent for the immediate consideration of the conference report.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The question is on agreeing to the conference report.

The report was agreed to.

BEATRICE I. MANGES

The PRESIDING OFFICER laid before the Senate the amendment of the House to the bill (S. 283) for the relief of Beatrice I. Manges, which was, on page 1, line 5, after the word "appropriated" to insert "during her natural life."

Mr. BULKLEY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

THE MERCHANT MARINE

The Senate resumed the consideration of the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes.

Mr. BILBO. Mr. President——

Mr. COPELAND. I yield to the Senator from Mississippi.

Mr. BILBO. I asked for permission to speak at this time, not in order to discuss the pending measure, but to discuss an entirely different proposal.

Mr. COPELAND. Mr. President, if the Senator will permit me for a moment, I desire to ask the Chair if I shall be safe in my position if I yield to the Senator for this purpose. The question is, Would I lose the floor if I should yield to the Senator from Mississippi for a speech?

The PRESIDING OFFICER. The present occupant of the chair thinks the Senator would lose the floor.

Mr. COPELAND. Well, the Senator may go ahead. I will take a chance on obtaining the floor again.

Mr. BILBO. Mr. President, with reference to the pending legislation, I desire to say, however much I regret to disagree with the genial Senator from New York, that any person who makes a study of the history of ship-subsidy legislation, and follows the trail of the subsidy serpent, finds difficulty in voting for any kind of subsidy proposal. I was peculiarly interested in a study of the Jones-White subsidy bill of 1928. On the surface it was a very innocent piece of legislation, but I found a joker in it.

The Jones-White Act of 1928 provided that the Government should lend to the ship companies money with which to build new vessels, and that the rate of interest should be 5¼ percent, provided the ships were inactive, or engaged in coastwise trade, but if otherwise engaged, the rate of interest charged on the people's money should be within one-eighth of 1 percent of the lowest Government obligation at that time, which resulted in the lending of the taxpayers' money at a rate of one-fourth percent, three-fourths percent, 1 percent, 1¼ percent, 2¼ percent, 2½ percent, and 3 percent, contrary to the express provision of the bill that the rate of interest should be 5¼ percent.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. COPELAND. The Senator was not the first one to find that joker. The junior Senator from Michigan [Mr. VANDENBERG] discovered it also some years ago. As a matter of fact, however, the reason why there was originally a double rate was that the vessels in the intercoastal trade were in a protected trade, there was no foreign competition. It was desired to give the vessels engaged in trade where there was foreign competition a chance, and the language to which the Senator has referred was taken advantage of. There is no question about that; the Senator is entirely right. But the joker which he has discovered in his brief but brilliant term in the Senate had already been discovered by the Senator from Michigan some years ago, and it was corrected by legislation.

Mr. BILBO. I claim no priority in discovering the joker. I have a suspicion that the joker was pretty well known in certain circles when the legislation was enacted, in 1928.

Mr. COPELAND. Mr. President, I would have to say at once that that could not be so. When the legislation was enacted, those were glorious times, when money was high. The first loans were what we might call "on the level", but later advantage was taken of the Government, there is no question. But when the legislation was enacted it was never dreamed that there should be such an abuse of the language of the law as actually occurred.

Mr. BILBO. It might be interesting to the country to know that under the provisions of the subsidy law of 1928, 33 ships were added to the merchant marine. I remember especially that the Dollar Line borrowed $5,500,000 to build a ship, which it called the *President Hoover*, and the rate of interest charged on the $5,500,000 was one-fourth of 1 percent. The same line, the Dollar Line, borrowed another $5,500,000, at a rate of interest of 1 percent, and built a ship and called it the *President Coolidge*.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. BONE. I am sure the Senator from Mississippi will have to admit that the ships were happily named. There is no question in the Senator's mind about the happiness of the names, is there?

Mr. BILBO. I mention the names only as a matter of identification, and to bring out the rate of interest on the money borrowed by this one company to build those two ships. In fact, about $102,000,000 of the taxpayers' money was loaned to the shipbuilding companies under the 1928 law, and the rate of interest was on an average of about 1 to 1½ percent, whereas the law provided it should be 5¼ percent.

Mr. President, I did not seek the floor at this time, however, for the purpose of speaking on the subject of the merchant marine.

JUDICIAL USURPATION

Mr. President, never in the history of our Government has the question of judicial usurpation engaged the attention of thoughtful and far-seeing statesmen so much as at the present time. It is generally admitted that it would require innumerable constitutional amendments to correct all of the evils resulting from decisions of the Supreme Court handed down since the Civil War. I understand the Committee on the Judiciary at the present time has before it for consideration over 30 proposed amendments to the Constitution. The judges of the Supreme Court have to a very large extent become a legislative body by imposing their views, by construction and interpretation, upon acts of Congress, thus nullifying the high purposes and aims of that body.

William E. Gladstone said:

> The American Constitution is the most wonderful work ever struck off at a given time by the brain and purpose of man.

From this statement historians, authors, and statesmen have conceived the idea and impressed the public with the view that the Federal Convention, during its 86 days of labor, originated a new charter of human rights; in other words, invented a Constitution. The truth is, it is an instrument adapted to the wants of the people at a given age and having the capacity of shaping itself to their demands as obtaining at a given time.

There are many people who look upon the Constitution as something so sacred that it should never under any circumstances be touched or amended. The men who made the Constitution seemed to have had more sense than some of those who are trying to defend the Constitution today, because they said that the Constitution would have to be amended from time to time to meet the requirements of an advancing and more complex civilization, and they provided a method by which each generation should be in a position to amend the Constitution. Yet we find some, partisans, I presume, who say this is the untouchable document of the world.

James Russell Lowell has said:

> Wise statesmenship does not so much consist in the agreement of its forms with any abstract ideal, however perfect, as in its adaptation to the wants of the governed and its capacity of shaping itself to the demands of the time. The Anglo-Saxon soundness of understanding has shown itself in nothing more clearly than in allowing institutions to be formulated gradually by custom, convenience, or necessity.

The Anglo-Saxon race has a way of developing its principles from past experience and by means and measures thought capable of coping with changing conditions. In other words, human nature and human experience are the foundation upon which it builds.

It has been said by an eminent author that "it was not reason that discovered the singular and admirable mechanism of the English Constitution. It was not reason that discovered the odd and absurd mode of trial by jury."

Our Constitution was framed by men who sought to apply principles they had learned from experience. They applied

remedial provisions to the actual evils they had encountered. It was purely the adaptation, modification, and reconstruction of old principles to meet new conditions. It was not an embarkation upon unknown seas. It was in no sense a bold and intrepid experiment. It was the culminating accomplishment of experience and a thorough understanding of the governmental remedies necessary to meet the conditions of the age in which they lived.

We, the people of the United States, are today living in an age, "a grand and awful time", fraught with conditions greatly dissimilar from those obtaining when our Constitution was adopted. During the onflowing years we have learned through experience of new dangers threatening the safety of the Republic, the rights and liberties of the people, and from this experience our farseeing statements have repeatedly endeavored to apply old and accepted principles to the formulation of governmental remedies for these evils.

Strange to say, practically all of the discussions and remedial proposals have been centered upon the judicial usurpation of what have been claimed to be undelegated powers. By slow gradations the people have been deprived of the sovereignty reposed in their duly elected representatives by an insidious usurpation of the courts. Today the final arbiter of the destinies of the American people is the Supreme Court of the United States.

Thomas Jefferson was among the first to envisage this growing tendency of judiciary powers, concerning which he said:

> It has long been my opinion, and I have never shrunk from its expression, that the germ of dissolution of our Federal Government is in the judiciary—the irresponsible body working like gravity by day and by night, gaining a little today and gaining a little tomorrow, and advancing its noiseless step like a thief over the field of jurisdiction until all shall be usurped.

Again, he said:

> These decisions (meaning of the Supreme Court) become law by precedent, shaping by little and little the foundations of the Constitution and working its change by construction before anyone has perceived that that invisible worm has been busily employed in consuming its substance. In truth, man is not made to be trusted for life, if secured against all liability to account.

Furthermore, Mr. Jefferson writes to his friend, Mr. Jarvis, from Monticello, September 28, 1820:

> You seem to consider the judges as the ultimate arbiter of all constitutional questions; a very dangerous doctrine, indeed, and one which would place us under the despotism of an oligarchy. Our judges are as honest as other men, and not more so. • • • Their power is more dangerous, as they are in office for life and not responsible as other functionaries are to the elective control. The Constitution has erected no such single tribunal, knowing that to whatever hands confided, with the corruptions of time and party, its members would become despots. It has more wisely made all the departments coequal and cosovereign within themselves.

It is a well-known fact that during the Federal Convention four attempts were made to bestow upon the Justices the power of veto over the acts of Congress and it was defeated each time, with only three States supporting it.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Arizona?

Mr. BILBO. I yield.

Mr. ASHURST. The Senator is delivering an able speech, which indicates research on his part. Will the Senator pardon me for interrupting him to make an extended remark relative to the particular subject he is discussing?

Mr. BILBO. I yield.

Mr. ASHURST. The Senator is correct in his statement that the Constitutional Convention of 1787 did reject the proposition to which he alludes, but it must be remembered that that was, of course, before the great guarantees of personal immunities and rights of free men were set up by the first 10 amendments to the Constitution. When those 10 great amendments were adopted, to wit, the bill of rights, guaranteeing freedom of religion, of speech, freedom from unreasonable searches and seizures, and all other immunities and privileges which accompany free men in every land, it was necessary, indeed, it was absolutely impossible, to do otherwise than to clothe the courts with the power to pass upon the validity of a law which destroyed the immunities and rights and privileges of free men.

I thank the Senator from Mississippi for allowing me to inject these remarks into his speech. The Senator is generously permitting others to do ungracious things in his time, and I felt that so much has been said about the question of the Constitutional Convention of 1787 rejecting the proposition referred to that there ought to be given to the Senate and the country a statement as to why the Convention took the action it did. If my statement interrupts the flow of the Senator's remarks, I shall ask that it be printed at the end of the Senator's speech.

Mr. BILBO. I think it is very timely and is much appreciated at this juncture.

Mr. ASHURST. The Senator is generous.

Mr. BILBO. If the Senator will follow me until I shall have finished my remarks——

Mr. ASHURST. I shall.

Mr. BILBO. He will find that I am not attempting to question the right of the Supreme Court to pass upon acts of the American Congress. However, I have another way to handle the trouble we are having.

Referring to the Senator's observation, I appreciate that the amendments were added to the Constitution after the close of the Convention of 1787, but I am sure the Senator will not contend that in any of the amendments there was any suggestion that there should be delegated, even by inference, to the Supreme Court of the United States the right to pass upon the constitutionality of any act of the legislative branch of the Government.

Mr. ASHURST. Will the Senator suffer another interruption?

Mr. BILBO. Yes.

Mr. ASHURST. Let me say in reply to that, that when the 10 amendments that set up the guarantees of personal liberty and personal freedom—and I choose to call them the rights, privileges, and immunities that accompany free men everywhere—the Congress had no power to declare its own acts invalid. It was necessary for the Supreme Court to have the right to declare invalid acts of Congress, which acts of themselves overthrew or impaired these rights and privileges of free men as set up in the Bill of Rights.

Mr. BILBO. We must remember that Members of the Senate and Members of the House as well as members of the Court take the same oath to obey the Constitution of the United States, and all are tied to that solemn obligation to protect the rights, no matter whatever they may be, guaranteed to the people in the basic law of our land.

Mr. MINTON. Mr. President——

The PRESIDING OFFICER (Mr. BURKE in the chair). Does the Senator from Mississippi yield to the Senator from Indiana?

Mr. BILBO. I yield.

Mr. MINTON. I should like to ask the Senator from Arizona a question. As I understood the Senator from Arizona, it became necessary after the Bill of Rights was adopted to set up some tribunal which should have the last word as to whether or not these fundamental rights had been invaded. In other words, if Congress should pass a law which would deny the right of someone to worship God according to the dictates of his own conscience there must be some tribunal to say "No." Where is the tribunal which is to say "No" if Congress passes a law which is perfectly within the Constitution and the Supreme Court strikes it down?

Mr. ASHURST. Mr. President, will the Senator further yield?

Mr. BILBO. I yield.

Mr. ASHURST. Congress has passed about 25,000 acts in its history. I think some 75 acts have been declared to be beyond the power of Congress.

Mr. BILBO. To be exact, 73 up to the time the Supreme Court turned loose on the New Deal legislation.

Mr. ASHURST. Of course it is not to be presumed that the Supreme Court would strike down an act which the

Court thought was constitutional. We are bound to say as candid men that when the Supreme Court declare that acts of Congress are beyond the power of Congress to pass, they believe the acts are beyond the power of Congress to enact. We cannot say as a matter of fact, "these laws are constitutional", because that is not our authority. We have only the lawmaking power.

Government powers are divided into three classes, the legislative, the executive, and the judicial. Whenever an autocracy desires unlimited power it first secures the legislative, the executive, and the judicial all wrapped into one magistracy. There cannot be an autocracy unless the legislative, the executive, and the judicial are all centered in one and the same magistracy. The particular strength and glory of our Government is the separation of these three powers. My friend, the able Senator from Mississippi, quoted Thomas Jefferson. Thomas Jefferson wrote many letters. In fact, he wrote upon almost all subjects; not only upon law, but upon physics, mechanics, agriculture, and architecture. It was none other than Thomas Jefferson who said, and I think I can quote from memory, "Where the supreme magistracy of a government is lodged in one and the same authority, that government becomes an autocracy."

Then he went on to say, "It makes no difference even if the magistracy is lodged in 150 men, you have an autocracy just the same."

So, if the Senator will permit, as soon as I find the reference, I shall read to the Senate Jefferson's letter. Will the Senator permit me to do so in his time?

Mr. BILBO. Yes, Mr. President.

Mr. ASHURST. The Senator is gracious in allowing me to do so.

In an essay—The Federalist, Lodge Edition, 48, page 311—Madison quoted from Thomas Jefferson's "Notes on the State of Virginia" as follows:

> All the powers of government—legislative, executive, and judiciary—result to the legislative body. The concentrating of these in the same hands is precisely the definition of despotic government. It will be no alleviation that these powers will be exercised by a plurality of hands and not by a single one. One hundred and seventy-three despots would surely be as oppressive as one. Let those who doubt it turn their eyes on the republic of Venice. As little will it avail us, that they are chosen by ourselves. An elective despotism was not the government we fought for; but one which should not only be founded on free principles, but in which the powers of government should be so divided and balanced among several bodies of magistracy, as that no one could transcend their legal limits without being effectually checked and restrained by the others.

I have no desire of weakening—and I could not do so—the force of the speech of the Senator, but I say: Read history. The first thing a despotism, an autocracy, does, and must do, whether it be an autocracy of a million citizens or of one, is to secure all the powers of government in one and the same magistracy.

I have trespassed too long on the Senator's time.

Mr. MINTON. Mr. President, will the Senator further yield?

Mr. BILBO. I yield.

Mr. MINTON. The Senator from Arizona has recited the fact that throughout the entire history of our country the Supreme Court has declared unconstitutional only some 73 or 74 acts of Congress out of perhaps twenty-five-thousand-odd laws, and he cites that, I take it, as being to the credit of the Supreme Court.

Mr. ASHURST. As showing moderation and circumspection.

Mr. MINTON. Is it simply to the credit of the Supreme Court that only 73 laws passed by Congress have been declared unconstitutional, or is it somewhat to the credit of the Congress that it has been right in all the other laws it has passed?

Mr. ASHURST. The able Senator from Indiana is correct on that point. Congress has been right thousands of times. However, Mr. President, with all our learning, with all our self-admitted ability, erudition, and patriotism, which we do not deny, we know that in the heat of popular forums we do not have a serene atmosphere to investigate constitutional questions as do judicial tribunals. I think that it is to the credit of our Republic, it is to the credit of the legislative branch that out of 25,000 acts of Congress we have not passed more than 75 laws—is not that the number?

Mr. BILBO. Seventy-three.

Mr. ASHURST. Seventy-three or seventy-five that have been declared to be unconstitutional?

Mr. BILBO. That is up to the year 1935.

Mr. ASHURST. If the Senator from Mississippi will yield to me further, let me say that I am not here to pose as a special defender of the Supreme Court. When I practiced law, whenever the courts handed down a decision I did not like, I gathered my clients about me, went down to the village tavern, "cussed" the court, and told the multitude and particularly told my clients how much greater I was as a lawyer than were the judges of the court. That condition will continue; that is the privilege of an unsuccessful litigant. I do not pretend to any more patriotism than does any other Senator; I do not pretend to be a supremely brilliant legal luminary; in fact, the Senator from Mississippi [Mr. BILBO] and the Senator from Indiana [Mr. MINTON], who are so kind as to allow me to make this interruption, are fresh from the bar, fresh from contact with the practice of the law, able lawyers as they are in their own States, and probably have more nearly spoken the popular opinion just now than I have. However, I am profoundly convinced that when we take away from the Supreme Court of the United States the power to pass upon the validity of acts of Congress, that day the gavel of popular government will fall and its fall will adjourn sine die the liberties of the American people.

Mr. MINTON. Mr. President, will the Senator from Mississippi yield to me?

Mr. BILBO. I yield.

Mr. MINTON. I do not wish to appear as a critic of the Supreme Court, nor do I wish to appear as one who is opposed to the Supreme Court declaring acts of Congress unconstitutional; but if this is a government of checks and balances, as the Senator from Arizona has said—and I think it is—then, I am in favor of some check upon the Supreme Court.

Mr. ASHURST rose.

Mr. BILBO. Mr. President, does the Senator from Arizona wish to respond to the observation of the Senator from Indiana?

Mr. ASHURST. Mr. President, I am willing to check the Supreme Court in a constitutional way. The Constitution checks the Supreme Court. We have the right to deny them the jurisdiction to hear appeals in certain cases. And when we in Congress get the idea that we are so important, so intellectual, and so all-wise that there should be no appeal from the laws passed by us; whenever we become so profound in wisdom, so patriotic, and so courageous as to maintain that what we do is sacrosanct, that what we do is ex cathedra—and I am sure I will not be here when that era comes; other and abler men will be here—then it will be time for Congress to say that we will not allow any appeals from our action. However, Mr. President, the prudent, the generous, the enlightened statesman welcomes a tribunal that will review what he must do under the heat of popular opinion. There is no use to disguise our situation here. We legislate under the furious gaze of public opinion; we legislate under enormous heat, and, so far as I am concerned, I am glad that there is a tribunal to check my torrid views in connection with my participation in the enactment of laws.

Mr. CLARK. Mr. President, will the Senator from Mississippi yield to me for the purpose of asking the Senator from Arizona a question?

Mr. BILBO. I yield.

Mr. CLARK. There is an appeal from the decision of the Supreme Court as to the validity of an act of Congress, and that is the people of the United States under the processes set up by the Constitution itself.

Mr. ASHURST. The Senator is correct.

Mr. CLARK. In the Pollock case, of course, the Supreme Court declared the income tax to be unconstitutional, a decision from which many able lawyers in the United States dissented. It was repeatedly said that the Supreme Court had changed its mind overnight, or, at least, that one Justice of the Supreme Court had changed his mind overnight; but the people of the United States, under the processes set up under the Constitution, by an amendment to the Constitution, authorized the income tax. So it seems to me, under any system of balanced power, agreeing with what the Senator from Arizona has said, that the danger of autocracy in a government such as ours depends, not upon whether the Executive is the autocrat, or the Congress is the autocrat, or the Supreme Court is the autocrat, but whether an appeal from a decision of the Supreme Court is allowed to the people of the United States, as was done in the income-tax case.

Mr. ASHURST. I thank the Senator. I now see that the able Senator who has the floor [Mr. BILBO], who is on his feet, and I see also the able Senator from Indiana [Mr. MINTON] undoubtedly desire to ask me questions, but if they will first permit me, inasmuch as, in the language of Harvard, the Senator from Mississippi "has started something", I should like to amplify what the Senator from Missouri [Mr. CLARK] has just said.

Mr. BILBO. I yield.

Mr. ASHURST. Mr. President, I am doing some ungracious things today, for this is the second time I have referred to my own speeches, but no later than June 8 I presumed upon the time and attention of the Senate to deliver an address in support of my proposed amendment to the Constitution granting the Congress the power to regulate agriculture, commerce, industry, and labor. That amendment, if adopted, would give the Congress the power to enact much, but not all, the legislation which the Supreme Court recently said we have no power to enact. During the course of my remarks on that occasion, I used these words:

> The Constitution is an instrument to defend liberty without opposing true progress. The Constitution will not be preserved by thwarting a well-defined, seasoned, sober second thought of the citizenry.
>
> Nothing can be gained by an attempt to deny the plain fact that the Supreme Court of the United States is, and will remain, the authoritative interpreter of the Constitution.

And I am amazed at the moderation and the near approach to correctness of my own language in that speech:

> If additional power be needed by Congress in order to enact social legislation, we must secure authority from the source of governmental power, the people themselves, by constitutional amendment, and not by insisting that the Supreme Court shall make strained constructions and interpretations of the Constitution.
>
> There are, of course, some perils to be encountered in granting such authority to Congress; but candor and frankness require us to admit that the existing complexity and interdependence of American life and industry make necessary the national treatment of many problems.
>
> There is, as was said by Dr. Glenn Frank, president of the University of Wisconsin, "an irreducible balance of powers between the States and the Nation" that may not safely be destroyed. If all power be centered in the Federal Government, we would go the melancholy way of nations that commit such folly.

The Senator from Mississippi was correct in his statement that the makers of the Constitution, signed in 1787, pointed out that it could be amended; indeed, the Constitution of the United States is the only constitution of which I know that provides two methods of amendment. So convinced were the founding fathers that there would be amendments that they provided two methods. As I have said, I know of no other constitution which provides two methods for proposing and adopting amendments.

I have introduced many joint resolutions proposing amendments, and I believe the time is coming when the Constitution must be amended in order to give Congress essential powers on social legislation; but let us not expect a Supreme Court possessing any self-respect to sustain acts which are unconstitutional.

I think we ought to amend the Constitution because we are in the midst of one of the world's climacterics; a change in the methods and habits of mankind is going on not only here but everywhere in the world. When the British Army marched out at Yorktown and surrendered to General Washington, their band played The World Is Upside Down. Make no mistake, Mr. President, "the world is upside down now", and we must amend our Constitution, in my judgment, in order to meet the changed conditions. The people will welcome such amendments, and we will be doing a righteous and moral thing in changing the Constitution to meet changed conditions.

Mr. MINTON and Mr. BONE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Mississippi yield; and if so, to whom?

Mr. BILBO. I yield first to the Senator from Indiana.

Mr. MINTON. Of course, I recognize the fact that the right of amendment to the Constitution is a check upon the Supreme Court. One of their 5-to-4 decisions was amended by a Civil War; and we have had some other 5-to-4 decisions which it took years to reverse, such as the income-tax law; but, in my opinion, a perfectly simple, a perfectly dignified, a perfectly constitutional method is available to check 5-to-4 decisions of the Supreme Court of the United States. In the early case of Briscoe against the Bank, Chief Justice Marshall himself laid down, as a rule of practice, that the Supreme Court could not declare an act of Congress to be unconstitutional without a majority of the Court saying so. That is the rule of practice.

They have also laid down another rule of practice of their own making, that they will not declare an act of Congress to be unconstitutional until its unconstitutionality appears beyond all reasonable doubt. We put nine eminent distinguished lawyers upon the bench. Four of them say that a law is clearly within the Constitution and five of them say it is not within the Constitution. How can anyone say that when four of these eminent gentlemen out of nine say that an act of Congress is constitutional that its unconstitutionality is clear beyond all reasonable doubt?

Mr. BORAH. Mr. President——

Mr. MINTON. Mr. President, just a moment. Congress may, therefore, say, under the power it clearly has under the Constitution to lay down the rules and regulations for appellate procedure before the Supreme Court, that when any litigant who seeks to measure his rights in that Court says that his rights shall be measured by the Constitution rather than by an act of Congress the burden is on him to convince, we will say, at least seven of those nine judges that his rights are measured by the Constitution rather than by the act of Congress.

Mr. BONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. BILBO. I yield.

Mr. BONE. Mr. President, with the consent of the Senator from Mississippi, I should like to ask the able Senator from Arizona a question. I hold a copy of the Constitution in my hands and I am about to read the sixteenth amendment, which was adopted by the court of last resort in this country—the people.

Mr. ASHURST. That is the income-tax amendment, is it not?

Mr. BONE. That is correct. There are some very able grammarians in this body, brilliant grammarians; I do not profess to be one; but I wish to ask the Senator how there could be written in the English language anything that would be plainer than these words?—

> The Congress shall have power to lay and collect taxes on incomes, from whatever source derived.

And I should like to ask the Senator how in the world any group of men under the sun or any human being could misunderstand that language? Yet the Court said it did not mean what it says.

My reason for asking the question is that if the Congress and the people of the United States cannot take the simplest words or the simplest combination of words in the English language that may be employed to express a common meaning and a common understanding and then have the Court hold that they meant what they said, but, on the contrary,

have the Court deny that the people meant what they said, how are we going to get any relief from that situation?

Mr. ASHURST. Mr. President, will the Senator from Mississippi yield to me for the purpose of making a reply?

Mr. BONE. I should like to get a little light on that question.

Mr. BILBO. Certainly.

Mr. ASHURST. No answer can be made to the question propounded by the pungent intellect of the Senator from Washington. I trust I may be pardoned if I say I am a milliner of language—I try to be, at least, but I love the English language so much I am almost a word milliner.

When Congress wrote the sixteenth amendment it was intended and believed that it covered all incomes. With 600,000 words in the English language no grammarian in the world could use them all and make that amendment to the Constitution any clearer than it is. It could not be made any clearer than it is. I thought there ought to be an application for a rehearing. I started to draw an amendment to provide for taxation of incomes derived from securities of States and national governments, and after I worked on it a few months trying to make it stronger, I gave it up. This "milliner of language" gave it up in despair and could not make it any stronger than the Sixteenth Amendment itself, but, nevertheless, my proposal for a constitutional amendment was introduced.

In my judgment, in that instance the Supreme Court was wrong, but the remedy is not to take away from them their proper power. The remedy is not to go to the village tavern and abuse them.

Mr. BONE. But should we go through the travail and misery of years and years more to get a constitutional amendment in order to tell the Court that we meant what we attempted to say in the amendment which was adopted? I have never uttered a word of criticism against the Court on this floor, but I cannot understand how a court could possibly do a thing like that. Do the American people have to be helpless in the face of that decision?

Mr. ASHURST. The Senator from Washington is too youthful and too forward looking ever to adopt a defeatist attitude, to wit, that we are helpless and cannot do anything. I have introduced an amendment which I think will salve the difficulty. In so many words it provides that Congress shall have the power to tax incomes derived from securities issued by the National Government and likewise the power to tax incomes derived from securities issued by State governments. Unfortunately I cannot get a majority vote in my own committee in favor of the proposal. Senators are reluctant to permit the Federal Government to tax State securities.

Mr. BONE. What language could we use? What language could a Member of the Senate use that would mean any more than this, "from whatever source derived"? If we have to go into the field and specify, we would have to write, not a constitutional amendment but a code.

Mr. ASHURST. In my proposed amendment I drew a picture of a house and said, "This is a house." My proposed amendment reads:

> Congress shall have the power to tax the income derived from securities issued by the National Government and shall likewise have the power to tax the income derived from securities issued by the States.

Nobody could misconceive that language. I agree with the Senator that the Supreme Court misconceived the sixteenth amendment, so he has no quarrel with me on that point.

Mr. NORRIS. Mr. President, will the Senator from Mississippi permit me to ask the Senator from Arizona a question?

Mr. BILBO. I have yielded to the Senator from Washington, who, I believe, has not concluded.

Mr. BONE. My only reason for adverting to the matter at this time was because of the fact that the Congress of the United States has been accused of a contumacious attitude toward the Supreme Court, that it has flown in the face of Supreme Court decisions in passing or attempting to pass certain measures for the New Deal. Where we find a construction given to the Constitution itself such as was given by the Supreme Court in the case of the sixteenth amendment, I cannot see that there is any legitimate criticism of Congress that can lie in the mouth of anyone in the United States. The people of the United States, the entire United States itself, wrote a command to Congress and to the Supreme Court authorizing the Government to do certain things, and the Court itself now stands in the position of having virtually spurned that command.

Mr. ASHURST. The Senator will, out of the frankness which always characterizes him, affirm that my amendment is plainer than the sixteenth amendment.

Mr. BONE. Of course, the Senator's amendment goes into specific detail, and I think it is unfortunate we have to do that.

Mr. ASHURST. I agree with the Senator.

Mr. NORRIS. Mr. President, will the Senator from Mississippi now yield to me?

Mr. BILBO. I yield to the Senator from Nebraska.

Mr. NORRIS. The Senator from Arizona, by way of illustration, said that he drew a picture of a house and then wrote under it, "This is a house." Suppose by some legal legerdemain that question went to the Supreme Court and the Court, after deliberation and consultation, thinking it over, should say, "This is not a house. It is a barn." Then it would be a barn, would it not? [Laughter.]

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. BILBO. I yield.

Mr. BORAH. I would be inclined to agree with the view taken by the Senator from Arizona with reference to the construction which the Supreme Court placed upon the sixteenth amendment if I were considering the language without regard to the fact that we have two sovereignties to consider. But we must give consideration to the fact that the Supreme Court took that view because it was holding that we had two sovereignties, and the taxing power of the Federal Government was not designed to cover any taxes except those which were within the jurisdiction of the Federal sovereignty. In other words, the Court was not willing to go across the line and say, without specific language to that effect, that it was intended to confer power to tax another sovereignty, the State sovereignty; and it was upon that basis that the decision was rendered. The power to tax is the power to destroy, and when we confer power on one sovereignty to tax the instrumentalities and agencies of another sovereignty we confer power to destroy that sovereignty.

Mr. MINTON. But unquestionably the sovereignty of both States and the United States was the sovereignty that gave them the right to write that in the Federal Constitution.

Mr. BORAH. But the constitutional provision itself did not sufficiently specify that it was the intent of the people to give the power to tax another sovereign. I venture to say, in view of our experience in getting that amendment adopted, that if it had been understood that the States were to be taxed and the instrumentalities of the States were to be taxed, it never would have been adopted by the States. Senators will remember that Mr. Hughes, then Governor of New York, took the position that it might be broad enough to include the power to tax the instrumentalities of the sovereign States; and that, if so, he was opposed to it.

Those who advocated the amendment immediately took the position—and that was the general debate throughout the country—that it did not cover the power to tax the sovereign States. If Senators will examine the literature and debates of the time, I am of the opinion they will find that that was the view which was taken of it at that time. It was never believed, in my opinion, that the language used covered anything within the sovereignty of the States.

Mr. MINTON. But what about the McCumber case, where it was held that a dividend could not be taxed which was declared and issued in stock? The Court said that did not come within the meaning of "income."

Mr. BORAH. Was not that a construction of a statute? the constitutional amendment was not, as I recall, involved.

Mr. MINTON. That is the case where it was called a house and was construed to be a barn.

Mr. BORAH. Some men might think it was a barn and other men under different conditions might think it was a house.

Mr. NORRIS. After the Supreme Court said it was a barn then it would be a crime to call it anything else.

Mr. BORAH. The Senator will find, I venture to believe, nowhere in the debates on the sixteenth amendment an indication that it was intended to give the Federal Government the power to tax instrumentalities of the States.

Mr. BILBO. Mr. President, I am indeed indebted to my colleagues for the splendid contributions to my observations on this constitutional question. I am forced to admit that with their help I shall unquestionably make a mighty good speech before I get through. [Laughter.]

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. BILBO. Certainly.

Mr. ASHURST. First, let me say the Senator has performed a splendid public service. Let me say that upon reflection, thinking back more than 25 years, more years than we like to admit—and the senior Senator from Idaho [Mr. BORAH] was here at the time and participated in the debates—I remember reading the debates, and I do not recall that the assertion was ever made in either branch of Congress that the proposed amendment would give the Congress the power to tax the incomes derived from securities issued by the States. That may be true.

But, as a wayfaring man, accustomed to put ordinary construction on ordinary language, assuming the English language meant what it said, picking up the amendment and reading it from its four corners and not reading the debates anterior thereto, the vast majority of literary men, the vast majority of men whether literary or not, and certainly the overwhelming majority of lawyers in our country, would say that that amendment on its face at least grants the power to Congress to lay those taxes.

Mr. BILBO. Mr. President, before proceeding with the line of remarks I was making at the point of the interruption, I wish to state, in response to the general trend of the remarks of the Senator from Arizona, that I should very much regret to have anyone receive the impression that I am attempting to attack the Supreme Court, or that I am attempting to question their right to pass upon the constitutionality of acts of Congress.

Mr. ASHURST. Mr. President, I have drawn no such inference. Such an inference would be unjust to the able Senator from Mississippi.

Mr. BILBO. I merely desired to make the observation because I should be very much grieved to think that anyone would think I was taking that position.

James Madison, at one time during the discussions in the 1787 Convention proposed that the Supreme Court be given the same power to veto acts of Congress that the President was accorded; which, to be more explicit, meant that if the Supreme Court held any act of Congress unconstitutional, such acts should be thereafter presented to the Congress, and, if passed by a two-thirds vote of the Senate and House of Representatives, should become a law.

That was Madison's proposal in the Convention. This proposition was rejected by an overwhelming majority on the ground that the Convention was unwilling to delegate to the Supreme Court any power over the acts of Congress, even though its veto could be overruled by Congress. That shows how strongly the founders of our Government were against the idea of giving the Supreme Court any power over the acts of the American Congress. In other words, the Federal Convention went on record time and time again against the principle of a paramount judiciary.

This theory of government, so stubbornly and tenaciously held to by the members of the Federal Convention, was then, and is today, rigidly enforced by practically every progressive nation in the whole world. In other words, the idea which our founders announced, the idea for which they contended, is the idea that is today in force in the countries of France, Italy, England, Germany, Austria, Chile, Japan, Spain, Sweden, and many other countries among the greater powers of the earth.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BILBO. Yes.

Mr. CLARK. Does the Senator mean to enumerate that list as comprising the progressive countries of the world?

Mr. BILBO. No; there may be exceptions, but I am talking about the form of government before the recent changes.

Mr. CLARK. I should be glad to have the Senator elucidate on his descriptive term of the "progressive" countries of the world. When he refers to France, notably reactionary at the present time, or to Germany, under the heel of a dictator, and holds them up as examples to us in constitutional practice, I should like to have the Senator elucidate what he thinks are the "progressive" countries of the world that are following the principles he has just enunciated.

Mr. BILBO. To do that would bring about a discussion which would prevent the passage of the ship subsidy bill of the Senator from New York [Mr. COPELAND].

Mr. CLARK. Since the Senator has enunciated the principle which he says is followed by all the progressive countries in the world, I think in all fairness, he should elucidate as to what are the progressive countries of the world which have been following this principle. If their example is to be set up for us, as a free democracy, to follow, I think we ought to know whom we are following.

Mr. BILBO. The Senator from Missouri is too good a lawyer to put the wrong construction on the statement I made. I said "every progressive nation in the whole world", and after that I said that the countries I named today deny the judiciary the right of acting as final arbiter with respect to the acts of their parliaments or legislative bodies; not that these are the progressive countries of the world.

Mr. CLARK. I do not desire to quibble with the Senator about terms, and do not desire to delay his very eloquent speech; but I do say that when he announces a principle as being followed by all the progressive governments in the world, which he is setting up as an example for us to follow and abandon our traditional policy, I think in fairness he ought to enunciate a list of the progressive countries of the world whose example we are supposed to follow.

Mr. BILBO. I am trying to get the Government back to its original moorings in order to save the situation.

Only one time in English history was any attempt made to create a paramount judiciary, concerning which Chief Justice Clark, of the Supreme Court of North Carolina, said:

> The courts have attempted only once in England to assert a right to set aside an act of Parliament, and then Chief Justice Tresillian was hanged and his associates exiled to France; and hence subsequent courts have not relied upon it as a precedent. * * * No court in England since Tresillian's day has refused to obey an act of Parliament.

That might be a hopeful suggestion with reference to the conditions that obtain in this country. [Laughter.]

The countries where power exists to invalidate the acts of the law-making bodies are the United States, Australia, Argentina, Brazil, and Canada. As a matter of fact, the Constitution of the United States contains no express grant of such a power to the Supreme Court. The question naturally arises, How has it come to pass that such a power is today exercised by the Court?

As previously stated, this power was attained by slow gradations, by inconspicuous and imperceptible steps. The decision in the case of Marbury against Madison, rendered by Chief Justice Marshall, was the first veiled and indistinct encroachment by the Court over the long road it has traveled to complete judicial usurpation of the role of the final arbiter with respect to the constitutionality of the declaratory acts of the legislative body. It is interesting to note that in this case the Supreme Court failed to take jurisdiction, and then went out of its way to state how the Court would have decided the case if it had assumed jurisdiction. The decision was a purely obiter dictum opinion, and was rendered merely as an opinion unsupported by

either authority or citation. The Court manifestly went out of the way to express an opinion in a matter over which it refused to take jurisdiction.

That was the start on the journey we are facing today.

This ingeniously written decision, merely expressing incidentally, and in the nature of a side remark, an off-hand opinion immaterial to the case in question, naturally attracted no attention and was given no special significance at the time. Little was it thought that this obiter dictum expression would become a precedent to be followed throughout on-coming time as establishing the right of the Supreme Court to declare acts of Congress null and void. It is through and by decisions of this character that the Court has been able to prepare the way for a successful charge upon the citadel of the people's rights.

There are a great many persons in this country who seem to wish to leave the impression, and who argue, that the judges of the Supreme Court are obeying the Constitution when they assume the right to declare an act of Congress unconstitutional, when the whole record, the whole trail, shows that such action is a complete, deliberate usurpation on the part of the Supreme Court.

Opposition to this gradual encroachment by the Federal judiciary throughout past years has not been confined to Members of Congress and great lawyers and scholars who have dared to protest the right of the Federal courts to constitute themselves a paramount judiciary, but eminent members of the Court itself have gone on record as opposing this unwise and unlawful tendency. I refer to Justice Harlan, Justice Day, and Justice Holmes, who have contended that the Court in this respect was violating the Constitution of the United States.

Permit me to quote from Justice Harlan. He said:

> When the American people come to the conclusion that the judiciary of this land is usurping to itself the functions of the legislative department of the Government, and by judicial construction only is declaring what should be the public policy of the United States, we will find trouble. Ninety millions of people—all sorts of people with all sorts of opinions—are not going to submit to the usurpation by the judiciary of the functions of other departments of Government, and the power on its part to declare what is the public policy of the United States.

Mr. DIETERICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Illinois?

Mr. BILBO. I yield.

Mr. DIETERICH. I am very much interested in the line of thought the Senator is presenting. Not professing to be an expert on constitutional law, but believing an understanding of the form of my Government to be part of the duty that devolves upon me as a Member of one of its legislative bodies, I am wondering what particular department should pass upon the constitutionality of a law, upon whether or not the legislative department has transgressed or gone beyond the grant of power given it by the States.

I believe the learned Senator will agree with me that until there was a delegation of power to the Federal Government, the power of government rested in the sovereign States, and they granted to the Federal Government the right to exercise such power as they saw fit to delegate to the Federal Government to exercise. Am I correct?

Mr. BILBO. The Senator is correct.

Mr. DIETERICH. Then the Federal Government could exercise only such power as was delegated to it by the sovereign States; and if the legislative body should exceed that authority, what department of the Government was to pass judgment on it? Was the legislative department to be the judge of its own acts, and take whatever power it wished to take, and was any law it passed to be construed as being within the grant of power; or was it reasonable to suppose that the judicial department of the Government, set up for that purpose, was to pass upon the question as to whether or not the legislative department had exceeded its authority?

I merely ask the learned Senator to clarify my mind on that proposition. Does he claim that the Supreme Court or the judicial department has wrongfully taken to itself, by insidious degrees, the right to pass upon the constitutionality of the acts of the legislative department of the Government, and to determine whether or not they are within the grant of authority given the Congress under the Constitution, and delegated to them by the various States when the Constitution was ratified.

Mr. BILBO. Mr. President, I appreciate the Senator's question, and if he will be patient until I finish my remarks, I think he will find the answer to his question.

Mr. DIETERICH. I hope so, because I am very much confused about it now.

Mr. BILBO. I have just finished reading what Justice Harlan said about the right of the Supreme Court to usurp the right to declare acts of Congress unconstitutional. That is the court itself speaking, through one of its members.

The time has today arrived when this unbroken chain of judicial usurpation must come to an end if we are to have due and proper concern for the rights and liberties of the people.

Let us examine the extent to which this judicial usurpation has grown. From 1789 to June 1935, there have been 73 decisions of the Supreme Court holding acts of Congress unconstitutional. This does not take into account those important decisions rendered since June 1935, which have so disastrously affected the lives and liberties of the people of the United States.

The question today is, shall this power usurped by the Supreme Court continue to be exercised over the solemn will of the people of this Nation; and, if not, in what department of Government shall so fearful an instrumentality for determining the fate of peoples be entrusted?

The Senator from Arizona very strongly shows that if there is to be an autocracy the first step is to gather together legislative, executive, and judicial powers in one.

Mr. ASHURST. In one magistracy.

Mr. BILBO. In one magistracy, in order to have an autocracy. I do not think I would go far afield in stating that under the present administration of our laws and the Constitution we almost have an autocracy, when five of the nine grand old men with caps and gowns on the Supreme Court have dared to question an act of Congress, and to fix the policy of the Government, no matter what the will of the people of this country may be, as expressed through their Chief Executive and 435 Members of the House, coming fresh every 2 years from the people, and 96 Senators, who come at stated times.

If we are to have an autocracy, I would much prefer an autocracy founded in the minds and hearts and wills of 435 Members of the House of Representatives and 96 Members of the Senate than to find it in five out of nine men on the Supreme Court.

I, for one, am not in favor of denying to the Supreme Court appellate jurisdiction. There is such a wide divergency of opinion with respect to permitting the Supreme Court to be the final arbiter as to the constitutionality of the acts of Congress that I am constrained to deem it advisable to advocate some form of compromise in the nature of an additional check or restraint upon the usurped powers of the Court.

Within the last quarter of a century several proposals have been submitted having for their purpose the curbing of the powers of a paramount judiciary without depriving it of all authority whatsoever. In 1912 Theodore Roosevelt made a proposal to recall judicial decisions. This effort upon his part was sidetracked because of the World War.

In 1922 Robert M. La Follette proposed to amend the Constitution so as to provide: First, that no inferior Federal judge should set aside a law of Congress on the ground that it was unconstitutional; second, that if the Supreme Court assumed to decide any law of Congress unconstitutional, or by interpretation undertook to set a public policy at variance with the statutory declaration of Congress—which alone under our system is authorized to determine the public policy of Government—the Congress might by reenacting the law nullify the act of the Court. Therefore,

the law would remain in full force and effect precisely the same as though the Court had never held it to be unconstitutional.

In 1923 the senior Senator from Idaho [Mr. BORAH] made a proposal that seven justices out of nine should be required to concur in pronouncing an act of Congress unconstitutional.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. MINTON. If I may be permitted, for the sake of the RECORD, I should like to say here and now that that is my idea about what Congress can do now in order to maintain the balance of power between the judiciary, the executive, and the legislative. It can pass an act providing for an exception to the appellate jurisdiction of the Supreme Court which would require any litigant who comes before the Supreme Court, and who challenges the constitutionality of any act of Congress, to convince seven of the members of that Court that the act is unconstitutional before it can be so held.

Mr. BILBO. Mr. President, in 1935 the Senator from Nebraska [Mr. NORRIS] came forward with a proposal of a constitutional amendment reading as follows:

> The Supreme Court shall have original and exclusive jurisdiction to render judgment declaring that any law enacted by Congress, in whole or in part, is invalid because it conflicts with some provision of the Constitution; but, no such judgment shall be rendered unless concurred in by more than two-thirds of the members of the Court, and unless the action praying for such judgment shall have been commenced within 6 months after the enactment of the law.

The unceasing spirit of encroachment over so long a period of time has manifested a gradual tendency toward the consolidation of the powers of all departments of government in one, and thereby to set up and forever establish a real despotism, the very thing about which the Senator from Arizona has been speaking.

The time has arrived when the proper distribution or modification of these constitutional powers should be finally and definitely accomplished, and it should be corrected by an amendment in the way provided in the Constitution.

James Jackson, of Georgia, in the First Congress in 1790, said:

> The more checks there are to any government the more free will its citizens be.

Uriah Tracey, of Connecticut, said, in 1795, in the Third Congress, that the constitutional checks of the branches of this Government upon one another contained the most complete security for liberty that any people could enjoy.

It is universally admitted that each branch of government should have some form of curb or check on the operation of the other. The operation of these checks applies to each department of government as the Constitution is today written and construed. The power of the President to appoint officers and to make treaties is curbed and restrained by requiring that they be made by and with the advice and consent of the Senate. The President's veto of any declaratory act of Congress can be voided by a two-thirds vote of both branches of Congress. The President also may be impeached by the House of Representatives in case of his failure to perform properly the duties of his office.

The Congress is also subject to certain curbs and restraints in the performance of its duties as a law-enacting body. The President may veto any act of Congress. Any law made by the Congress may be repealed by a treaty made by the President, with the Senate concurring. And, last but not least, the Supreme Court has imposed upon it admitted curbs and restraints in the performance of its duties, first, its members when appointed by the President are subject to confirmation by the Senate; the number of judges may be increased, or, in case of death or resignation, reduced in number by Congress. Its salaries must be paid by an appropriation by Congress and its members are also subject to impeachment by the House of Representatives upon the improper performance of their duties. In criminal cases its sentences are subject to the President's power to pardon. The Supreme Court, when acting through its inherent judicial power to commit to prison for criminal contempt, may have its sentence set aside and the offender liberated by the exercise of the President's pardoning power.

If decisions of this character are subject to review and the consequent exercise of Executive clemency, is it going too far afield to maintain and to advocate that an additional restraint be placed upon the usurped powers of the Court to determine the constitutionality of acts of Congress? If it is thought to be wise to deny them finality of action and determination with respect to criminal cases and cases involving contempt of its Court, then upon what justifiable ground can it be held and successfully defended that the judiciary should make final determination with respect to declaratory acts of Congress, laws that have been passed by the duly authorized representatives of a sovereign people?

To the end that some further curb or check or restraint may be exercised upon the growing power and despotism of a paramount judiciary and I am delighted that the Senator from Arizona raised the question of how a despotism is organized, for his statement fits in exactly with my belief—I propose to submit to the next Congress an amendment to the Constitution very similar in its aim and purpose to the proposal submitted by James Madison and James Wilson to the Federal Convention that adopted the Constitution in its original form.

My proposed amendment to the Constitution will embody the following provisions:

First, that Congress shall have the power to reenact by a two-thirds majority of each House any law, or part thereof, hereafter declared unconstitutional by the Supreme Court, and the law thus reenacted shall be in full force and effect as though never held unconstitutional.

Mr. BONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. BILBO. I yield.

Mr. BONE. Is that not substantially what Chief Justice Marshall suggested in a letter at a time when there was an impeachment or threatened impeachment under way? I believe the Chief Justice himself had been suggested as the object of an impeachment procedure. That is correct, is it not?

Mr. BILBO. I am not advised concerning that.

Mr. BONE. I think it was John Marshall himself who suggested that Congress by a two-thirds vote of both Houses might override an adverse decision by the Supreme Court of an act of Congress.

Mr. BILBO. I appreciate the Senator's contribution to the discussion.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. CLARK. I do not think the Senator from Washington means to suggest that Chief Justice Marshall ever thought there was any way within the Constitution as it now exists for the Congress to pass an act over the decision of the Supreme Court by two-thirds majority.

Mr. BONE. No, Mr. President; he was suggesting that as one of the alternatives.

Mr. CLARK. The Senator means as an amendment to the Constitution?

Mr. BILBO. As a proposed amendment.

Mr. BONE. Mr. Marshall himself was a very badly frightened man, frightened of the specter of the opposition to the Court which was then arising.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. ASHURST. The Senator from Washington is correct. When Associate Justice Chase of the Supreme Court was impeached——

Mr. BONE. Yes, Mr. President; that was the case.

Mr. ASHURST. It was the contention of John Randolph and of Giles that the case should not be stopped but that it should continue on to impeachment of the Chief Justice. The Senator is correct, historically.

Mr. CLARK. The point I wished to make when I asked the Senator to yield was that neither Chief Justice Marshall, nor anyone else, ever suggested that under the present Constitution any power existed in Congress, by a two-thirds vote, to validate a law which had been declared to be unconstitutional by the Supreme Court.

Mr. BILBO. The gist of the amendment which I shall propose is to be found in the second provision. Therein lies the saving grace of the amendment.

The second part of my proposed constitutional amendment is that any act of Congress carrying the provision that the same shall be submitted to the Supreme Court for determination as to its constitutionality shall be so submitted to the Court by the Congress, and it shall be the duty of the Court to report said act, with its findings thereon, back to the Congress within 60 days from the receipt of same. If the act thus reviewed and construed by the Supreme Court is thought to be by it unconstitutional, then the Congress may either reconstruct the act in conformity to the Court's opinion and pass it as a new bill or the Congress may reenact in its original form the law or any part thereof declared unconstitutional and thereafter, and not before, the same shall be in full force and effect as though never held unconstitutional.

Mr. President, at some time during the Seventy-fifth Congress, the Lord willing, I shall submit to the Senate an amendment to the Constitution embodying the provisions I have just stated in a general way, and when I do this it will afford me pleasure to submit my supporting argument for this scheme of meeting the problem, and at the same time give to the Supreme Court the right to declare acts unconstitutional, and in that way place a check upon the possible formation and operation of the despotism which the Senator from Arizona has stressed.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following act and joint resolution:

On June 16, 1936:

S. 3770. An act to award a special gold medal to Lincoln Ellsworth.

On June 17, 1936:

S. J. Res. 61. Joint resolution to repeal an act approved February 17, 1933, entitled "An act for the relief of Tampico Marine Iron Works", and to provide for the relief of William Saenger, chairman liquidating committee of the Beaumont Export & Import Co., of Beaumont, Tex.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (S. 4740) to provide a graduated scale of reduction of payments under section 8 of the Soil Conservation and Domestic Allotment Act.

The message announced that the House had passed the bill (S. 2912) to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the joint resolution (S. J. Res. 286) fixing the date of meeting of the Seventy-fifth Congress, with an amendment, in which it requested the concurrence of the Senate.

HOUSE BILL INDEFINITELY POSTPONED

The PRESIDING OFFICER (Mr. BENSON in the chair) laid before the Senate the bill (H. R. 12657) to amend section 2 of the act entitled "An act granting the consent of Congress to the Alabama State Bridge Corporation to construct, maintain, and operate bridges across the Tennessee, Tombigbee, Warrior, Alabama, and Coosa Rivers, within the State of Alabama", approved May 26, 1928.

Mr. BLACK. I move that the bill be indefinitely postponed. It is the same as Senate bill 4622, which has passed the Senate.

The motion was agreed to.

AMENDMENT OF REVENUE ACT OF 1932—HOUSE BILL PLACED ON THE CALENDAR

The PRESIDING OFFICER laid before the Senate the bill (H. R. 12324), to amend section 723 (a) of the Revenue Act of 1932, as amended, which was read twice by its title.

Mr. McADOO. I ask unanimous consent that the bill may be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE MERCHANT MARINE

The Senate resumed consideration of the bill (H. R. 8555), to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes.

Mr. GUFFEY obtained the floor.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Loftin	Robinson
Bachman	Copeland	Lonergan	Russell
Bailey	Couzens	Long	Schwellenbach
Barbour	Davis	McAdoo	Sheppard
Barkley	Dieterich	McGill	Shipstead
Benson	Duffy	McKellar	Smith
Bilbo	Frazier	McNary	Steiwer
Black	George	Maloney	Thomas, Okla.
Bone	Gerry	Metcalf	Thomas, Utah
Borah	Gibson	Minton	Townsend
Brown	Glass	Moore	Truman
Bulkley	Guffey	Murphy	Tydings
Bulow	Hale	Murray	Vandenberg
Burke	Harrison	Neely	Van Nuys
Byrd	Hastings	Norris	Wagner
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Pittman	
Carey	King	Pope	
Chavez	La Follette	Radcliffe	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. GUFFEY. Mr. President, the President's message to Congress of March 4, 1935, presented the question of whether or not the United States should have an adequate merchant marine. In his message the President reminded the Congress that there were three good reasons why this country should have a merchant marine.

They were, first, that the maintenance of fair competition alone calls for American-flag ships of sufficient tonnage to carry a reasonable portion of our foreign commerce; second, that in the event of a major war, in which we were not involved, our commerce would be seriously crippled in the absence of an adequate merchant marine, because we would be unable to secure from other nations vessels for the carriage of our goods; third, that in the event of war, in which the United States might be engaged, we would need our merchant fleet as an auxiliary to the Navy.

The President reminded us that we should not forget the lessons of the last war. He also pointed out that the Merchant Marine Act of 1920 and the later act of 1928, which were intended to give us an adequate merchant marine, had failed of their purpose.

The merchant fleet we built during the war is rapidly becoming obsolete. Only 30 new vessels have been produced as a result of the more than $200,000,000 we have spent for subsidies under the guise of ocean-mail contracts under the 1928 act.

For more than a year the committees of the House and Senate have been endeavoring to frame a bill which would carry out the President's recommendations, but due to many divergent opinions as to just what should be contained in such a bill, it seemed almost impossible to frame legislation that would not meet with violent opposition from some direction.

For example, after extended hearings before the House Committee on Merchant Marine and Fisheries, that committee reported out and the House passed the measure now before the Senate, which is designated H. R. 8555.

This bill was referred to the Senate Commerce Committee and was reported out by that committee on August 9, 1935, nearly a year ago.

However, the Senator from New York has not found it desirable to call up this bill before, because, I presume, he realized it could not pass this body, unless drastically amended.

It is entirely too one-sided and would not correct the abuses revealed by the investigation so ably conducted by the Senator from Alabama [Mr. BLACK].

We also have on the calendar S. 3500, with a favorable report submitted by the chairman of the Commerce Committee, the senior Senator from New York.

But 10 members of the Commerce Committee, constituting half the membership of that committee, signed and filed a report in opposition to S. 3500, recommending against its passage.

In a desire to place before the Senate a measure that would follow out the President's recommendations, I presented a complete new bill which I proposed to offer as an amendment to H. R. 8555.

The amendments now being considered, which are sponsored by the Senator from New York, the Senator from Vermont, and myself, are in the main the substance of the bill I intended to offer as a substitute for H. R. 8555, with some changes and additions to make the draft acceptable to the Senator from New York and the Senator from Vermont.

The amendments, as they are now presented, are, I understand, acceptable to the Post Office Department and to the Commerce Department, and are in harmony with the President's recommendations. They contain all the safeguards and limitations that should surround the grants of public money authorized in the bill.

It is not claimed that this compromise measure is perfect, but in spite of some imperfections, these amendments, if enacted into law, will clear up the present uncertainty which surrounds our entire merchant marine problem, and will give us a fair start toward re-creation of a merchant marine.

The amendments create a new commission, to be composed of five members, under which will be placed all of the administrative functions of developing an adequate merchant marine, under the American flag, to carry its domestic commerce and at least one-half of its water-borne foreign commerce, and one that is commensurate with our requirements for a naval auxiliary.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. GUFFEY. I am glad to yield to the Senator from Missouri.

Mr. CLARK. The Senator knows I have been in great sympathy with his attitude, although I am personally opposed to any sort of a subsidy. However, is it not true that, having spent some three or four billion dollars in the creation of a merchant marine under various acts proposed by various administrations, both Democratic and Republican, so that it is not a partisan question, the American merchant marine today is approximately not better off than it was when this vast expenditure of money began?

Mr. GUFFEY. The Senator's statement is correct.

Mr. President, the regulatory functions, formerly exercised by the Shipping Board, now by the Department of Commerce, are also transferred to the new commission, but authority is given to the President to transfer these regulatory functions to the Interstate Commerce Commission, if, after 2 years, he deems it desirable.

In creating this new agency two existing agencies are eliminated—the United States Shipping Board Bureau of the Department of Commerce and the United States Shipping Board Merchant Fleet Corporation.

The ocean-mail contracts are to be canceled not later than June 30, 1937. This allows a year for readjustments. Each mail contractor is given the right to negotiate a settlement with the new commission, whereupon his contract is terminated before June 30, 1937, but if a settlement is not negotiated the contractor may sue the United States in the Court of Claims for just compensation, provided the suit is commenced prior to January 1, 1939.

In general, this bill contemplates the creation and the continued maintenance of an adequate merchant marine, with liberal Government subsidies to foster and encourage private ownership and private operation of the vessels which are to be built in American yards and operated under the American flag—but the bill also provides for construction by the Government of any additional vessels that may be required to meet the necessities of national defense and for our essential commercial trade routes. Such Government-owned vessels may be chartered for private operation on essential steamship lines, and only as a last resort may such vessels be operated directly by the Government.

The aim of the amendments is to develop all essential lines engaged in foreign service, under the American flag, to a high state of efficiency.

Where private shipping interests can develop and perpetuate any foreign-service line by contributing 25 percent of the construction cost of such new vessels as are required, the commission will pay the owner both an operating and construction subsidy. The amount of the subsidies will necessarily have to be estimated, after studies have been made of foreign construction and operating costs.

Mr. CLARK. Mr. President, will the Senator yield there?

Mr. GUFFEY. I yield.

Mr. CLARK. I do not wish to disturb the Senator, but is it not a fact that even under the proposed amendment—and it is decidedly the best on the subject which has been submitted to the Senate since I have been a Member of it; not only very much better than the original bill which the House passed but very much preferable to the bill which was introduced by the Senator from New York, being Senate bill 3500; and vastly preferable to the existing system—is it not, nevertheless, a fact that under this bill the Government may be required or permitted by the maritime authority set up by the measure to pay a subsidy of 100 percent on construction, which would mean that the Government and the taxpayers of the United States would "pay the freight" on the building of a ship and somebody else would own it?

Mr. GUFFEY. The Government could only pay under this bill a construction subsidy of 50 percent and a 100-percent operating subsidy.

Mr. CLARK. Yes; but let me ask the Senator, is it not possible under this proposed amendment to the law allowing a basic subsidy of 50 percent, if the commission finds some other nation is granting a subsidy, that the Government might pay a subsidy of 100 percent on the construction of a vessel and at the same time not have 1 percent of interest in the vessel and somebody else own it?

Mr. GUFFEY. It is not contemplated by the bill that there should be a construction subsidy of 100 percent. There can be such an operating subsidy but not a construction subsidy.

Mr. COPELAND. Mr. President, let me say that I think we have corrected that evil that appeared in my bill, known as Senate bill 3500.

Mr. CLARK. If the Senator from Pennsylvania will permit me, I agree that that situation has been very much improved, but I consulted with the adviser of the Senator from Pennsylvania just a few moments ago, and he admitted that, in addition to 50-percent construction subsidy, if it should appear, in the opinion of four out of five members of the commission, that there was a subsidy granted by some foreign government for the construction of ships, the commission could grant an additional subsidy without limit, which might mean—and I do not desire to delay the Senator from Pennsylvania—that the Government of the United States might be called on to put up 100 cents on the dollar for the construction of a ship and not have 1 cent interest in the ship when it was constructed and finished.

Mr. COPELAND. That was in response to a suggestion of the President himself in his message that there might be some trade condition where it would be developed that a foreign government was paying a hidden subsidy in addition. There are exceptions, as the Senator from Pennsylvania has said.

Mr. CLARK. With great respect for the President of the United States, I certainly could not vote for a bill which would mulct the taxpayers of the United States in the sum

of 100 cents on the dollar for the construction of a ship and still leave the ownership in some private person.

Mr. GUFFEY. I should like to read that paragraph of the President's message to which reference has been made:

> Approached in this way a subsidy amounts to a comparatively simple thing. It must be based upon providing for American shipping Government aid to make up the differential between American and foreign shipping costs. It should cover, first, the difference in the cost of building ships; second, the difference in the cost of operating ships; and, finally, it should take into consideration the liberal subsidies that many foreign governments provide for their shipping. Only by meeting this threefold differential can we expect to maintain a reasonable place in ocean commerce for ships flying the American flag and at the same time maintain American standards.

Mr. CLARK. Mr. President, will the Senator yield further, and then I promise not to interrupt him again?

Mr. GUFFEY. I yield.

Mr. CLARK. It seems perfectly apparent to me as democratic doctrine that it is indefensible to say, because some foreign government is granting a subsidy to the shipping interests, that that makes it justifiable for the United States Government to tax the taxpayers of this country to the extent of 100 cents on the dollar for the construction of a ship in which the Government will have no interest whatever when it is finished, and as to which the Government will bear all the losses of operation or construction and the private owner have all the profits either of construction or of operation, and as to which it may appear later that the ship has to be taken over by the Government at its fair value.

I do not wish to disagree with the President of the United States on this matter, but it seems to me the message of the President is not being very fairly applied, although, as I have said, I think it is much more fairly applied in this measure than any other measure which has come before the Senate. I do not believe the President of the United States or any other responsible authority would advocate the proposition that in order to have American ships on the sea it would be necessary for the United States Government to give someone 100 cents on the dollar to construct the ships in which the United States would have no ownership and over which it would have no control.

I asked this question of probably a hundred witnesses in the hearings before the subcommittee of the Commerce Committee, and I never received an adequate answer: "If it be true that in order to keep the American flag flying on the seas it is necessary for the United States Government to pay a subsidy up to 100 cents on the dollar, all of which the American taxpayers would have to pay, why should not the United States Government own the ships instead of having to go out and buy them whenever we get into war or whenever we may have to have ships?"

Mr. GUFFEY. I can answer the question of the Senator from Missouri. I am confident that as soon as foreign governments find out that our Government will grant as large subsidies as they do, they will stop the granting of enormous subsidies, because they know our resources are so much greater than theirs.

Mr. CLARK. I have great respect for the judgment of the Senator from Pennsylvania, but I am not willing to enact a law to mulct the American taxpayer on the basis of the judgment of the Senator from Pennsylvania.

Mr. POPE. Mr. President, will the Senator yield?

Mr. GUFFEY. Certainly.

Mr. POPE. How long are these subsidies to continue? I agree thoroughly with the Senator from Missouri [Mr. CLARK] that the whole idea of a subsidy is wrong. It may be said that we started to grant subsidies to certain interests and therefore it is necessary to grant them to other interests, but certainly it should be a temporary matter and not continue everlastingly. It seems that in this particular amendment a board is being created, and I am wondering how long, as contemplated in the amendment or in the original bill, the subsidies are to continue. Will they cover operations continuously after the ship is constructed?

Mr. GUFFEY. The operating subsidies are adjustable every year, and the construction subsidy lasts for the life of the contract on the ship, which is 20 years. The operating subsidies are adjustable annually by the authority.

Mr. POPE. But is it contemplated that the operating subsidies shall be paid continuously in the future?

Mr. GUFFEY. There is a chance for a recovery of part of the payments.

Mr. CLARK. Mr. President, if the Senator from Pennsylvania will yield to enable me to answer the Senator from Idaho, I promise him I shall not interrupt him again.

Mr. GUFFEY. I yield to the Senator from Missouri.

Mr. CLARK. Answering the question of the Senator from Idaho, let me state that the bill contemplates a subsidy system ad infinitum, or, as the old colored man said, "from now on." We will probably never arrive at a situation where we will get our books balanced.

One of the great arguments, and the only reason, I may say to the Senator from Idaho, why I agreed not to filibuster against the passage of the bill, was that the present existing system is worse than the one provided in the bill. The bill would provide a better system, bad as I think it is, than either the existing ocean-mail-contract system or the system provided by the House bill or by the Senate bill reported from the Commerce Committee.

The great argument why we have to pass some measure at this session of Congress is that if we do not do it we will perpetuate the old system under which many fine ships have been built, as the Senator from New York [Mr. COPELAND] used to say in the Commerce Committee, which included the *Morro Castle* and the *Mohawk*—the noblest fleet the United States ever had, according to the Senator from New York, but which cost us the lives of numerous American citizens.

The bill would leave inconclusive at any time the question of termination. I assume the time will arrive under the terms of the bill when the same problem will not be presented that is now presented to the people of the United States. Under the old existing system of ocean-mail contracts we cannot balance our books, and will always have to take something possibly that will not work or take just a little bit for the alleviation of the situation.

Mr. GUFFEY. At the present time the Post Office Department is paying out from $27,000,000 to $31,000,000 per year and getting no ships for it. We hope by paying out the same amount under the provisions of this bill we will get some ships.

Mr. CLARK. I think the plan provided under the present bill is better than the existing system; otherwise I would undertake to kill it if my strength held out.

Mr. GUFFEY. Mr. President, all net profits in excess of 10 percent realized by the shipbuilder on a vessel constructed with the aid of a Government subsidy will be subject to recapture by the Government from the shipbuilder.

All net operating profits in excess of 10 percent earned by the private owner on vessels aided by the operating subsidy are to be shared equally between the Government and the private owner.

These recapture clauses are necessary and equitable because the determination of the amount of operating subsidy to be paid cannot be accurately determined in advance. The amount of operating subsidy agreed upon may prove to be excessive because based upon an estimated figure.

Accordingly, the recapture provisions are necessary to insure against an excessive unearned profit to the operator derived from the Government subsidy.

However, before the excess profits are recaptured, provision is made for the setting up of reserves to be maintained by the ship operators, which will insure the replacement of old tonnage as it wears out, and the building of new, fast, modern vessels to take the place of the worn-out ships. The operator is also required to set up operating reserves which will insure the continued operation of the essential lines. These reserve funds are under the supervision of the commission. By this method it is believed the funds being supplied by the Government will be used for the purpose for which they are intended—that is to say, for the replacement of tonnage and the maintenance of the lines.

The amendments also provide for the chartering of Government vessels to private operators on trade routes that are not sufficiently established to yield a profit, but which are deemed essential for the development of our foreign commerce.

These lines are not to be operated in competition with other existing American-flag services, but are to be used for trade penetration and pioneering in new services. After such lines have become thoroughly established, the commission is authorized to sell the lines to citizens of the United States who will agree to maintain them.

This plan of operation of Government-owned vessels must not be confused with the Government operation under the old Shipping Board, where the vessels were turned over to private operators who made large profits from their commissions for operating a line, all the losses to be borne by the Government.

Under the charter plan the bare vessel is turned over to the operator, who must bear all the expenses of operation, keep the vessel in repair, and pay to the Government a fair charter rate for the use of the vessel.

It will thus be seen that this alternative plan for chartering vessels on lines not already served by private shipping companies is in no sense a return to the system of Government operation which has led to criticism in the past.

After this measure has been enacted into law and has been in operation for a few months, it may be found that there are defects which must be corrected. In such event the commission will be in a position to make recommendations to Congress for further legislation, based upon its experience under this measure and the studies authorized by it.

However, it is essential that, before adjourning, we should pass some kind of a bill to take care of the existing situation. If properly administered, this bill will afford a constructive start in the right direction.

PROHIBITION OF PRICE DISCRIMINATION—CONFERENCE REPORT

Mr. VAN NUYS. Mr. President, I ask unanimous consent that the pending bill be temporarily laid aside, and that the Senate proceed to consider the conference report on House bill 8442.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana?

There being no objection, the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, which was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That section 2 of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), is amended to read as follows:

"'SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them: *Provided*, That nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered: *Provided, however*, That the Federal Trade Commission may, after due investigation and hearing to all interested parties, fix and establish quantity limits, and revise the same as it finds necessary, as to particular commodities or classes of commodities, where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce; and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established: *And provided further*, That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona-fide transactions and not in restraint of trade: *And provided further*, That nothing herein contained shall prevent price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

"'(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima-facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however*, That nothing herein contained shall prevent a seller rebutting the prima-facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor.

"'(c) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale or purchase of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

"'(d) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless such payment or consideration is available on proportionately equal terms to all other customers competing in the distribution of such products or commodities.

"'(e) That it shall be unlawful for any person to discriminate in favor of one purchaser against another purchaser or purchasers of a commodity bought for resale, with or without processing, by contracting to furnish or furnishing, or by contributing to the furnishing of, any services or facilities connected with the processing, handling, sale, or offering for sale of such commodity so purchased upon terms not accorded to all purchasers on proportionally equal terms.

"'(f) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, knowingly to induce or receive a discrimination in price which is prohibited by this section.'

"SEC. 2. That nothing herein contained shall affect rights of action arising, or litigation pending, or orders of the Federal Trade Commission issued and in effect or pending on review, based on section 2 of said Act of October 15, 1914, prior to the effective date of this amendatory Act: *Provided*, That where, prior to the effective date of this amendatory Act, the Federal Trade Commission has issued an order requiring any person to cease and desist from a violation of section 2 of said Act of October 15, 1914, and such order is pending on review or is in effect, either as issued or as affirmed or modified by a court of competent jurisdiction, and the Commission shall have reason to believe that such person has committed, used or carried on, since the effective date of this amendatory Act, or is committing, using or carrying on, any act, practice or method in violation of any of the provisions of said section 2 as amended by this Act, it may reopen such original proceeding and may issue and serve upon such person its complaint, supplementary to the original complaint, stating its charges in that respect. Thereupon the same proceedings shall be had upon such supplementary complaint as provided in section 11 of said Act of October 15, 1914. If upon such hearing the Commission shall be of the opinion that any act, practice, or method charged in said supplementary complaint has been committed, used, or carried on since the effective date of this amendatory Act, or is being committed, used or carried on, in violation of said section 2 as amended by this Act, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and serve upon such person its order modifying or amending its original order to include any additional violations

of law so found. Thereafter the provisions of section 11 of said Act of October 15, 1914, as to review and enforcement of orders of the Commission shall in all things apply to such modified or amended order. If upon review as provided in said section 11 the court shall set aside such modified or amended order, the original order shall not be affected thereby, but it shall be and remain in force and effect as fully and to the same extent as if such supplementary proceedings had not been taken.

"SEC. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser, in that, any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance, or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity; to sell, or contract to sell, goods in any part of the United States at prices lower than those exacted by said person elsewhere in the United States for the purpose of destroying competition, or eliminating a competitor in such part of the United States; or, to sell, or contract to sell, goods at unreasonably low prices for the purpose of destroying competition or eliminating a competitor.

"Any person violating any of the provisions of this section shall, upon conviction thereof, be fined not more than $5,000 or imprisoned not more than one year, or both.

"SEC. 4. Nothing in this act shall prevent a cooperative association from returning to its members, producers, or consumers the whole, or any part of, the net earnings or surplus resulting from its trading operations, in proportion to their purchases or sales from, to, or through the association."

And the Senate agree to the same.

FREDERICK VAN NUYS,
GEO. MCGILL,
WM. E. BORAH,
WARREN R. AUSTIN,
Managers on the part of the Senate.

HUBERT UTTERBACK,
JNO. E. MILLER,
CHARLES F. MCLAUGHLIN,
U. S. GUYER,
JOHN M. ROBSION,
Managers on the part of the House.

Mr. McNARY. Mr. President, there should be an explanation of the conference report.

Mr. VAN NUYS. Mr. President, as the Senator will recognize, this is the conference report on what is known as the anti-price-discrimination bill. The House bill was sent over here, and the Senate struck out all after the enacting clause and substituted what is known as the Robinson bill.

Mr. VANDENBERG. Mr. President, I should like to ask the Senator from Indiana one or two questions about the conference report.

The fact has been called to my attention that section 3 of the bill, as agreed upon in conference, makes certain discriminations punishable by fine and also subject to treble damages, while similar discriminations under section 2 (b) would be subject to rebuttal by showing, for instance, that a reduced price was made in good faith to meet an equally low price of a competitor. In other words, it is asserted to me that the defense allowed under section 2 (b) is not permitted under section 3, although the act or the offense would be the same.

Mr. VAN NUYS. I think the Senator is mistaken there. The proviso to which he refers is simply a rule of evidence rather than a part of the substantive law. If a prima-facie case is made against an alleged unfair practice, the respondent may rebut the prima facie case by showing that his lower prices were made in good faith to meet the prices of a competitor. That is a rule of evidence rather than substantive law.

Mr. VANDENBERG. Will the Senator also comment on this situation for the RECORD, because I am sure his comments will be entirely effective in answer to it? It is also suggested that the defenses which are permitted before the Federal Trade Commission are not permitted in court proceedings.

Mr. VAN NUYS. I will say to the distinguished Senator from Michigan that there is no foundation in the world for such a statement as to any proviso in the bill.

Mr. VANDENBERG. I am very glad to have the Senator's statement on that subject.

Now I desire to ask a further question. Is any period of grace permitted for existing contracts which would fall under the proposed inhibitions, but which would necessarily have to be completed?

Mr. VAN NUYS. I think not.

Mr. VANDENBERG. There is no period of grace?

Mr. VAN NUYS. There is no period of grace.

Mr. VANDENBERG. May I ask the Senator what the conferees did with the amendment eliminating industrial operations from the terms of the proposed legislation?

Mr. VAN NUYS. If the Senator from Michigan means the classification of purchasers, we entirely eliminated that part of the Senate bill.

Mr. VANDENBERG. No; I mean the amendment I offered on the floor of the Senate and which was taken to conference.

Mr. VAN NUYS. If the Senator will point out just what amendment it is, I can tell him in a moment.

Mr. VANDENBERG. I have not the conference report before me.

Mr. VAN NUYS. Does the Senator from Idaho [Mr. BORAH] remember?

Mr. BORAH. I think I recall the amendment in question. The amendment offered by the able Senator from Michigan was omitted from the conference report after very considerable discussion.

Mr. VAN NUYS. What was the substance of the amendment of the Senator from Michigan?

Mr. VANDENBERG. The purpose of the amendment was this:

There are many industrial operations which may by implication be brought unintentionally within the jurisdiction of this measure. No consideration was ever given in committee to the possible effect upon industrial operations; and, because of that fact, the Senate adopted an amendment eliminating—I have forgotten the precise language—commodities purchased for inclusion in remanufacture.

Mr. VAN NUYS. I will ask the Senator if this was the amendment?—

Provided, That where such commodities are sold for use in further manufacture and in the production of a new product to be sold to the public, nothing herein contained shall prevent discrimination in price by reason of differences in quantity of the commodity sold.

Mr. VANDENBERG. That is the amendment to which I refer.

Mr. VAN NUYS. That amendment was eliminated because there is in the bill a general clause covering all commodities which does not prohibit discrimination in price when based upon quantity, when offered to all other like purchasers. The conference committee saw no reason why that type of commodity should be exempted to the exclusion of other types.

Mr. VANDENBERG. Mr. President, of course it is beyond any possibility, I assume, that a change could be made in the text as reported by the conference committee. So far as I am personally concerned, I think it is exceedingly unfortunate that this particular amendment has been eliminated. The Borah-Van Nuys bill, so-called, met with my complete approval, and it needed no exemption of the nature to which I have referred, but I think that when the Borah-Van Nuys bill is joined with the Robinson-Patman bill it is exceedingly unfortunate, it is exceedingly imprudent, it is little short of reckless, to attach these new prohibitions to processes of manufacture when that subject matter never was probed at all in any of the hearings, either in the House committee or in the Senate committee, in respect to this type of legislation. I do not think we have any business dealing with American business in such a cavalier fashion.

Mr. DAVIS. Mr. President, if I may have the attention of the Senator from Idaho, I should like to ask him whether this proposed legislation changes in any way the present status of the basing-point plan now used by steel and cement and other natural-resource industries.

Mr. BORAH. I could not answer offhand, because I am not sure that I know the exact operation of the basing-point plan in the steel industry.

Mr. DAVIS. Under the basing-point plan in the steel industry the markets all over the country are available for anyone who is engaged in that industry.

Mr. BORAH. My opinion would be that this does not have any effect upon that. I defer to the judgment of the Senator in charge of the bill, but that would be my impression.

Mr. VAN NUYS. The Senator from Idaho is correct.

The PRESIDING OFFICER. (Mr. CLARK in the chair). The question is on agreeing to the conference report.

The report was agreed to.

THE MERCHANT MARINE

The Senate resumed the consideration of the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid in national defense, and for other purposes.

Mr. COPELAND. Mr. President, I do not know whether any amendments are to be offered or not. So far as I am concerned, I am ready for a vote on the bill.

Mr. McNARY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. Are there any committee amendments to be acted on?

The PRESIDING OFFICER. There is but one committee amendment, and the Chair understands it is in the nature of a substitute for the whole bill.

Mr. COPELAND. There is just one amendment, Mr. President.

Mr. McNARY. In the absence of the senior Senator from California [Mr. JOHNSON], who is detained at home on account of illness, I desire to propose an amendment which I think will be found acceptable to the able Senator from New York.

The PRESIDING OFFICER. Let the Chair state the parliamentary situation. The bill before the Senate is a House bill, for which the Senate committee reported a substitute. The Senator from New York, the Senator from Pennsylvania, and the Senator from Vermont have offered an amendment to the committee amendment, which is now pending before the Senate.

Mr. COPELAND. The amendment to the amendment may be perfected.

The PRESIDING OFFICER. It is also subject to perfection.

Mr. McNARY. That is why I am offering the amendment at this time. I send to the desk an amendment on behalf of the Senator from California and ask that the clerk state the amendment.

The PRESIDING OFFICER. The Senator from Oregon, on behalf of the senior Senator from California [Mr. JOHNSON], offers an amendment to the amendment, which the clerk will state.

The CHIEF CLERK. On page 41, line 18, after the word "ports", it is proposed to insert the words "or a round voyage from the Atlantic coast to the Orient", and on page 51, line 6, after the word "ports", to insert the words "or a round voyage from the Atlantic coast to the Orient."

Mr. COPELAND. We have no objection to that.

Mr. BLACK. I should like to have the amendment explained. I cannot understand what its effect would be.

Mr. McNARY. Mr. President, I submit the following statement in explanation of the amendment.

The PRESIDING OFFICER. The Senator from Oregon submits a statement, which the clerk will read.

The Chief Clerk read as follows:

The purpose of these amendments is to protect the trade routes that have been established between the Atlantic coast of the United States and the Orient. As you are aware, Japan has established regular direct freight service between Japan and the Orient to the Atlantic coast of the United States. Therefore, it is most important that we meet this competition, and protect the American services which have been established in this trade.

The omission is probably an oversight, because you will observe in these sections the west coast to European countries is mentioned but not the Atlantic coast to the Orient.

Mr. COPELAND. Mr. President, there is now a provision in the bill relating to the subsidy on round-the-world voyages, or a round voyage from the west coast of the United States to European ports. As I understand, the purpose of the amendment is to provide that the law shall apply to a round voyage from the west coast of the United States to the Orient.

Mr. BLACK. Mr. President, the point in which I am interested is whether or not the entire trip should be considered in granting a subsidy, or whether it would be only that part of the trip between this country and the foreign country. Naturally, if a line were engaged in intercoastal trade and it should be given a subsidy for that part of the voyage which was intercoastal, it would give the line a very unfair advantage over other intercoastal lines which did not have a subsidy.

Mr. COPELAND. Mr. President, under the amendment there would be no intercoastal part of the voyage. As I remember the language, it applies to a round voyage from the west coast to the Orient.

Mr. McKELLAR. No; a round voyage from the Atlantic coast. Let the amendment be stated again.

The PRESIDING OFFICER. The clerk will again state the amendment.

The CHIEF CLERK. On page 41, line 18, and on page 51, line 6, it is proposed to add the words, "or a round voyage from the Atlantic coast to the Orient."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon on behalf of the Senator from California to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. McADOO. Mr. President, I had intended to discuss this subject briefly, because it is one in which I have long been interested, but in view of the fact that the session is rapidly approaching its close, and I do not desire to take the time of the Senate unnecessarily, I shall content myself by asking to have inserted in the RECORD a speech I made in Indiana in 1915 entitled "A Naval Auxiliary Merchant Marine." At that time I was Secretary of the Treasury. It became a part of the duty of my Department to investigate the question of the merchant marine of the United States, and the views I expressed at that time largely are the views I entertain today on this subject.

I shall therefore ask to have that speech extended in the RECORD as part of my remarks.

The PRESIDING OFFICER (Mr. CLARK in the chair). Without objection, it is so ordered.

The speech is as follows:

A NAVAL AUXILIARY MERCHANT MARINE

(Speech of Hon. W. G. McADOO, Secretary of the Treasury, before the Chamber of Commerce of Indianapolis, Ind., Oct. 13, 1915)

The terrible events of the past year in Europe, and the acute situations which have arisen in our foreign relations, have brought forcibly to the front the necessity for greater naval and military preparedness than our people have heretofore believed to be necessary for the national safety. Our splendid isolation upon which we have relied so much in the past as our chief protection, has been neutralized in great measure by the developments of modern science. Wireless telegraphy and wireless telephony, airplanes, fast steamships, powerful battleships, long-range guns, high explosives, and submarines which can cross the Atlantic and Pacific have awakened us to a realization of the fact that the great ocean barriers have largely disappeared, and that we may in time become the object of attack by hostile powers. We have been forced to consider the new measures which are essential to put the country upon a basis of greater security. We must not approach this subject in hysterical fashion; we must not take counsel of fear, but counsel of prudence, reason, and intelligence. We are so fortunately placed that we do not have to adopt a militaristic policy as that term is commonly understood. Our geographical position makes it unnecessary for us to maintain such formidable military establishments as those of the great powers of Europe. The most indispensable factor in any sensible plan of national defense is a powerful Navy, capable of striking with effect—both offensively and defensively—supplied with essential naval auxiliaries in the form of an American merchant marine and manned by American seamen who are ready and willing to fight for the Stars and Stripes against any enemy on the face of the earth.

NAVAL AUXILIARIES

What is a naval auxiliary? It is a fleet of merchant vessels so constructed that they may render essential service and assistance to our battleships and cruisers in time of war and serve the needs of our commerce in time of peace. A navy, no matter how strong in battleships, cruisers, torpedo boats, and submarines, is only partially equipped without a merchant-marine auxiliary. It is a fact, and every naval expert will so testify, that a merchant-marine naval

auxiliary is just as essential to the effectiveness of the navy, considered as a complete fighting machine, as the guns upon the decks of our battleships and the seamen upon whose skill and valor the effectiveness of those guns depends. Why is this so? Because battleships and cruisers and torpedo boats and submarines have to be furnished at sea with coal, provisions, and supplies of all kinds. Fighting vessels cannot carry sufficient supplies to remain long from their home bases, and they must have these essential auxiliaries in order to enable them to stay at sea and engage in effective offensive and defensive operations away from their home ports.

UNPREPARED FOR SPANISH WAR

We cannot with safety rely upon our ability to purchase or charter suitable naval auxiliaries when a crisis appears. The very essence of preparedness for the Navy is to have these vessels of suitable types and construction where we can put our hands on them quickly. To prove this I need only tell you what happened when war with Spain broke out in 1898. We had no naval auxiliaries—no Army transports. We were utterly unprepared. We had to go into the market and buy immediately any and every kind of boat that could be hastily adapted to our purposes, and of course, we paid fabulous prices for them. When a man or a government has to have something the other fellow has got, and that fellow knows that this something can't be gotten from anybody but himself, he exacts the highest possible price and gets it. This is human nature. The Navy alone bought at that time 102 vessels as naval auxiliaries and paid, in round numbers, the fabulous sum of $18,000,000 for them. There is no officer of the Navy who knows about these purchases who won't admit that most of these vessels were junk.

The Navy Department sold 25, or one-fourth of them, since the war for the paltry sum of $1,167,638. Listen to these figures:

Zafiro, bought for	$87,597.00	
Sold to Chicago Junk Co. for	3,300.00	
Loss		$84,297.00
Yosemite, bought for	$575,000.00	
Sold for	11,522.04	
Loss		563,477.96
Vulcan, bought for	$350,000.00	
Sold for	175,750.00	
Loss		174,250.00
Hornet, bought for	$117,500.00	
Sold for	5,100.00	
Loss		112,400.00
Niagara, bought for	$200,000.00	
Sold for	75,563.00	
Loss		124,437.00
Alexander, bought for	$206,825.00	
Sold for	17,400.00	
Loss		189,425.00
Hector, bought for	$200,000.00	
Sold for	65,150.00	
Loss		134,850.00
Total loss		1,383,136.96

Here are seven vessels, bought hastily for naval auxiliaries, at a total cost of $1,736,922. They were sold for $353,785.04, making a total loss to the Government of $1,383,136.96, or 80 percent of the original investment. Isn't this a monument to American intelligence?

But we had to take anything we could get and pay any price the shipowner or broker asked in order to send our fleet just a little way from home—to Cuba. This is the penalty we paid for our failure to create a real naval auxiliary. Unhappily, we have learned nothing from that painful lesson and are in worse condition today than we were in 1898, so far as merchant marine naval auxiliaries are concerned, because our Navy is much larger and its requirements more exacting.

In addition to the $18,000,000 spent by the Navy, the War Department spent millions for vessels to transport troops. If we build a real and efficient naval auxiliary, we shall have the right kind of vessels to supply the Army with transports when it needs them.

NAVAL AUXILIARIES LACKING TODAY

We have not today under the American flag sufficient vessels to give our Navy, in case of war, the support and assistance which is indispensable to its efficiency. I do not ask you to take my word for this statement. I will give you the testimony of the Secretary of the Navy himself. In June last I addressed the following inquiry to the Navy Department:

"Considering our Navy as it is today, and having reference to its maximum usefulness and efficiency in time of war, what number of merchant vessels and of what total tonnage would be required?"

Admiral Benson, who was at the time Acting Secretary of the Navy in the absence of Secretary Daniels, replied as follows:

"There would be required 400 merchant vessels for auxiliaries, with a total of 1,172,000 gross tonnage. In addition to the above, should our own coast be invested, or even occasionally visited, there would be required a large number of small vessels fitted for mine sweeping—say, at least 324 of such vessels, of about 150 gross tons each."

Then follows a statement of the various types and characteristics of the vessels required; but it is hardly necessary to give these details beyond saying that they cover fleet scouts, colliers, oilers, supply and repair ships, transports, ammunition supply ships, hospital ships, destroyer and submarine tenders, etc.

This estimate does not take into account future needs of the Navy. As it increases each year, our naval auxiliary merchant marine must increase proportionately.

There is no doubt of our ability to supply from our coastwise vessels the 324 small vessels for mine sweeping referred to in Admiral Benson's statement; but we are not so fortunately situated with respect to the 400 merchant vessels for auxiliaries, aggregating about 1,172,000 gross tonnage, to which the admiral refers. Undoubtedly a large part of this tonnage could be drawn from ships now under American registry; but such ships would in many respects be makeshifts and not suitable either in type, speed, or construction to render in the highest degree the service which a well-developed navy would require.

I am informed by the Navy Department that we could draw from our present merchant marine approximately 700,000 gross tonnage of vessels that could be converted into naval auxiliaries. This leaves us with a deficiency of about 500,000 gross tonnage to meet the needs of our Navy as it stands today and without allowing for growth. It may be claimed in this connection that our merchant marine has grown so rapidly in the past year that we are justified in relying on it to keep pace with our naval requirements, so that we could draw from it what we want in case of war. The increase in our merchant marine in the past year is due to the liberal act passed by the Congress after the European war broke out known as the ship registry bill, which authorizes anyone to register a foreign-built ship under our flag by complying with the conditions of the act. While the German cruisers were in the Atlantic and Pacific a considerable number of vessels of English and other registry, many of which were owned by American citizens, were transferred to the American flag. We have no assurance, however, that these ships will remain under American registry after peace is restored in Europe. Even if they do, their crews are composed mostly of foreigners, who are under no obligation to fight for our flag and are not likely to volunteer to do so in an emergency. It is, of course, out of the question to rely upon citizens of foreign powers to fight our battles upon the high seas. We must not rely upon foreign ships and foreign crews which may have taken the benefits of American registry merely for safety and insurance against attack while the war is raging in Europe and which may desert us as soon as that danger is past.

THE GOVERNMENT SHOULD ACT AT ONCE

As a part of our naval program of preparedness, we should provide every element of a well-equipped, highly efficient, and perfectly balanced naval fleet and organization. The ships, both of the fighting line and of the auxiliary line, should be the best that American skill and science can produce, and the men who are to fight the battleships and operate the auxiliaries must be trained American seamen, imbued with our national spirit and knowing no allegiance except to the United States. So vital is this that, whereas a few years ago we permitted foreigners to enlist in our Navy, the law now compels the enlistment of American citizens only.

Every part of a highly developed navy and every unit of the human organization should work in thorough reciprocation, like the parts of a perfect locomotive, enabling it to develop the highest power, the greatest speed, and the maximum of efficiency in all circumstances and under all conditions.

Our neglect to provide in the past the necessary naval auxiliaries gives us, however, one great advantage. By building them now we can develop a type that will be better than anything the world has yet produced. We can construct a more efficient arm of this character than any nation on earth possesses; and, while we are conserving the national safety by increasing the power of our national fighting machine, we can at the same time put into commerce a class of ships which will give to our people, in the expansion of our foreign trade, advantages over every competitor. We can do this because the merchant marines of our leading rivals are, in most respects, composed of old ships, with obsolete equipment. We can build new ships of modern equipment, constructed with special reference to Navy uses, commercial requirements, and economical operation, that will be superior to anything that naval and marine architecture have yet turned out. As I said before, this is the one advantage of our past neglect, but that advantage will be lost if the calamity of war should overtake us before we can create our well-balanced Navy, with its complement of merchant-marine naval auxiliaries.

Up to this point I think we can all agree. I believe there is no citizen, however partisan he may be, or whatever his views may be about a merchant marine, who will not agree that the Government should provide the necessary auxiliaries for the Navy just as it should provide the battleships and other essential fighting units of the Navy. Certainly we cannot afford to rely on private capital to create these naval auxiliaries. We cannot sleep any longer—we must prepare.

The Government should proceed immediately with the construction of these auxiliaries as a part of the program of preparedness. The vessels should be designed by the best marine and naval architects in this country. They should be passed upon and approved

by the Navy Department, and the contracts for their construction should be let to American shipyards to the extent that such shipyards can build them, and our own navy yards should construct as many of these vessels as their capacity will permit. I wish to emphasize the importance of building these ships in American shipyards and in our navy yards. It is just as important a part of naval preparedness to have adequate shipyards for the purpose of constructing and repairing vessels as it is to have the vessels themselves and the men to man them. We must pursue an intelligent system of building up our shipyards and our navy yards as a part of the vital problem of naval preparedness.

NAVAL AUXILIARY MERCHANT VESSELS TO EXPAND OUR FOREIGN COMMERCE

When we have built the 500,000 gross tonnage of merchant vessels as naval auxiliaries the question is, What shall we do with them? They will not be required for actual service unless a war breaks out. There are two methods of dealing with them. First, tie them up in our harbors and allow them to remain idle and rot; or second, operate them under some intelligent plan for the protection and expansion of our foreign commerce.

Of course, no rational person would advocate that these vessels be kept idle in our harbors, awaiting the uncertain eventuality of war. The interest charge alone would be a large and continuing expense. In a comparatively few years the vessels would go to ruin and the whole investment would be lost.

If, on the other hand, we operate these ships under some sensible plan and expand our foreign trade, we will do the most intelligent possible thing from every standpoint. The operation of the ships will keep them in fit condition to respond to the immediate call of the Navy in case of need, and we shall, at the same time, create a large corps of trained American officers and seamen, and the direct earnings may show a handsome return on the investment. Even if a loss is incurred, it will be a small price to pay for preparedness and the national safety. While thus preserving the ships and creating a highly efficient Naval Reserve, we can enlarge our foreign trade and carry our influence, both financial and commercial, into the open markets of the world. Is not this the intelligent thing to do? Can there be any difference of opinion on this point? If not, then all of us, whether partisans or not, can travel the same road this far.

I imagine also that there can be no difference of opinion as to the desirability of increasing our foreign trade. I believe that we shall all agree that the prosperity of this country depends upon the maintenance and expansion of our foreign commerce. What could more clearly prove this than the experience through which the Nation has recently passed and is now passing? When the European war broke out the first result was a complete disorganization of exchange and international credits, a dislocation of all foreign commerce and its almost complete stoppage for several months. The effect upon our internal situation was immediate and dangerous. In all of our leading ports there was great congestion of grain, cotton, and supplies of all kinds, with corresponding injury and depression throughout the country. This was followed by a period of gradual loosening up, of restoration of confidence and credits, until now the orders from foreign nations have so stimulated our foreign trade that our industries are running full time and there is a demand for all of our surplus products, particularly the products of the farms. Our only difficulty is a lack of ship tonnage, which is preventing our exports from being greater than they are.

SOUTH AMERICAN MARKET

If the volume of our foreign trade should continue to be even as great as now, it would mean a long period of unusual prosperity in this country, but when peace is restored in Europe there will be a decreased demand for many of our products. It will be necessary to substitute markets which are now available and practically untouched by us if we are to preserve our prosperity unchecked. I refer to the markets of South America and the Orient.

What are the South American markets worth? The latest available figures show that the total yearly imports of South America from Great Britain, Belgium, France, Austria-Hungary, Germany, Italy, and Russia were $677,767,815. Austria-Hungary and Germany alone exported to South America annually $197,000,000. This great trade is open to us. The total United States exports to these countries for the last year of available statistics were only $166,598,949. I have no figures on the Orient.

If we take these markets while we have the chance, we can establish unparalleled prosperity in this country. We have, by reason of the Federal Reserve System, so organized and consolidated our credit resources that we now have the financial strength to extend our commerce wherever it will go. Our one and indispensable need is ships—merchant ships of American registry. We can get them by creating the necessary naval auxiliaries.

AMERICAN DEPENDENCE UPON FOREIGN SHIPS

Why is it necessary to our commerce to have a merchant marine under the American flag?

This is an economic question of primary importance. We are one of the greatest industrial and producing nations on earth. We must have foreign markets to absorb our surplus products. Without them we shall have stagnation and depression and idleness and want. To secure our share of the open markets, such as Central and South America and the Orient, we must compete with other leading industrial nations of the world, such as Great Britain, Germany, and France. If we have to depend on their ships to carry our goods in competition with them to South America and the Orient, they will naturally favor British or German or French merchants, as the case may be, both in rates and service, as against American merchants. We have no control over or power to regulate these foreign steamship lines, or to prevent them from discriminating against our interests. If we have American ships, their first interest is to build up and extend American business, just as the first interest of the British ships is to build up British business, and the German ships to build up German business. After the European war is ended competition for the open markets of the world will be more intense than ever. We must have every facility that our competitors have if we are to get an even chance.

Let me illustrate: Suppose a merchant in Buenos Aires wants to place a large order for cotton goods or steel rails. He gets quotations in England, Germany, and the United States. The English manufacturer has an English steamship line to carry his product to Buenos Aires, and the German manufacturer has the same advantage in a German line. But the United States manufacturer has only a British or German ship to carry his product to Buenos Aires. Don't you suppose that the British and German steamship companies are going to give the best rates and service to the British and German manufacturers, instead of the American? Of course they are. Their first interest is in building up their own countries. But if the American manufacturer has an American steamship line to give him a fair show in rates and service, he may get the business.

Let us bring the point nearer home. Suppose two men were running competitive grocery stores in Indianapolis, and that one of them had a fast automobile delivery service and the other had to use the automobile service of his competitor for the delivery of his goods. How much business would the grocer who has no delivery service of his own do? Not much. His competitor with the automobile service would soon put him out of business.

This is not all.

Having few American ships in the foreign trade, we are dependent today on the flag of Great Britain for the carriage of the greatest part of our commerce. She is at war. She must use her ships for her own necessities first, as a matter of course. She cannot supply us with the ships we need for our own commerce, and the longer the war lasts the less she can do for us. The German flag, our other chief reliance, has disappeared from the seas. If Great Britain's control of the sea should be destroyed or seriously impaired it would react disastrously on our trade and general situation. As an economic question, are we justified in relying upon the ships of any foreign flag to protect our vital interests, especially when the nation upon whose ships we depend is, or may be, engaged in great wars?

Consider a more serious phase of the matter. Suppose that a war between Great Britain and the United States should ever break out. Her ships would be withdrawn and we would be involved in immeasurable disaster.

The risk is too great for any first-class power to take. We have no right to hazard the fortunes and the welfare and the safety of our country on such a chance. Already we are too close to the awful European conflict, although we are at peace, thank God, with every belligerent. Let us secure our safety, physical and economic, by doing what is necessary to be done and what we are so able financially and otherwise to do.

We are, moreover, paying to foreign steamship lines more than $300,000,000 per year, when by having our own ships we could pay them for this service, build up a merchant marine which will profit our people in time of peace and serve our country in time of war.

OPERATION OF A NAVAL AUXILIARY MERCHANT MARINE

The question now arises as to how these merchant marine naval auxiliaries can be operated with the greatest benefit to the country. It must be borne in mind that a really useful naval auxiliary should consist of fast passenger and cargo ships, as well as ordinary cargo ships. The combined passenger and cargo ships would be suitable for operation on specific routes, such, for instance, as lines running—

To Brazil, Uruguay, and Argentina, and touching at the important ports of those countries.

To Colombia, Ecuador, Peru, and Chile, and along the west coast to South America.

To the Orient, touching at Honolulu and the leading ports in Japan, China, and the Philippines.

We should not, however, establish regular steamship lines where sufficient and satisfactory service has been established by American companies operating ships under American registry.

The ordinary cargo ships could be used in any and all parts of the world, and in such manner as will be most beneficial to the commerce of the country.

To bring about these results a Shipping Board should be created, consisting of the Secretary of the Navy and the Secretary of Commerce as members ex officio, and three members to be selected by the President and confirmed by the Senate. I suggest that the Secretary of the Navy be a member of the Board, instead of the Secretary of the Treasury, as proposed in the shipping bill introduced in the last Congress, because at that time the necessity for naval preparedness was not so apparent as it is now. Naval auxiliaries and Naval Reserves make cooperation and coordination with the Navy essential, and with the Secretary of the Navy on the Board this will be secured. The Secretary of Commerce, whose Department has its hand constantly upon the business pulse of the Nation, should obviously be a member of the Board. Congress should appropriate and put into the hands of this Board a fund

of $50,000,000. This would be sufficient to create a naval auxiliary of suitable merchant ships of from 400,000 to 500,000 gross tons. This Board should have authority to establish, as quickly as possible, steamship lines to the east and west coasts of South America and to the Orient. In my judgment it is highly important that such lines shall be established and operated under governmental control, so that there may be a guarantee of sufficient, regular, and reliable service, and at such rates for passengers and freight as will put our farmers, producers, and manufacturers on a competitive basis with their rivals in the world's trade. What the American producer and manufacturer needs more than anything else to enable him to capture his share of the world's markets is this kind of steamship service, a service which he knows he can depend on, and rates which he knows will enable him to successfully compete with his foreign rivals; that is, rates and terms at least as favorable as those enjoyed by his foreign rivals.

In order to make this service most satisfactory the Shipping Board should have authority to organize a corporation or corporations and to subscribe to the capital stock thereof in whole or in part, as the Board may determine will most effectively carry out the objects in view. The Board should have authority to vote the stock belonging to the United States for the election of directors. These directors will, in turn, choose the officers and employees of the corporation. By this means they will be removed from political influences, just as the Panama Railroad Co. & Steamship Line, in which the Government is the sole stockholder, is unaffected by political influences.

Another great advantage in having a corporation or corporations in which the Government is a stockholder instead of the Government itself operating these lines is this: The corporation can sue and be sued, and a shipper will have no difficulty in enforcing his remedy or claim against the corporation. If the Government directly operated steamship lines, shippers would be embarrassed in the enforcement of their claims. They would have to sue in the Court of Claims at Washington and after judgment secure an act of Congress before payment could be made. In commercial undertakings it is important that legal remedies shall be prompt and effective. Moreover, the operation of the ships through the agency of a corporation such as I have described will result in securing the most efficient management, and the methods will be as simple and direct as those of rival lines operating under foreign flags. These lines operated by a corporation or corporations under the general supervision of the Shipping Board will give confidence to businessmen not only in the United States but in all those countries of South America and the Orient with which they will connect.

As a result of the Pan American Financial Conference held in Washington last May, in which 18 Central and South American nations participated, I am confident that those countries to which such lines run will extend every possible facility in the form of docks, terminals, and favoring laws. Certain of those nations have indicated their eagerness to cooperate with our Government in the most effective manner for the purpose of improving trade and commercial relations between their countries and ours.

As to the distinctively cargo ships to which I have referred, and which would constitute a large and important part of the proposed naval auxiliary, I think that a different form of treatment could be adopted with great advantage to our commerce. The Shipping Board should have the power to lease or charter these ships to responsible individuals, firms, or corporations under such conditions as the Board may deem best, but in no event at less than 3 percent on the cost of construction and 4 percent for depreciation. The length of such leases or charters and the general conditions connected therewith should be left to the discretion of the Shipping Board.

This would put in the hands of the Board a mobile fleet of vessels which could be used in any part of the world and under conditions that would enable them to meet any emergency that might arise anywhere with respect to our commerce.

Let us consider such a situation as now confronts the Northwest. The lumber and grain interests in Washington, Oregon, and throughout the Northwest have suffered severely for lack of shipping facilities. At certain seasons of the year the South requires a large number of ships to transport its cotton to Europe. In such circumstances the Shipping Board could throw a fleet of steamers into the leading ports of the Northwest and South to take care of the seasonal demands and protect shippers and businessmen in those sections of the country against loss and injury and the excessive and extortionate charges from which they have too frequently suffered.

I do not mean to say that the power of the Shipping Board should be limited to leasing ships. The Board should also have authority to operate them in commerce whenever suitable lessees cannot be found, or whenever in its judgment the interests of our commerce would be best subserved by such direct operation through the medium of a corporation or corporations as I have already described.

Under this plan these merchant-marine naval auxiliaries could be made to set the pace in merchant-marine construction and operation. They could be used as a school for demonstration and for the training of a naval reserve along with the highly utilitarian services they would perform. We could prove the falsity of the claim that ships cannot be operated under the American flag at a profit. With modern ships of superior construction and economical operation, and with American seamen of proved efficiency—because the genuine American seaman is the most efficient seaman—I know that we can beat the world. We have done it on the Great Lakes, and we can do it on the high seas. The Department of Agriculture and the Department of Commerce have demonstration schools or agencies which have rendered invaluable service to our farmers, manufacturers, and businessmen, and there is every reason to believe that the Shipping Board could render highly valuable services in the shipping field. These ships would constitute the very backbone of an American merchant marine and would restore the American flag to the high seas. They would also constitute an effective protection for the commerce of this country, to say nothing of the vital service they would perform for the Nation in time of war.

Under the stimulation of such a plan our shipyards would get additional business, not only for the construction of vessels but also for their maintenance and repair. As I have before stated, we would, incidentally, be developing the shipyard facilities, which are an essential part of the program for preparedness. The orders for these vessels need not be limited to shipyards on the Atlantic and Pacific coasts. There is no reason why our shipyards along the Great Lakes cannot be utilized for the same purpose, why they cannot be employed during the dull winter months in turning out the parts for these vessels, which could be transported in sections through the Great Lakes and the canals to the Atlantic Ocean and assembled there. This would increase our shipyard facilities and give employment to many of our workmen in those parts of the country where they would otherwise be idle.

NEED FOR REGULATION OF OCEAN CARRIERS

The Shipping Board should have power to reform our navigation rules and regulations, to study shipping problems and recommend to the Congress the necessary legislation to encourage and develop a great merchant marine under the American flag.

The time has come when the Congress should consider the creation of some instrumentality for the regulation of merchant marine companies. As it stands today no ocean transportation company is subject to the least regulation or control by the Government. Marine companies operate their ships, change their sailings, or discontinue the operation of their ships when and as they please and regardless of the rights of shippers. They fix rates and change rates without notice, arbitrarily and in total disregard of the rights of shippers. They determine what cargo they will or will not carry and discriminate in favor of one shipper against another.

THE PACIFIC MAIL

When we consider the effective laws which have been passed by the National Government and the various States to regulate common carriers, it is amazing that the steamship companies which are common carriers on the high seas have been allowed to go all these years without regulation or control. What could argue more strongly in favor of governmental regulation of ocean carriers than the recent action of the Pacific Mail Steamship Co.? Here is a company which has operated a service between San Francisco and the Orient for many years. Our business men, manufacturers, and producers have built up great trade interests with the Orient upon the faith of this service. All of a sudden, and without adequate notice, and with utter indifference to the injuries that might be done to shippers and the interests of this country, the Pacific Mail Steamship Co. sells its ships and announces that it will discontinue its service. Suppose that the directors of the Union Pacific Railroad Co. should decide that they could make more money for their stockholders by tearing up the rails of their tracks and selling them and their locomotives and cars to some belligerent government, because that government is willing in time of war to pay fabulous prices therefor, what do you suppose the indignant people along the line of this railroad would do to the officers and directors of that company? No common carrier on land would be permitted to do such an arbitrary and injurious thing as our common carriers on the high seas may at any time do with impunity.

The Pacific Mail people claim that the passage of the seamen's bill forced them to discontinue business. I am told that the seamen's bill was not the mainspring for the transfer of the Pacific Mail vessels. The Panama Canal Act, which denied railroads owning competitive steamship lines the right to operate them through the canal, and the fact that present abnormal rates for cargo space on the Atlantic, which made it possible for the Pacific Mail to sell its ships at more than their real value, was, I understand, the true cause of their sale.

It is an extraordinary fact, however, that the Pacific Mail Steamship Co. should retire from business at a time when ocean freight rates are the highest and most remunerative in the history of Pacific transportation. When the European war broke out, the normal rate for "weight and measurement freight" between the Pacific coast and the Orient was $5 per ton. The present rate is $15 per ton, an increase of 200 percent. More freight is offered at these figures than steamship companies can take. Recently one of the largest American manufacturers offered 80,000 tons of this character of freight for shipment from the Pacific Coast to the Orient at $15 per ton and was able to secure accommodations for only 40,000 tons. For the remainder the steamship companies could promise no space earlier than 6 to 8 months. All freight rates on the Pacific have been greatly increased, and the steamship companies are earning immense profits. Both the Pacific Mail and the Robert Dollar Co. could afford, if necessary, to employ nothing but American seamen in the place of Asiatic seamen and still make far greater profits at the high rates they are now receiving on the business available to them than they could make with Asiatic seamen and the normal rates prevailing before the European war. On the single order of 80,000 tons, to which I have referred, the

increased revenue to the steamship companies in the Pacific over normal rates is $800,000.

In the face of these facts, it is difficult to understand the action of the Pacific Mail Steamship Co. But I am not concerned with their motives; they are immaterial to me. I am merely concerned with the injurious effects of their action upon the business interests and the welfare of the country. Certain it is that in attributing the transfer to the seamen's bill the Pacific Mail people had an opportunity to excuse themselves in the eyes of the public for an action which otherwise would have been strongly denounced. But if the Government has passed any laws which make it unprofitable for them to operate their ships in the Pacific, they might properly say that they cannot and ought not to be compelled to maintain their service at a loss. Let us grant that. I do not believe that any corporation or individual should be compelled by law to do business at a loss. The Pacific Mail has the right under the law to retire from business if it wants to. It is certain, however, that adequate steamship facilities between the Pacific coast and the Orient are vital to the interests of our country. Suppose they cannot be maintained except at a loss. Must we then do without these facilities? I say no. In those circumstances such service should be provided under our flag, and if private capital cannot afford to provide it because it involves a loss, then the Government should provide it and take the loss for the general welfare of all the people and for the protection of our trade and prosperity, especially when the vessels for such service become a part of the naval auxiliaries essential to the national defense. If the shipping bill had been passed in the last Congress the Pacific Mail ships would not have been transferred to the Atlantic. The shipping board would undoubtedly have bought those ships and kept them in the Pacific trade, where they are needed, and the interests of the Pacific Coast would have been saved from injury.

RAILROAD-STEAMSHIP THROUGH BILLS OF LADING

The Shipping Board should also have the power, acting in conjunction with the Interstate Commerce Commission, to arrange for the issuance of through bills of lading between our railroad lines and steamship lines operating under the American flag in the foreign trade, and to provide the means whereby special through rates can be made between our railroads and steamship lines to enable them to meet the competition of foreign carriers in the open markets of the world. I am sure that plans and regulations of this character, if properly worked out, would give our shippers and businessmen the opportunity of largely increasing their business in foreign markets by putting them in better position to meet competition.

Is there anything unreasonable in this plan? On the contrary, is it not a practical plan which promises to give early results? Up to the present time our antagonists have offered nothing but criticism. They roundly denounced the plan proposed at the last Congress for the creation of a merchant marine, but they have never offered a single practical or constructive suggestion as a substitute for that plan. The country is not satisfied with mere criticism of a practical plan. It demands that this important problem be solved in the interest of the Nation, and expects that those who criticize will present a practical substitute if they want a hearing. Let our opponents present constructive suggestions.

DEFEAT OF SHIPPING BILL COSTLY TO AMERICAN BUSINESS

The shipping bill introduced in the last Congress is different in some details from the plan here suggested, but that bill was introduced in September 1914, just after the great European War had begun, when it was necessary to move swiftly for the protection of American business interests. Even that measure would have been of inestimable service to the country had it passed, because there was a superabundance of purchasable ship tonnage which could have been bought at that time and used with immense benefit to American commerce during the past year.

American business has paid dearly for the defeat of that measure. I am sure that the increased and extortionate ocean freight rates paid by our defenseless producers and shippers in the past 12 months have exceeded several times the $40,000,000 which the shipping bill authorized the Government to expend on merchant vessels. But this is only a small part of the injury. Grave losses have been sustained by our businessmen because they could not ship at all. Take lumber and manufactures of wood as an example. For the fiscal year 1914 our exports of these products were, in round numbers, $99,000,000; for the fiscal year 1915 they were, in round numbers, $48,000,000, a decline of $51,000,000. This was due almost entirely to the lack of ships and prohibitory ocean rates. Take coal as another instance. In the face of the most extraordinary demand for our coal from Spain, Italy, France, Argentina, and South America our total exports of coal for the fiscal year 1915 were, in round numbers, $56,000,000, against $60,000,000 for 1914—showing a decline of $4,000,000 in the face of the greatest demand in our history for our coal for foreign consumption. France alone needs 40,000,000 tons of coal the next year. We could supply it if we had the vessels. Think of the stimulus to our coal and lumber industries and the profitable employment it would give to labor if we had supplied the ships to secure this foreign trade for our producers. I could multiply instances, but it is unnecessary.

INTERESTS OF FARMERS AND WORKINGMEN

No classes of our people are more vitally concerned in adequate steamship lines to deliver our products to foreign markets than our farmers and laboring men. Why?

Let us consider the farmer first. Our farmers have always produced more than they could sell in our home markets. This is notably true of grain and cotton. We depend absolutely upon foreign markets for the disposition of our farm surplus. To show you the magnitude and importance of our foreign trade in farm products, I need only call your attention to the fact that for the fiscal year 1915 our total exports were $2,716,178,465, of which the total crude and manufactured farm products represented $1,616,687,466, or more than 59 percent of our total exports. If steamship facilities are inadequate, the farmer has added difficulty if he is not, to a large extent, actually prevented from getting his surplus products to foreign markets. Moreover, he is a great sufferer from exorbitant freight rates.

For the past year, because of the lack of American ships and the scarcity of ocean tonnage generally, ocean freights in the Atlantic have been extortionately high. The normal rate of 4 cents per bushel for grain from New York to Liverpool has been increased to 40 cents per bushel. I do not have to argue with any intelligent farmer that he gets less for his grain on the farm when it costs 40 cents per bushel to ship it from New York to Liverpool than when it costs only 4 cents per bushel for the same service. The cotton producer in the South has suffered in greater degree. Ocean freight rates on cotton have gone as high as $15 per bale from Galveston to Europe, as against $2.50 per bale prior to the European war.

Our farmers, because they produce the bulk of our wealth, as well as the bulk of our exports, ought to be protected against extortionate ocean freight rates, and ought to have the assurance of sufficient steamship service and reasonable rates to secure fair treatment and enable them at all times to compete in the open markets with their rivals in the other great farm producing regions of the world.

How is the laboring man affected? Labor on the farm is interested for the reasons already given about the farmer, but the laboring man in our great industrial plants is likewise deeply concerned in this subject. We exported in the fiscal year 1915 manufactured products, other than farm products, $843,699,562, or 31 percent of our total export trade for that year. As our manufacturers are put in position to compete in the open markets of the world with their great industrial rivals of other nations, labor will be employed in this country more regularly and at higher wages. Wide fluctuations in industrial conditions hurt the laboring man more than any other, because it frequently forces upon him periods of idleness. If our manufacturers are put in position to take their share of the world's markets, as they can be through the creation of a naval auxiliary merchant marine, it will help to bring about stable conditions in the great industries of this country, with steady and remunerative employment for labor and stabilized prosperity for our manufacturers.

In 1907 Mr. Gallinger, the distinguished Senator from New Hampshire, and leader of the Republican Party in the last Senate, said:

"We need American ocean-mail lines to South America and other distant markets, and we shall have them. We shall have an American merchant marine and a naval reserve. We shall not go on forever as we are going now, paying $200,000,000 every year in freight, mail, and passenger money to the shipowners of foreign nations, our rivals in trade and possible enemies in war."

How much more imperative and vital now is the need which Senator Gallinger so eloquently and accurately described 8 years ago?

SUBSIDIES

What is the real fight in this merchant-marine controversy? It is a fight for subsidies. What are subsidies? They are gifts from the United States Treasury to favored corporations, firms, and individuals who operate ships. Why should we give away millions of dollars of the people's money each year to favored shipowners over whose rates and service we have no control? Wouldn't it be more sensible for the Government to spend these millions in building up a splendid naval auxiliary merchant marine which can be controlled and operated in the interest of all the people? If we adopted the policy of subsidies, wouldn't corporations and individuals with the strongest and longest pull get most of the money, as they always have done when free money has been distributed by the Treasury in the "good old days of special privileges"? Every shipowner and every ship monopolist wants subsidies. Of course they do. They would profit by them, and they are going to make a desperate fight for them in the next Congress.

But they can't succeed, because no Democratic Congress will pass a ship-subsidy bill and no Democratic President will approve one. The Democratic Party is in control of the Government and is pledged by its platform and record against subsidies. Why, then, contend for the impossible? Why not accept the only practical plan—the creation by the Government of a naval auxiliary merchant marine with the money the subsidists want the Government to give to them? The Democratic Party declared in its platform for a merchant marine created by constitutional methods. To build a naval auxiliary and use it to create a naval reserve of officers and men and to build up American commerce is a constitutional method.

GOVERNMENT IN BUSINESS

A vigorous and persistent attempt has been made to prejudice the country against a practical measure for the establishment of a merchant marine naval auxiliary on the ground that it would put the Government in the shipping business; that it is socialistic, etc. The proposition is not to put the Government directly in the shipping business, but to let it take stock in a corporation or corporations with power to engage in the shipping business.

The first Congress which convened after the adoption of the Federal Constitution recognized the right of the Government to subscribe to stock in a private corporation when its business is impressed with a public service. My illustrious predecessor, Alexander Hamilton, proposed the organization of the first United States Bank with a capital of $10,000,000. In 1791 the Congress authorized it and subscribed $2,000,000, or 20 percent of the capital stock. Federalists and Republicans alike voted for it, and President Washington approved it. When the second United States Bank was incorporated in 1816, Democrats and Federalists alike voted for it, and President Madison approved it. The second bank had a capital of $35,000,000, and the United States subscribed to $7,000,000, or 20 percent of its capital stock.

The next notable instance of the Government subscribing to the capital stock of a corporation is that of the Panama Railroad Co., which also operates the Panama Steamship Line between New York and Panama. Here again is a corporation whose business is impressed with a public service. Republican Senators and Congressmen voted almost solidly for this measure, and President Roosevelt approved it. The Government of the United States owns every dollar of the Panama Railroad Co. stock. The Panama Railroad and steamships have been operated for the past 13 years by this private corporation in which the United States is sole stockholder under the supervision of the War Department, and the ships have always been operated at a profit. Political influences or activity have never interfered with the conduct of that company's business. Senators Burton, Gallinger, and Lodge and many others, who have opposed the Government taking stock in a steamship company, voted for the purchase of the stock of the Panama Railroad Co. and Steamship Line.

It is somewhat amusing to hear Republican Senators strongly denouncing the idea of the Government engaging in "any business that will interfere with private enterprise" in the face of the record they have made in Congress. Who put the United States in the express business and almost destroyed all of the private express companies in the country? The Republican party. It was during Mr. Taft's administration that the Republicans championed the parcel post. It is true that the Democrats helped them put it through, but it does not lie in the mouths of the Republicans to say that they are opposed to the Government engaging in private business in the light of this record. It was the Republicans, also, during Mr. Taft's administration, who put the Government in the savings-bank business by establishing the postal savings banks. I remember when bankers throughout the country were strenuously opposing the postal savings bill because they urged that the Government would become a competitor in the savings-bank field.

THE FEDERAL RESERVE ACT

Let me instance also the Federal Reserve Act. There is no piece of legislation in half a century which has produced already such pronounced benefits to the American people as this great measure. Bankers and politicians throughout the country opposed this bill because they said it put the Government in the banking business; that is "socialistic." The American Bankers' Association, at its annual meeting in Boston in October 1913, about 2 months before this bill was passed, formally denounced it by resolution as socialistic, etc. Do you know why the Federal Reserve System was successfully established? It was because of a provision in the bill which authorized the United States to take all the stock in Federal Reserve banks which the national banks failed to take. Doubtless you will recall that many banks threatened, while the Federal Reserve Act was under discussion, to withdraw from the national banking system if it became a law. It is quite likely that if the Government had not protected itself by providing that the United States might subscribe to the stock of the Federal Reserve banks, a formidable movement among the national banks of the country to withdraw from the system might have been successfully carried out. In that event we would have had no Federal Reserve System. But the fact that the Government would, if necessary, provide the capital to establish the Federal Reserve banks made the banks realize the futility of further opposition. As a result we have today 12 Federal banks which have consolidated and organized our credit system and resources on such a basis that we are the strongest Nation financially upon the face of the earth.

I believe that there is no intelligent banker, businessman, or citizen of this country, who understands the Federal Reserve System and its workings, who does not thank God for the great law which created that system, whether it be socialistic or whether it puts the Government into the banking business or not.

Since the beginning of the Republic, Federalists, Democrats, Republicans, Whigs, and Progressives have voted for and sustained the principle that the United States may subscribe to the stock of quasi-public corporations.

SENATOR WEEKS PROPOSED TO PUT THE GOVERNMENT IN SHIPPING BUSINESS

Can there be any question as to the necessity for an American merchant marine? I believe there is no difference of opinion on this score. Chambers of commerce from one end of the country to the other have passed resolutions reciting the necessity for an American merchant marine. Businessmen and politicians and statesmen of all shades of opinion are in agreement as to its necessity. Even our Republican friends in Congress admit the necessity. On March 26, 1914, Senator Weeks prepared and submitted to the Senate a resolution containing the following preamble:

"Whereas it is desirable to develop and extend commercial relations between the United States and the countries of South America by the establishment of direct lines of communication for carrying the United States mails, for the transportation of passengers and freight; and

"Whereas private capital has not engaged in this service to a sufficient extent to furnish facilities comparable to those enjoyed by the people of other countries having trade relations with South America: Therefore it is

"*Resolved*, That the Secretary of the Navy be authorized to prepare a plan for the operation of some of the Navy cruisers between New York and New Orleans, the city of Valparaiso, Chile, and intermediate points."

And subsequently Mr. Weeks presented to the Senate a bill to carry out his plan, in which the Secretary of the Navy was authorized "to establish one or more navy mail lines by employing such vessels of the Navy as in his discretion are available, etc., for the purpose of establishing and maintaining regular communication between the east or west coast or both coasts of the United States and either or both coasts of South America and between the United States and the countries of Europe." The Secretary of the Navy was also authorized to prescribe regulations for the operation of such vessels and to fix the rate or rates at which mail, passengers, and freight could be carried.

Can you imagine a more direct method of putting the Government into the shipping business than to transform our battleships and cruisers and other naval vessels into merchant ships, operating them through and by virtue of the direct sovereignty of the United States Government, and having the Secretary of the Navy engage in the shipping business, fix the rates for freight and passengers, sue shippers for failure to pay their bills, and do all those things which the steamship owner in private enterprise would have to do to carry on the business? Who voted to put the Government directly into the shipping business in this preposterously expensive, unwise, and ineffective manner? Senators Weeks and Gallinger made speeches for the bill and Republican Senators and Democratic Senators voted for the bill. It was passed without division.

The Secretary of the Navy's report shows that some of the cruisers which Senator Weeks wanted us to operate to Europe while the war is in progress, and to the east and west coasts of South America, could carry only 17 to 20 passengers, the United States mails, and about 150 tons each of express freight. The Secretary of the Navy stated that it would be a very expensive service. It would have been impossible for these ships to render either a sufficient and satisfactory service or to have conducted the business with the remotest chance of making a profit. All of the Republican Senators to whom I have referred voted for this bill on the 3d of August 1914, after the European war had broken out.

LACK OF SHIPS IN SOUTH AMERICAN TRADE

In his speech on the subject, Senator Weeks said that "South American mails are sent at long and sometimes irregular intervals, and all American mails south of the Equator are carried in vessels sailing under a foreign flag"; that "the service to South America is very slow and this, it may be easily assumed, militates against the development of our trade with South America." The Senator also said:

"We are in the position of having spent $400,000,000 in the building of a canal, one of the reasons for doing so being that it would aid in the extension of our foreign trade; but, as far as I know, there are no American steamers prepared to undertake this service."

Mr. Gallinger said that he would vote for the measure, although he thought it a "makeshift"; that the question of steamship service to South America had been agitated a great deal; that he had agitated it; Senator Root had agitated it; the President of the United States had agitated it; Republican and Democratic statesmen had agitated it; yet he said "We are without a line from either the Gulf, the Pacific, or the Atlantic coast of the United States to South America." He said that "the bill proposes to put in service a few inadequate ships if we can spare them from other service—ships that will carry a handful of passengers and a little freight"; and then he exclaims:

"Slow ships, I take it, almost every one of them, and we are to be put in competition with the great countries of the world, with their magnificent steamships, by calling together this conglomeration of third-class or fourth-class ships for this service. I do not oppose it, because I think if we can do anything to give us a chance in the markets of South and Central America we ought to do it."

Senator Gallinger also called attention to speeches he had made in the Senate, and said:

"I am gratified to observe that in those speeches, among other things, I called attention to two possible complications which might arise if we did not have an adequate merchant marine. One was that in the event of a great European war we would not have any ships to transport the products of our farms and our factories. Those are the words that I used; that is exactly the situation which confronts us at the moment. The other suggestion I made was that in the event of a war between a great foreign nation and our Nation we would have no adequate auxiliary ships to supplement our battleship fleet, and that is exactly the situation which exists today."

"BOOM IN AMERICAN TRADE"—SENATOR GALLINGER

Senator Gallinger also remarked:

"If we only had adequate steamship lines between the United States and South America, there would be a big boom in American trade which would astonish not only our own people but the world."

These are true and prophetic words and do credit to the distinguished Senator from New Hampshire.

I will not tire you with further quotations. I merely wish to commend these Republican Senators for their intelligent conception of the situation at that time and for their expressed willingness to help solve a very pressing problem—a problem which is still pressing and unsolved. If we needed ships so badly before the European war broke out, as they declared we did, how much more badly and sadly have we needed them since. I do not know what made these gentlemen change their position. In the fight that subsequently developed I deeply regretted that partisanism appeared to override the merits of the great question, and the "boom in American trade which would astonish not only our own people but the world", as Senator Gallinger aptly described it, if we established "adequate steamship lines between the United States and South America", has never matured, because Senator Gallinger and his colleagues prevented the establishment of "adequate steamship lines", as proposed by the administration.

EFFORTS TO PROVIDE SHIPS FOR AMERICAN COMMERCE

Just 1 month after Mr. Weeks' bill to put the Navy in the shipping business had passed in the Senate, Judge Alexander, chairman of the House Committee on Merchant Marine and Fisheries, introduced a bill authorizing the Government to take stock in a shipping corporation, just as the Government owns the stock of the Panama Railroad & Steamship Corporation, and to build or purchase some suitable steamships and put them into service between the leading ports of the United States and the leading ports of South America.

Now, these merchant ships, under the Alexander bill, would have been adequate for the service. Instead of carrying only 17 to 20 passengers and 150 tons of express freight, they would have been able to carry a large number of passengers and a great cargo of general freight, which would have made them not only highly useful to our commerce but would have made their operation profitable. Such a service as that proposed by the Alexander bill would not have been a "makeshift", as Senator Gallinger described the Weeks bill, and the service proposed by the Alexander bill would have caused, as Senator Gallinger described it, a "boom in American trade which would astonish not only our own people but the world." Any number of desirable ships could have been bought at that time, and at extremely reasonable prices if the Alexander bill had been promptly passed, and it would not have been necessary, nor was it the intention, to purchase the ships belonging to any belligerent power tied up in the harbors or waters of the United States. In their eagerness to protect the vital interests of the country and to help business, then suffering from scarcity of ships and extortionate ocean freight rates—which have been increased since the outbreak of the European war all the way from normal to 1,600 percent—the Democratic House passed the Weeks bill to put Navy vessels into commerce, with an amendment authorizing the creation of a shipping board and the acquisition of a large tonnage of suitable merchant vessels, in addition to the Navy vessels, and sent the Weeks bill, so amended, back to the Senate. With extraordinary inconsistency, the Republican Senators, after voting to put the Government into the steamship business by operating an inadequate service with naval vessels, fought like tigers against the passage of the Weeks bill, as amended by the Alexander bill, and prevented the enactment of the only practical measure proposed to solve the pressing ocean transportation problem then, and until this time, confronting the Nation.

PAN AMERICAN FINANCIAL CONFERENCE

The Congress authorized by resolution the holding of a Pan American financial conference in the city of Washington and appropriated $50,000 for the purpose of paying its expenses and entertaining, as the guests of the Nation, the delegates of the 18 Latin-American countries which were represented in that conference. The Secretary of the Treasury, under the direction of the resolution, represented this Government in this conference, and by authority of the Congress he invited leading bankers and businessmen of the United States to participate in the proceedings. By unanimous vote of the delegates representing all the countries of Central and South America, and of the 100 or more leading bankers and businessmen of the United States whom the Secretary of the Treasury had invited to that conference, the following resolution was adopted:

"*Resolved*, That it is the sense of this conference that improved ocean transportation facilities between the countries composing the Pan American Union have become a vital and imperative necessity, and that every effort should be made to secure, at the earliest possible moment, such improved means of ocean transportation, since it is of primary importance to the extension of trade and commerce and improved financial relations between the American Republics."

I violate no confidence when I tell you that the delegates of South America returned to their homes with a feeling of disappointment that no practical means had been evolved by the conference for the creation of those steamship lines and facilities which they declared to be absolutely vital for the protection of trade and intercourse between their countries and ours. I earnestly hope that the next session of the Congress may promptly pass some measure which will meet the existing situation and enable us to seize and possess ourselves permanently of the greatest opportunity ever presented to this Nation of establishing enduring and mutually profitable commercial and financial relations with our neighbors of the South American Continent.

PRIVATE CAPITAL HAS FAILED TO ACT

The claim is made that the Government should not provide the proposed steamship facilities because it will interfere with private enterprise. According to the testimony of Senators Weeks, Gallinger, and other distinguished men, American enterprise has failed to enter the South American field. They told us so when they voted for the adoption by the Senate of the resolution introduced by Senator Weeks, which decares that "it is desirable to develop and extend commercial relations with South America by the establishment of direct lines of communication for carrying the United States mails, for the transportation of passengers and freight", and that "private capital has not engaged in this service to a sufficient extent to furnish facilities comparable to those enjoyed by the people of other countries having trade relations with South America." How could the Government, therefore, interfere with private capital, if it should undertake to give relief to South America, when private capital, as Senators Weeks and Gallinger and their colleagues declared, has failed to occupy that field?

For the past 50 years the Government has given private capital the monopoly of the ocean transportation field. Private capital has failed to take advantage of its monopoly because it has not developed the necessary steamship lines. Should we continue any longer this monopoly in favor of private capital, when it refuses to take advantage of it, and by so doing deprive our people of those facilities essential to their welfare and prosperity?

Shall this giant Nation, strong in resources, intelligence, and courage, sit impotently any longer and wait for indifferent private capital to build our naval auxiliaries and supply the marine facilities imperatively demanded for national preparedness and protection in time of war and for the welfare of our people and the promotion of our commerce in time of peace? We may as well ask private capital to build our Navy, or hesitate to have a Navy unless we can operate it at a profit.

PANAMA CANAL

I have no patience with the argument that the Government should not supply needed or essential facilities or service to our people unless a profit can be earned. When private capital cannot, or will not, supply such facilities or service, then it is the duty of the Government to supply them. If this "profit" line of reasoning had prevailed, would we ever have built the Panama Canal? Absolutely no. Here is a huge enterprise vital to our material interests and to the interests of humanity. The undertaking was so large and the cost so great that private capital would not assume it. It was also certain from the very outset that the earnings of the canal would not even pay the interest at 3 percent on the investment; that they would not pay the cost of maintenance and operation for many years to come. Did that deter the Government from undertaking this great work and performing this great service for the welfare of all the people? Fortunately such arguments did not prevail. We have the Panama Canal and it is worth to this Nation many times more each year in actual dollars than the annual loss sustained. Suppose we had waited until now for private capital to build the Panama Canal. We would not even have made a beginning.

We have done the same thing in building the Alaskan Railroad, to develop one of our greatest storehouses of wealth for the benefit of all the people. Private capital would not do it, so the Government has undertaken it. No doubt many years will elapse before the earnings of the road will show a profit on the investment, but the indirect benefit and profit to the people of this country, so say nothing of the direct benefit to the people of Alaska and the Northwest, more than justify the action of the Government.

SHALL GOVERNMENT ACT ONLY FOR PROFIT?

Can we afford to say that the Government shall never do anything for the general welfare unless each agency can earn a profit? If we did, the Government would and should go out of existence.

Take the Public Health Service, for example. One of its chief functions is to protect our people against the importation of contagious and infectious diseases. Several years ago the bubonic plague appeared in San Francisco. Rats become deadly enemies at such times, because they are the most dangerous agency for the spread of the disease. The Treasury Department, of which the Public Health Service is a bureau, was appealed to for help. We spent hundreds of thousands of dollars for the extermination of the rats and the plague. We shall never see that money again, but we saved San Francisco. Would you have had the Government leave the people of San Francisco in peril until it could be assured of a profit on dead rats? Imagine the Government hesitating to act in such an emergency because it could not see a profit on the operation of saving the people.

We maintain a Life Saving Service at a cost of $2,600,000 per annum. We saved 4,700 human lives during the fiscal year of 1914, but we didn't make a profit. Imagine a human being drowning and calling for help and Uncle Sam standing on the shore and shouting back that the price for each life saved is so many dollars and refusing to help the drowning citizen until the price was secured. Should we allow 4,700 people to drown each year because we cannot save them at a profit?

A less extreme case is the Revenue Cutter Service. We saved that year approximately $9,000,000 of property imperiled at sea. We made no profit on it, and it costs $2,500,000 per year to operate the service. Salvage companies complain because the Government interferes with private business in saving life and property endangered at sea. Shall such sordid considerations deter the Government from operating useful agencies for the welfare of our country and the protection of humanity? Such arguments are not worth listening to, but they show the absurdity of one of the arguments made by the opponents of a merchant marine backed by the Government, viz, that it ought not to be created because it may be operated at a loss. Such a consideration should not be the determining factor in any matter like a naval auxiliary merchant marine, which involves the vital interests of the Nation. If the Government backs a shipping corporation, as proposed, I believe that it will operate at a profit and not at a loss.

NAVIGATION LAWS

The champions of subsidy and private capital say that we must change our navigation laws, as well as give subsidies, before private enterprise will come to the front. There seems to be a great conflict of opinion among these gentlemen as to just what these changes should be, but they all seem to agree that the most important changes they want relate principally to the American seaman. Complaint is made that under our laws a larger number of seamen are required in the crews of the ships, that higher wages must be paid to them, and that the general standards for the comfort and upkeep of our sailors on board ship are more favorable to our sailors than those of other countries, and therefore that it is more expensive to shipowners to operate under our flag than under the flags of other countries.

I have no doubt that there are inequalities and inconsistencies in our navigation laws that can be corrected with advantage to the country. The Shipping Board can perform a most useful service by studying these laws and making intelligent recommendations to the Congress.

AMERICAN SEAMEN

But I do not believe that the standards for the American seaman should be lowered, nor do I believe that any Congress of the United States will ever lower them. The reasons I believe it would be unwise are, first, the question of humanity. The treatment of the sailor under the navigation laws of most of the nations of the earth, so far as I have been able to study them, has always made me wonder why as many men choose a seafaring life as do. Second, the question of a trained naval reserve. It is just as essential, as I said before, if we are to have a naval reserve, that we shall have trained American seamen as it is to have the vessels themselves.

If we lower the standards for the American seamen by changing our navigation laws as private capital demands, or, at least, as I understand it demands, and put the American seaman on a parity with Asiatic and European seamen, then it will be impossible to induce Americans to adopt a seafaring life. Our merchant marine would in that event be manned by Asiatics and a heterogeneous collection of all the races of the world. They would have no American national spirit and could not be depended upon to fight for our flag in case of war.

NO GUARANTEE OF RELIEF THROUGH PRIVATE ENTERPRISE

But even if the navigation laws are changed to suit private capital, and even if subsidies or subventions are granted, where can you get the guarantee or assurance that private capital will come forward in sufficient amount immediately to do the job so imperatively demanded for naval preparedness and for the promotion of our commerce? No such guarantee or assurance can be secured. I think it will be agreed that, even after such changes were made, private capital in this country would have to be educated to them; that it would come slowly to realize that the laws were sufficiently advantageous to suit it; that even then shipping ventures would be entered upon in a small and hesitating way for a long time; and that the ultimate development of a merchant marine through the medium of private capital would be slow and timorous and unsatisfactory at best.

We are confronted by a situation which, because of its very necessities, demands prompt and vigorous treatment by some agency strong enough, financially and otherwise, to be effective. The Government of the United States is that agency. There is no other.

OPPORTUNITY

Think of our present opportunity, even disregarding necessities. Shall we or not grasp the marvelous opportunity we now have to extend our trade throughout the world? This opportunity will not wait. Already we have lost invaluable time; we have lost ground we can never recover. We must move swiftly if we are going to take the place in the world's markets which some of our leading industrial competitors have been forced to abandon. If we do it now, we can establish ourselves so firmly that we cannot be dislodged upon the return of peace.

Opportunity is never worth anything to the timid or the hesitating. It is to the strong and courageous and swift that opportunity counts. Shall we sleep while the opportunity to be the dominant financial and industrial power of the world, with all of its great moral potentialities, is trying to force itself into our indifferent grasp, or shall we, with the courage, decision, enterprise, and vision of our ancestors, seize this marvelous opportunity and make America a permanent, vital, and irresistible force for the welfare of humanity and the progress of civilization?

This is what it will mean to the future of our country and to the part it must play in the world's history if we have the vision, the courage, and the imagination to go ahead.

Mr. McADOO. Mr. President, what I think we have to face with respect to a merchant marine today is this pregnant fact that commerce today between nations is largely becoming a matter of governmental competition through various forms of subsidies. Through quotas, allotments, and depreciated currencies, nations are striving with each other either directly or through their nationals to extend their trade and commerce. It is an economic battle between nations, largely.

I wish to emphasize only the fact that if we are going to enter upon this policy we must enter upon it with full knowledge of the character of competition we have to meet, and that we must be prepared to meet that competition fully and completely.

I have never favored subsidies to a merchant marine as a rule, and the speech which I have incorporated in the RECORD takes a position against it. I took the position in that speech that the Government of the United States itself should construct merchant vessels through a corporation in which it, if necessary, should own the stock, or so much of the stock as public policy might dictate. I still think that the only effective way to get at this matter is for the Government of the United States, through the medium of a corporation, to construct these vessels and to back them with sufficient subsidies to enable the merchant marine we may create to perform the service for which it is intended, and frankly to recognize the fact, as we enter upon that policy, that we must as a government, be prepared to meet the competition from any other government in the world in keeping our flag upon the seas and in extending American commerce.

Mr. BLACK. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER (Mr. POPE in the chair). The clerk will state the amendment.

The CHIEF CLERK. On page 78, in line 17, it is proposed to strike out the semicolon and insert a period in lieu thereof; on the same page in line 17, to strike out the word "and" which precedes the words "no director" and insert "(c)" in lieu thereof; in line 21 to strike out the word "such"; and after the word "contractor" to insert "holding a contract authorized by title VI or title VII of this act"; and on page 79 to strike lines 10 to 19, inclusive.

Mr. BLACK. Mr. President, I can explain the effect of my amendment in a very few words. The special committee investigating ocean- and air-mail contracts, among the other recommendations made to create safeguards in case subsidy legislation should be adopted, took the position that it was absolutely essential that the amount of salary or bonus or gratuity drawn by any of the officials of the subsidized companies should be limited. The bill does not, in my judgment, effectively accomplish this purpose. The bill does provide a partial limitation of $25,000. It is my own judgment that the $25,000 salary is entirely too much for those who are drawing the larger part of their funds from the United States Government. But accepting the $25,000 limitation as it appears in the bill, it is my judgment that the limitation should be absolute and not capable of evasion.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. CLARK. It is a fact, is it not, I will ask the Senator from Alabama, that nearly all of the subsidized companies claim operating losses outside of their own revenues, which is the basis for receiving subsidies?

Mr. BLACK. The Senator is correct.

Mr. CLARK. And the payment of a salary to an official of one of those companies amounts to a payment under the subsidy system out of the United States Treasury to the particular official concerned?

Mr. BLACK. The Senator is correct.

Mr. CLARK. So that if one of these companies be allowed to pay a salary of $35,000 or $50,000, let us say, it means that that amount is being paid out of the Treasury of the United States, out of money contributed by taxpayers of the United States, to pay a particular salary to a particular official of that company?

Mr. BLACK. The Senator is correct. In other words, the salary that is paid is in the main a salary paid out of the

United States Treasury. While there appears to be a $25,000 limitation in the bill as it is written, there is in reality no $25,000 limitation; that is because it is not necessary that the company refrain from paying a salary in excess of $25,000 if it pays the excess out of its profits, as provided in the bill. Of course, the profits of the company in the main, as everything else, will come from the subsidy, so it is absolutely futile to offer $25,000 as the limitation if the bill is not written in such a way that the individual drawing it draws no more than $25,000 from the company, its associates, affiliates, subsidiaries, and what nots, or the companies from which it borrows money, or anybody else.

Mr. CLARK. Mr. President, does the Senator further yield?

Mr. BLACK. I yield.

Mr. CLARK. Is not this situation closely equivalent to the situation which has been presented many times in the case of utility corporations, where they have attempted to charge a management charge to a corporation under the guise that that was being paid out of the profits of the stockholders? In other words, the whole freight has to be paid at last in the one case by the consumers of the utility and in the other case by the taxpayers of the United States, and is just simply a matter of differentiation of terms, which really in the long last accomplishes the same purpose in the end.

Mr. BLACK. The Senator is correct. I might state that in my judgment this commission, when it shall be appointed, should not permit the payment of any $25,000 salary out of the taxpayers' money. I am perfectly willing to yield so far as that point in the bill is concerned. However, I do want to insist that the $25,000 salary limitation be absolute and not conditional.

In other words, as the bill is drawn it does not limit the salary to any amount at all, as I understand it. It does limit the amount that shall come from a certain fund, but it does not limit the amount that shall come from all funds. Therefore, Mr. President, I hope that my amendment will be adopted.

Mr. COPELAND. Mr. President, I will ask the Senator from Alabama whether he will accept the proposal to strike out from lines 10 to 19, on page 79 of the bill, as he suggests, and then add the following proviso after line 9—

Provided, however, That this subsection shall not apply to wages, salary, allowances, or compensation in excess of $25,000 per year paid to any such director, officer, or employee, where such excess is in no way charged as an item of expense in connection with the operation of the route, line, or service for which such operating differential subsidy is received.

There might be some other activity engaged in on the part of the company. I speak, for example, of the Grace Line, and I speak of that because I do not shed any tears over the Grace Line. Yet, they have other activities besides shipping. Suppose a director in that line were to receive a salary of, we will say, $50,000 a year, half of which came from an activity outside of shipping. Would the Senator be willing to permit that?

Mr. BLACK. Since the Senator has used it as an illustration, I may state that the Grace Line is one of the companies I had in mind. As I recall, though I will not be sure as to the exact figures because it took some time to get the facts, it developed that at the top of the pyramided companies which we finally reached, the amount paid during 1 year was between $250,000 and $500,000. I do not remember the exact amount. It is true the Grace Line engages in some other activities. It is also true that there is a considerable question, as the Senator from New York knows, as to the possibility of subsidizing lines which carry a large part of their own freight. I have no doubt the Senator has had communications similar to those which I have received recently, complaining very bitterly that any line should be subsidized without prohibiting that particular line from carrying any part of its own freight. The statement was made in these communications that it gave to such companies an unfair competitive advantage over others who traded in the areas from which they transported their cargoes.

It is my own belief that the Grace Line or any other line could very easily escape the effect of a provision on their outside business if, instead of operating through their corporation which engages in the other business, they had a distinctly separate company. In my judgment, that would make it all the easier for the Government to ascertain whether or not they were making a profit from their operations and whether they were entitled to a subsidy.

I fully appreciate the complexity of the situation which the Senator has outlined. I realize that it comes from the very intricate problem which arises when a company is subsidized to operate ships and at the same time is engaged in far-flung business activities covering the entire globe.

In my own judgment a $25,000 salary is excessive to be paid out of Government funds.

Mr. COPELAND. I agree with the Senator fully.

Mr. BLACK. I understand the Senator does. Therefore it is impossible for us to draw this, in my judgment, so that we can actually distinguish between those funds which come from operations of the shipping business and those which come from operations of the other activities.

For instance and just as an illustration, the Grace Line has numerous subsidiaries and affiliates. They are organized in the main by reason of and under the Grace Co. of the city of New York. Connected with it is the Grace Bank. Connected with it seems to be a large number of business activities which are interested in the transportation of cargoes from South America. It is absolutely and wholly and completely impossible to differentiate in the funds which appear in the Grace Co. at the top, after they have reached there, between those which came from the shipping and those which came from the other activities. Therefore, in my judgment, it would be wholly impossible to carry out the plan suggested in the amendment because of the difficulty of differentiating between the pooled funds as they are pooled after they reach the top of the pyramid.

Mr. COPELAND. Mr. President, I know there is a desire on the part of many to control materially the salaries of officials. I appreciate the generosity of the Senator from Alabama because at first we were talking about a salary of $17,500 and the bill provides for a salary of $25,000.

Whether the ship-subsidy plan succeeds will depend wholly upon the authority. If it is a poor commission, if it is as poor as some governmental bodies we have had in the past in control of shipping, it will be a failure. On the other hand, if it is put in the hands of capable men they certainly will be able to differentiate between salaries which are paid for the operation of the ships and salaries which are paid for something else.

To recur to the Grace Line, as I said, I shed no tears over the Grace Line.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from New York yield to enable me to submit a conference report?

Mr. COPELAND. Certainly. I know the Senator is very anxious to dispose of the conference report which he has in charge.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT

Mr. THOMAS of Oklahoma. On behalf of the committee I submit a conference report on the District of Columbia appropriation bill complete save and except as to amendment numbered 1. If the report may be considered and agreed to, then I shall submit a special report on amendment numbered 1.

The PRESIDING OFFICER. The conference report will be read.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate and amendments of the House thereto to the bill (H. R. 11581) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District, for the fiscal year ending June 30, 1937, and for other purposes", having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 11, 24, 27, 44, 52, 64, 84, and 85.

That the House recede from its disagreement to the amendments of the Senate numbered 16, 17, 26, 28, 30, 33, 34, 35, 42, 49, 50, 51, 58, 66, and 79; and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$15,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$687,395"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$175,940"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "and including $10,000 for health and physical-education teachers to supervise play in schools of the central area, bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west, $7,010,840"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$1,567,500"; and the Senate agree to the same.

Amendment numbered 54: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed in the amendment of the House to the amendment of the Senate, insert: "$3,339,950"; and the House agree to the same.

Amendment numbered 56: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed in the amendment of the House to the amendment of the Senate, insert: "$68,375"; and the House agree to the same.

Amendment numbered 57: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed in the amendment of the House to the amendment of the Senate, insert: "$47,875"; and the House agree to the same.

Amendment numbered 65: That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$111,800"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "$1,600,000, of which not to exceed $200,000 shall be available for personal services"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows: In lieu of the number proposed, insert "6"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1 and 75.

ELMER THOMAS,
CARTER GLASS,
WILLIAM H. KING,
GERALD P. NYE,
Managers on the part of the Senate.

THOMAS L. BLANTON,
B. M. JACOBSEN,
GEO. W. JOHNSON,
CLARENCE CANNON,
JOHN TABER,
Managers on the part of the House.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. CLARK. Mr. President, may I inquire of the Senator from Oklahoma what the conference report provides with regard to the lump-sum appropriation for the District of Columbia?

Mr. THOMAS of Oklahoma. Mr. President, the agreement on the lump-sum appropriation is contained in the document which I now hold in my hand. The Bureau of the Budget recommended $5,700,000. In acting upon the recommendation of the Bureau of the Budget the House reduced the sum to $2,700,000. In the conference committee we have agreed today to a $5,000,000 item on condition that the President be given authority to appoint experts to consider the financial relations between the District and the Federal Government. It has been agreed between the conferees and the respective subcommittes on the District of Columbia that the President shall have the examination made and that we shall be governed by that report when the next Budget estimate comes to the Congress. It is presumed the President will submit his recommendations in the form of a Budget estimate based upon the report which may be made to him.

Mr. CLARK. I do not desire to delay the approval of an agreement if an agreement has been reached. I do not wish to quibble at this time, but as a Member of the United States Senate, which automatically makes me a Member of the American Congress, I desire to express my very great indignation because of the system which has been employed in the last few years which makes it possible for one Member of either branch of the Congress to undertake to set himself up as a dictator as absolute as is Hitler in Germany, or Stalin in Russia, or Mussolini in Italy, over people living within the shadow of the dome of the Capitol in the Capital of the United States.

In my opinion it is a disgrace to our system of government. As a matter of fact, it amounts to a breach of the privileges and rights of the Senate for one Member of the House to take it upon himself to send out questionnaires to the school teachers in this city, and to make the appropriations for the support of the District of Columbia contingent upon their answers to his questionnaire, or for a single Member of either branch of Congress to take it upon himself to undertake to regulate the promotions of police officers in the District of Columbia.

I know how ardently the Senator from Oklahoma [Mr. THOMAS] has worked in arriving at an agreement in conference. While I am not a member of either the Appropriations Committee or the District of Columbia Committee, I desire to give notice that at the next session of Congress I intend to resist any such attempt to impose a dictatorship upon a defenseless people who are under the protection of the Federal Government.

Mr. COPELAND. Mr. President, why not do that now? I shall be glad to join with the Senator right now in opposing a dictatorship. I think it is an outrage the way the people of the District are treated as regards the operation of their city. I wish the Senator from Missouri would begin his attack now and not wait until next year.

Mr. ROBINSON. Mr. President, will the Senator from Oklahoma yield to me?

Mr. THOMAS of Oklahoma. I yield.

Mr. ROBINSON. In view of the history of the controversy relating to the District of Columbia appropriation bill, and the difficulties which have been encountered by the Senate conferees, I think they are entitled to a word of commendation. There is not any question in my mind but that they have resisted every unfair effort which has been made to prevent the enactment of just legislation; and I think the result of the conference pretty well vindicates both their purposes and their efforts.

Mr. FRAZIER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from North Dakota?

Mr. THOMAS of Oklahoma. I yield.

Mr. FRAZIER. I think the Senate owes a debt of gratitude to the chairman of the conference committee, the Senator from Oklahoma [Mr. THOMAS] and the other conferees for securing what appears to be a fair compromise on the District appropriation bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate no. 1, and agree to the same with the amendment which I send to the desk and ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

In lieu of the sum proposed in the amendment of the House to the amendment of the Senate, it is proposed to insert "$5,000,000 (of which not to exceed $50,000 shall be available for expenditure,

under the direction of the President, for making an independent study of the fiscal relations between the United States and the District of Columbia and enabling him to report to Congress at the beginning of the next regular session what, in his judgment, is a fair and equitable amount to be paid by the United States as an annual contribution toward the expenses of the government of the District of Columbia; such sum shall be available for personal services without regard to the civil-service laws and the Classification Act of 1923, as amended, and for such other expenditures as may be necessary in connection with such study)."

The PRESIDING OFFICER. The question is on the motion of the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. Mr. President, the House conferees unanimously agreed to this provision. For that reason, and because of the fact that the Senate conferees partially agreed to it, I move the adoption of the amendment.

Mr. CLARK. Mr. President, will the Senator yield to me for just one moment?

Mr. THOMAS of Oklahoma. I yield to the Senator from Missouri.

Mr. CLARK. As I have said, I do not intend to oppose this amendment; but I desire to call attention to the fact that the same procedure has been gone through once before, and that the Congress of the United States, with the District of Columbia as its ward, has once before solemnly entered into an agreement on this subject which has been flagrantly disregarded by the Government of the United States through the action of one or two particular Members of the body at the other end of the Capitol. I do not know what greater force a new investigation and a new agreement will have with a future Congress if some members of the Appropriations Committee of the House of Representatives shall desire to disregard it than the previous agreement has had.

Mr. THOMAS of Oklahoma. Mr. President, just one word. The investigations heretofore made have been made by one or the other of the two Houses independently. This investigation is to be made by the President, representing the entire Government. It is to be hoped that competent experts will be selected, and that they will go into the matter thoroughly, and submit a report which will have the confidence of the Congress and of the country.

Mr. CLARK. Mr. President, if the Senator will further yield, I desire to ask him a question.

Mr. THOMAS of Oklahoma. I yield.

Mr. CLARK. Does the Senator think any future agreement between the Federal Government and the District of Columbia—which of necessity will be an agreement binding on the Congress only so far as the Congress chooses to recognize it—can be more binding than the past agreement made between the Congress and the District of Columbia?

Mr. THOMAS of Oklahoma. Of course, I realize that the report contemplated by the amendment would not be binding on any Congress or any Member of either House; but we submit this as a compromise proposal, in the hope that next year we shall have evidence and information and conclusions that will be convincing to both the House and the Senate.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. ROBINSON. The proposal does represent an agreement on the part of both Houses. The Senator from Oklahoma has made it clear that heretofore the investigations have been made under the supervision of a single House, and the results of the investigations have not been concurred in by the other House.

Of course, there is no way of binding future Congresses, but a report of this nature would be morally persuasive. After the two Houses had agreed to a process for determining what is a fair arrangement with regard to the subject, and a report had been made in accordance with their agreement, I should think that both Houses, instead of merely one of them, would be reluctant to upset the arrangement.

Mr. CLARK. Mr. President, will the Senator from Oklahoma yield for just one moment further?

Mr. THOMAS of Oklahoma. I yield.

Mr. CLARK. In response to what the Senator from Arkansas has said, of course it is true that each of the previous investigations was conducted by only one House; but it is the House which conducted the investigation, which initiated the plan, which has refused to adhere to it, which has repudiated its contract, which has outraged the ward of the Government; and I frankly say that I doubt very much that there will be any greater efficacy in the plan now proposed than in the plan which was agreed upon several years ago.

I did not wish to take my seat, however, without expressing the thought that I certainly intend no reflection on the Senator from Oklahoma or the Senate conferees in this matter, because I realize with what determination, with what anxiety for the welfare of the District of Columbia, they have conducted their negotiations; and the reason why I am voting for the conference report, and for the supplementary amendment submitted, is that I am satisfied that the Senator from Oklahoma and the other Senate conferees have brought in the very best proposition that could be achieved at this session in the interest of the people of the District of Columbia.

Mr. THOMAS of Oklahoma. Mr. President, I wish to say that I share thoroughly the viewpoint expressed by the Senator from Missouri.

Mr. NYE. Mr. President, as one of the Senate conferees having to deal with the District of Columbia appropriation bill, I desire to point out that the Senate has been insistent upon the figure of $5,700,000 as the Federal Government's proper share of the District's expense. That figure is the figure recommended by the Bureau of the Budget. In accepting the compromise which has been accepted today at $5,000,000, I wish to have it clearly and distinctly understood that, as one of the conferees, I have not concluded that $5,000,000 is a fair share for the Federal Government in the appropriation for the District of Columbia.

Mr. COPELAND. Mr. President, I wish to say for the Senator from Oklahoma that I never saw so patient and amiable a man as he is. He spent weeks and weeks and weeks in listening to the people of the District of Columbia.

So far as I am concerned, I wish to have the RECORD show that I did not sign the conference report, and that I voted against its adoption. I think it is an outrage that the people of this city should have to be imposed upon as they are.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oklahoma [Mr. THOMAS].

The motion was agreed to.

THE MERCHANT MARINE

The Senate resumed consideration of the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes.

Mr. COPELAND. Mr. President, I desire Senators to have in mind what it is the Senator from Alabama proposes. He proposes that under no circumstances shall an official of a line receiving a subsidy, either a director or an officer or any other official, draw a salary of more than $25,000 a year. He would make it an absolute limitation.

There is no such limitation on the officers of railroads of this country. All of the railroads are in the hands of the Reconstruction Finance Corporation. All of them have borrowed money. All of them are constantly appealing to the Government. Yet consider the salaries the presidents of the railroads receive, the theory being that a good man and an able man, a great railroad man, is entitled to a salary commensurate with his ability, because of the fact that he is worthy of the salary, and that it is perhaps largely due to his ability that the railroad succeeds. Perhaps if it succeeded better than it did it would not have to borrow any money, but everyone has been borrowing money in the past years.

It is proposed to impose a limitation of $25,000 a year upon the salaries of steamship-company officials. I know there is a limitation of $25,000 placed upon the director who is receiving all of his salary from the shipping line, but if part of it comes from some industry outside it would be an unfair limitation.

Bear in mind, we are not giving something to these people. They could buy foreign ships and operate them under foreign flags without restrictions upon profit, without restrictions upon salaries. They could buy the ships for less money than the prices for which they could buy them in American yards, and they could operate them for less money than under the American flag.

We are proposing, not to give them a lot of money but to reimburse them for the difference between the cost of the operation of the ships under the American flag and the cost of the operation under foreign flags.

It would be tactless for me to continue the debate at this late hour, but I do wish the Senator from Alabama might see his way clear to accept the amendment to his amendment.

Mr. TYDINGS. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. TYDINGS. I should like to ask the Senator from New York whether or not he knows that any such provision prevails, where there are directors or officers of foreign ship lines in foreign countries, as to a limitation on their salaries? Before the Senator answers that question, while I am on my feet I should like to ask him whether or not the officers and directors of foreign lines receive salaries of $25,000 a year or more at all.

Mr. COPELAND. There are foreign lines where the officers receive larger salaries, and there is no restriction.

Mr. BLACK. What lines?

Mr. COPELAND. I cannot name the lines.

Mr. BLACK. The Furness Line, for instance?

Mr. COPELAND. Does the Senator know what they pay?

Mr. BLACK. No; I could not state accurately; but I am asking for information, because it is my understanding that the lines in the other countries do not pay large salaries.

Mr. COPELAND. Of course, there is a difference of opinion about that.

Mr. BLACK. I could not vouch for that.

Mr. COPELAND. I am quite sure that the Cunard Line, the French Line, and even the Italian Line pay large salaries. If the language which I am proposing were to be adopted, it would accomplish exactly what the Senator proposes. There would not be charged more than $25,000 in any case in the matter of salaries. I ask the Senator whether he will not be willing to accept that amendment?

Mr. BLACK. Mr. President, in my judgment, if we accepted the amendment it would destroy the effect which at least I desire to accomplish. I think I can illustrate my position better by reading two or three paragraphs from the report of the special committee, found on page 22, as follows:

It may be noted that for the 18-year period, from 1916 to 1933, W. R. Grace & Co. showed gross profits from all sources of $82,264,342.79 before manager's compensation, taxes, adjustments, and dividends, of which sum approximately $35,893,000 was received from direct shipping operations. Dividends paid by W. R. Grace & Co. during this period amounted to $43,571,896, and manager's compensation amounted to $14,778,137.69.

J. P. Grace, president of W. R. Grace & Co., during 1928, the year when the contract for foreign ocean mail route 8 was awarded, received a salary of $75,000, commissions of $398,050, and dividends of $498,610.20, a total of $971,660.20. Mr. Grace is an official or director of numerous other corporations, including the National City Bank of New York. D. S. Iglehart, vice president of W. R. Grace & Co., during the same period (1923) received a salary of $75,000; as commissions, $471,800, and as dividends, $132,438, a total of $679,238. Mr. Iglehart was also a director of the Grace National Bank of New York. R. H. Patchin, Harold J. Roig, and William F. Cogswell, officials of the mail-contracting Grace companies, were also directors of Pan American-Grace Airways, Inc., which is the beneficiary of foreign air-mail contracts. Pan American-Grace Airways, Inc., is 50 percent owned by W. R. Grace & Co.

Other major officials of W. R. Grace & Co. who have received, from 1924 to 1932, inclusive, sums in excess of a quarter of a million dollars, include the following: G. H. Carter, $626,453.96, an annual average in excess of $69,000; Harold J. Roig and A. Garni, $615,189.46 each, or an annual average exceeding $68,000; E. T. Ford, $555,090.06, an annual average exceeding $61,000; and R. H. Patchin, $371,660.03, an annual average exceeding $41,000.

The foregoing shows that at least seven officials of Grace shipping companies, which have been subsidized by the Government, received, over a long period of years, compensation in excess of $40,000 per annum.

Mr. TYDINGS. What is the capital of the company?

Mr. BLACK. I do not know the amount of the capital, but we became very familiar with their method of operation. This company has 54 subsidiaries. In the beginning I stated the amount of money which came directly from their shipping income and the amount that came from other business activities. At any rate that company is an illustration of the fact that it is wholly and completely impossible to differentiate between the money which would be made from shipping and the money which would be made from some other transactions.

Something was said about the railroads not having such a limitation applied to them. However, the Senate did fix a limitation of $17,500 on railroad officials while they were borrowing money from the United States Government in order to operate their lines. In conference that was stricken out and the House and the Senate agreed to a provision which permits the Reconstruction Finance Corporation to limit salary to a reasonable compensation, and it is my understanding—I may not be correct about this—that the maximum railroad official's compensation today is in the neighborhood of $50,000 per year compared to a maximum of something like $200,000 per year some few years ago.

Mr. McKELLAR. Mr. President, the Senator will recall also that in the aircraft companies having contracts with the Government the salaries of their officials were limited to $17,500 a year.

Mr. BLACK. Yes; the Senator is correct. Officials of the aircraft companies are limited to salaries of $17,500 per year under the law as it now exists.

Mr. President, I have offered my amendment because I do not believe that we should permit excessive salaries to be paid out of Government funds. If the funds were individual funds the case would be entirely different.

I am in complete sympathy with the excellent work which has been done by the Commerce Committee recently in trying to bring out a bill which would be fair and just both to the Government and to the shipping interests. I congratulate the committee on its efforts in this direction. That does not mean that I favor a ship-subsidy bill, because, as stated in the report of the committee of which I am chairman, I am opposed to a governmental ship subsidy; but I do think the bill which has been offered presents a system far superior to that which exists today.

If the bill shall not pass, I have been given to understand by the Senator from Tennessee that the conferees would attempt to reinstate the appropriation to continue to pay the ship subsidies under the Jones-White Act. Speaking for myself, I desire to announce to the Senator from Tennessee now that if it is humanly possible for me to defeat the reinstatement of that appropriation and I can get enough Members of this body to assist me to do so, it will not be passed at this session.

I do not object to a fair and reasonable subsidy bill being passed, even though personally I am opposed to a ship-subsidy measure. I believe that the members of the committee are to be congratulated for having worked out a measure which attempts to protect the Government by maximum safeguards by providing that the money of the Government shall be spent only for the purpose contemplated by those who favor a ship subsidy.

I sincerely hope, Mr. President, that my amendment will be adopted.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Alabama [Mr. BLACK].

The amendment was agreed to.

Mr. STEIWER. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 23, between lines 16 and 17, it is proposed to insert the following new paragraph:

Notwithstanding the foregoing provisions of this section, not to exceed 20 percent of the members of the crew of a passenger vessel employed only in the steward's department may be aliens ineligible to citizenship.

Mr. COPELAND. Mr. President, there is no objection to that amendment.

Mr. CLARK. Mr. President, I should like an explanation of the amendment.

Mr. STEIWER. Mr. President, permit me to make a brief explanation. The bill pending before the Senate in section 302, on pages 22 and 23, makes provision limiting the number of aliens who may be employed on any ship's crew. These provisions, in my opinion, are very proper, and I do not desire to be understood as opposing them in any way, save to call attention to the rather obvious fact that the language as used, either purposely or inadvertently, makes it impossible to employ any aliens who are ineligible for citizenship; that is to say, it is impossible to employ any Asiatics for any purpose at all on board the ship.

Senators will note that the requirement is for a certain percentage of native-born or naturalized citizens, and for a supplementary percentage of those who have declared their intention to become citizens. Therefore any person who belongs to a race which is ineligible to make the declaration of citizenship would be ineligible for employment.

I have no desire to increase the number of aliens who may be employed upon any American ship, but it happens that the ships which provide service on the trans-Pacific run do employ some Asiatics, and chiefly use them in the steward's department. They claim, and I think justly and truly, that they find it necessary to employ those Asiatics. The reason for the necessity for doing so is that many of the passengers on some of the runs are themselves Asiatics, and the ship operators find that it is impossible to employ a good class of American citizen to serve the Asiatic passengers on the ships. When they attempt to do that, which they have done in the past, they find that they can obtain only the services of very low-grade employees, and that they cannot get the type of employee which they think is essential to the adequate servicing of the ship.

The purpose of the amendment is merely to provide that in the steward's department not to exceed 20 percent of those who are ineligible for citizenship may nevertheless be employed.

I should call attention, I think, to the language in subsection (c). It provides:

> (c) Any member of the crew, not required by this section to be a citizen of the United States, may be an alien only if he is in possession of a valid declaration of intention to become a citizen of the United States, or other evidence of legal admission to the United States for permanent residence.

Then it adds:

> Such alien, as above defined, may be employed only in the steward's department on passenger vessels.

It is quite obvious that the language there used makes it impossible to employ for any purpose any alien who is not eligible for citizenship, because he could not have in his possession a valid declaration of intention to become a citizen of the United States.

The amendment which I now propose I have submitted to some of those who are sponsoring this proposed legislation, and I can state that it has their approval. It affects a very limited number of employees. One estimate provided me was 300. I personally think that is low. Another estimate was 600. In any event, the number of aliens that would be admitted to employment under the amendment would be small, but the accommodation to the shipping service would be very great, for unless they are permitted to use a very limited number of Asiatics in their steward's department they will find it utterly impossible to get the right kind of service for those who travel between the United States and Asiatic countries.

I think no further statement is necessary.

Mr. COPELAND. Speaking for myself, it is acceptable to me, because Mr. J. H. McVay wrote this language in collaboration with the Senator from Oregon, and if there is one man in the United States who has been striving for 100 percent Americanization of our ships it is Mr. McVay. He sent a note to my desk, which I have been trying to find to read to the Senate, expressing his approval of the proposal.

We provide that 20 percent may be those who have applied for citizenship.

Mr. CLARK. Or eligible to citizenship. When the amendment was proposed by the Senator from New York and the Senator from Pennsylvania [Mr. GUFFEY] and the Senator from Vermont [Mr. GIBSON] and the amendment to the amendment was proposed by the Senator from Oregon [Mr. STEIWER] the question became whether the aliens should be eligible to apply for citizenship.

Mr. COPELAND. I am looking forward to the time in the near future, if we develop the American merchant marine, when our ships shall be manned 100 percent by Americans. That is the way it ought to be. Earlier in the day I said if there is one place where we ought to be able to count absolutely upon the loyalty, the devotion, the patriotism, and the dependability of men, it is upon our ships. Of course, in this transition period it would work a great hardship to have the provision too exacting and too strict.

Mr. CLARK. Mr. President, I am opposed to the amendment offered by the Senator from Oregon because I am opposed to the bill. I am opposed to the whole theory of it. But the whole theory of the bill, the only justification which has yet been advanced for such a measure as this, is to protect American labor on the high seas and to protect American labor in the construction and operation of ships.

It is suggested that up to a certain percentage the lowest form of competition with American labor, to wit, oriental labor, shall be given a preferred status. The Senator from Oregon says that is necessary because American boys will not wait on oriental passengers.

I recently took a trip, as several other Senators did, on a trans-Pacific vessel, and I found orientals acting as stateroom stewards and waiters in the dining room. I found young American boys, some of them over 21 years of age, acting as bell boys, a menial position below that of a stateroom steward or dining-room steward. It appears very strange to me, if the principle of the bill be correct, which, of course, I do not think it is, to wit, to protect American labor, that we should make an exception to the extent of 20 percent in favor of the lowest class of competition with which American labor ever had to come in contact.

I was shocked on the return voyage from the Orient when I found that the stateroom steward, who had ingratiated himself with me and to whom I gave a tip in accordance with my means, and the dining-room steward, who had been very ingratiating, and the bar steward, who had become very popular with many members of the party, were not able to land even at Honolulu, were not able to land at Seattle; that they were considered alien competition of American labor to such an extent that they were not let off the ship even at Honolulu or at any American port for fear they might get away from the ship and come in competition with American labor.

Therefore, if the express purpose of the bill be correct—which I do not believe it is—to protect American labor on ships against foreign competition, I cannot see any justification whatsoever for such an amendment as that proposed by the Senator from Oregon granting to aliens, up to a certain percentage, privileges in competition with American labor on American ships subsidized by American taxpayers' money.

Mr. STEIWER. Mr. President, Captain Peterson, who represents an association of certain shipping lines from the west coast, advised me that they cannot operate their passenger ships under the amendment reported by the committee to the Senate. I wired to Portland to the most responsible shipping man there and I read just one sentence from his answering telegram:

> If bill passes with present wording then the trans-Pacific passenger business will be handed over to Japanese and Canadian systems, because you cannot drive young American boys by legislation to become flunkeys.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. CLARK. I happen to know that on one of the leading American trans-Pacific lines, while Orientals are used as stateroom stewards and dining-room stewards, young American boys are used as bellboys, which is as complete a flunkey job as could be found

Mr. STEIWER. I do not think they are so regarded. They do not render personal service to Asiatic passengers on ships. It is that to which the American shipping men have addressed their objections.

I do not want to quarrel with my friend from Missouri. We agree that we ought to protect American labor, but I am told there are only 30 ships involved. It will be noted the amendment is limited to passenger ships. The cargo ships will have full American crews as provided in the amendment submitted by the Senator from New York [Mr. COPELAND], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from Vermont [Mr. GIBSON]. It is only the passenger ships which are involved. There are only about 30 of them in number. The total amount of labor involved is very small, whether it be 300 or 600. No immigration question is involved.

No trouble has arisen under the present arrangement. It is just a question of finding a means to provide the menial service of a type which is necessary in order to carry a mixed lot of passengers, some of whom are Americans and some of whom are Asiatics.

I hope my amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon. [Putting the question.] The "ayes" seem to have it.

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll and the following Senators answered to their names:

Adams	Clark	Lewis	Reynolds
Ashurst	Connally	Loftin	Robinson
Bachman	Copeland	Lonergan	Russell
Bailey	Couzens	Long	Schwellenbach
Barbour	Davis	McAdoo	Sheppard
Barkley	Dieterich	McGill	Shipstead
Benson	Duffy	McKellar	Smith
Bilbo	Frazier	McNary	Steiwer
Black	George	Maloney	Thomas, Okla.
Bone	Gerry	Metcalf	Thomas, Utah
Borah	Gibson	Minton	Townsend
Brown	Glass	Moore	Truman
Bulkley	Guffey	Murphy	Tydings
Bulow	Hale	Murray	Vandenberg
Burke	Harrison	Neely	Van Nuys
Byrd	Hastings	Norris	Wagner
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Pittman	
Carey	King	Pope	
Chavez	La Follette	Radcliffe	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. ROBINSON. Mr. President, with the approval of the Senator from New York [Mr. COPELAND], I shall submit a request for unanimous consent.

I ask unanimous consent that when the Senate completes its labors today, it take a recess until 11 o'clock a. m. tomorrow, and that at not later than 1 o'clock p. m. tomorrow the Senate proceed to vote on the pending bill and on all amendments that may be pending or that may be offered.

The PRESIDING OFFICER. Is there objection?

Mr. CLARK. Mr. President, I have no desire to delay the vote on this matter; but I was, I think, the ranking member of the Commerce Committee who opposed reporting the measure, and I have about 10 or 15 minutes of observations which I desire to submit. I should like, therefore, to have an understanding that I shall be recognized for that purpose after the vote on the pending amendment.

Mr. ROBINSON. The Senator from Missouri may be recognized now so far as I am concerned.

Mr. CLARK. Of course, there would have to be a vote on the pending question; but if it may be understood by unanimous consent that I shall be recognized after the disposition of this question, I shall undertake to take not over 10 or 15 minutes on the subject.

Mr. COPELAND. Mr. President, so far as I am concerned, that may be done.

Mr. GUFFEY. I join in that statement.

Mr. ROBINSON. Mr. President, I will modify the request, as follows:

I ask unanimous consent that when the Senate completes its labors today it take a recess until 11 o'clock tomorrow morning, and after the pending amendment has been voted upon the Senator from Missouri [Mr. CLARK] may be recognized, and that at not later than 1 o'clock p. m. tomorrow the Senate proceed to vote on the pending bill and all amendments that may be pending or that may be offered.

The PRESIDING OFFICER. Is there objection?

Mr. WHEELER. Mr. President, that would give 2 hours tomorrow for debate on all amendments, and at the end of that time would cut off debate on all amendments and on the bill itself.

I had intended to speak on the bill, and I have not had an opportunity today. I do not know whether or not any other Senator wishes to speak on it; but if the Senator from Arkansas would make the hour 2 o'clock instead of 1 o'clock, I think that would be a better hour.

Mr. ROBINSON. Mr. President, I am not able to do that. I have considered that matter; but, because of the pressure of business in the Senate, at this late hour I am not able to extend the time of my request. I hope the Senator will not object to the request.

Mr. COPELAND. Mr. President, I will say to the Senator from Montana that so far as the three of us are concerned—I am sure I speak for all—we shall take no time whatever tomorrow; so the time may be consumed by those who have had no opportunity today to debate the measure. They will have that time tomorrow.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

A CALL TO END POVERTY AMONG THE MASSES—ADDRESS BY DR. GEORGE NORLIN

Mr. O'MAHONEY. Mr. President, there was transmitted to me by air mail today by a constituent, Mrs. Royal S. Reed, a report published in the Rocky Mountain News, of Denver, Colo., last Monday, of the baccalaureate address delivered on Sunday at the University of Colorado by Dr. George Norlin, president of the institution.

The address deals with the present social and economic crisis. It is so wise, so direct and simple, so easily understood that I wish every citizen could read it. Dr. Norlin, whom I have had the privilege of knowing for more than 25 years, is a man of unusual ability and learning. He is also a man of sound instincts and humanitarian impulses. What he says in this address comes from a heart that is not swayed by any narrow or partisan feeling. It is an expression of fundamental Americanism, and I commend it to the attention of the Senate.

Mr. President, I ask that this call upon the people to put an end to poverty among the masses be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the Rocky Mountain News of June 15, 1936]

NORLIN CALLS UPON UNITED STATES TO END POVERTY—COLORADO UNIVERSITY PRESIDENT SEES NATION STRAYING FROM DECLARATION OF INDEPENDENCE IDEALS—DEMOCRACY NEEDED—BACCALAUREATE ADDRESS UPHOLDS PATRIOTS WHO ARE BRANDED RADICALS

BOULDER, COLO., June 14.—President George Norlin, of the University of Colorado, in a baccalaureate address, said here Sunday that failure to practice our national philosophy as set up and accepted in the Declaration of Independence has plunged us into our present state of confusion and that, moreover, it has caused men who stand firmly on the Declaration and its implications to be branded as radicals and enemies of the Republic.

"We may have a happy democracy without equalizing wealth, which is impossible without doing away with private property altogether," he said.

"But we may not have a happy democracy, we may not have a democracy at all, if we tolerate circumstances which consign millions of persons to live in grinding poverty.

GREEKS WERE RIGHT

"There is a poverty which is not lovely, which is not honest, which is degrading, which is slavery. The Greeks were at least partly right in their view that extreme poverty is as demoralizing as extreme wealth. Perhaps Rousseau was not far wrong in saying that in a well-ordered society no man is rich enough to buy another nor poor enough to be obliged to sell himself. Bernard Shaw's statement that poverty is the unpardonable sin is a bit of rhetoric, but Ben Franklin's homely saying that 'an empty sack cannot stand on its own bottom' is common sense."

Many persons today, Dr. Norlin said, seem to insist that government is merely a police agency to be called by telephone when thieves break through and steal.

"They do not conceive of government as a democracy; that is to say, as a corporate partnership of all the people working together in their quest of the good life. But that is what it is.

LARGE ORDER

"In the Declaration of Independence and in the Constitution the purpose and function of Government is explicitly stated. It is to secure to all its citizens their rights to life, liberty, and the pursuit of happiness; it is to promote the general welfare and secure the blessings of liberty to ourselves and our posterity.

"That is a large order, but a true democracy must be clothed with power to do that much. It can do no less. A democracy which is too weak to preserve the sovereignty of the individual in that domain of freedom which is rightfully his is not true to its name.

"Government in a democracy must be potent with the strength of all the people. It must be stronger than any gang or group or bloc or league or legion. It must be stronger than all organized principalities and powers which seek to defy it or to use it for their own code. It must be stronger even than those political parties which take issue mainly on the question as to which is the rightful proprietor of the United States."

BACK TO WALL

"If Lincoln were alive today," Dr. Norlin said, "he might well say to us, changing but little his words at Gettysburg, 'Eightscore years ago our fathers brought forth on this continent a new nation, conceived in liberty and dedicated to the proposition that all men are created equal. Now we are engaged in a great crisis, testing whether that nation, or any nation so conceived and so dedicated, can long endure.'

"For democracy," the university president continued, "has its back to the wall now in the 1930's no less than in the 1860's.

"Three great powers of Europe have spurned it utterly, and the continent of Europe trembles upon the very brink of destruction. Nation after nation is sharpening its teeth and claws as if in a predatory world—as if there were one law for man and beast. Government by the people, government by persuasion, government by consent—freedom—is giving place to government by force and terrorism.

MAD WINDS BLOWING

"On this side of the Atlantic mad winds are blowing. Do we ourselves believe in democracy? Do we believe in the Declaration of Independence as a maxim for free society? Do we believe in equality? Some of us don't, some of us do. Most of us think we do. But most of us are snobs, and snobbishness strikes at the very heart of democracy. It is an offense to our vanity to concede that all men are equal. It is a flattering unction to our souls to deny that they are. We are at times painfully conscious of the nakedness of birth and of death; but we are, for the most part, dazzled by the trappings which are worn between. We are humbled in moments of stress and suffering into a realization of our common humanity, but when the stress is removed we thank God (or ourselves) that we are not as other men—that we are different.

MOTHER LOVES EQUALLY

"Of course men are different. It has been said that even a mother knows that her children are different—that they are not equal. One is robust, another delicate; one is docile, another recalcitrant; one is alert and quick of apprehension, another is plodding and slow. Yet it is a strange mother who does not hold her children equally in her affection and in her concern for their well-being, for their development, for their making the most of themselves. And it is a strange democracy which is not equally concerned about all its people and does not strive to give to all air, sun, and soil in which to grow and make the most of themselves.

"An American philosopher has said that 'Man is a growing animal and his birthright is development.' The belief in that birthright is democracy. Democracy believes in man—in the dignity of man, in the potential nobility of man. Indeed, it stakes its all on man.

NO FALSE SENTIMENTALISM

"That is not to say that democracy is a sloppy sentimentalism. There is respect in democracy, there is admiration, there is sympathy, there is even compassion, but there is no place in it for a false sentimentalism. Some men are not worthy of respect or even of compassion. The greatest lover of all mankind—the most compassionate of all who have ever trod this earth—said of some that 'it were better for them that millstones be hung about their necks and that they be drowned in the depths of the sea.'

"With such recreants there is nothing to do but to weed them out by cultivation lest they choke all wholesome growth. It should, however, be remembered that, while viciousness is not something that we can condone or tolerate, it may be more a matter of nuture than of nature. For example, the alarming spread of crime in recent years among our youth is surely due less to innate cussedness than to the cussedness of circumstances. It is born of a vitiated moral atmosphere and of desperate conditions. It is a dangerous infection, and when it develops there is little to do but to isolate it. But there are prophylactic measures to prevent its developing at all. Humanity at its best is the greatest thing we know, and a democracy which is true to itself provides conditions where men are free to become the best that is in them. The main business of democracy is not the making of things, not even the making of money, but the making of men.

NOT DEAD LEVEL

"I have stated in what respect men are equal in a democracy, merely putting into other words Lincoln's statement that men are equal in their right to life, liberty, and the pursuit of happiness. It should be apparent that this equality is not equalitarianism. Democracy is not a dead level. Its freedom is a freedom to develop in infinite variety. It is a thing of plains and hills and valleys and mountains. And while the plain may not say to the valley, "I am better than you", or the mountain to the plain, "I am better than you", yet the mountain may be all-important to the fruitfulness and charm of the landscape as a whole. And the recognition of that fact—the willing respect, not the grudging envy, of the many for the few who win to the peaks of human character and achievement—is part of a true democracy.

"There is no drag-down in democracy. Democracy is an elevating, not a leveling, force.

HUMANITY ABOVE PROPERTY

"Nor does democracy seek to create a dead level of economic status. It has nothing to do with soaking the rich or sharing the wealth. It has nothing to do with the abolition of private property. At least it is difficult to conceive that freedom means very much if one is not reasonably free to enjoy the fruits of one's labors. To enjoy the fruits of others' labors is exploitation, but to enjoy the fruits of one's own is democracy. If one's own labor is more fruitful than that of others, that harms no man.

"That, however, does not mean that private property is a graven image—that it is sacrosanct. Man is above things and humanity above property. To hark back to our exemplar of democracy, Abraham Lincoln wiped out with a few strokes of the pen in the interest of the Nation billions of property in slaves. Let us recall here the words of that most orthodox of political economists, John Stuart Mill: 'Private property, in every defense of it, is supposed to mean the guarantee to individuals of the fruits of their own labor and abstinence. The guarantee to them of the fruits of the labor and abstinence of others, transmitted to them without any merit of their own, is not of the essence of the institution but a mere incidental consequence which when it reaches a certain height does not promote but conflicts with the ends which render private property legitimate.'

HE'D BE SURPRISED

"Were John Stuart Mill writing today one can imagine the dismay with which he would comment on the distribution of wealth and income in this country, where there are enormous fortunes in a few hands, while the majority live close to the border line of subsistence or short of it.

"On the basis of the census for 1930, it is estimated that for the year 1929, the peak year of our alleged prosperity, 71 percent of our families had incomes of less than $2,500—that is to say, less than a decent subsistence income; 50 percent had less than $1,700; and 20 percent less than $1,000.

"There is dynamite in this situation—fuel for the soap-box Communist. It is an intolerable anomaly that in the land where freedom rings the bulk of our population are the slaves of circumstances which are, for the most part, not of their making.

DEMOCRACY IS WAY OUT

"Communism is not the way out for us. No revolutionary scheme to make all equally rich or equally poor is the way out. Democracy should and can be the way out. But democracy must face its problems patiently, since they cannot be solved in a day by a new deck or a new deal, but faithfully and honestly and resolutely, if democracy is to endure.

"We hear much of greed these days, and some would have us believe that all the greed is in one camp. That is a superstition. The poison of greed contaminates all classes. Indeed, it has been said that the worship of the golden calf is our national religion. Certainly the arrogance of wealth on the one hand and the adulation of wealth on the other, insofar as they do exist, are a madness which threatens the life of democracy. One cannot, however, agree that most people are obsessed by this stupidity. Most people are interested in money, not for itself but as a competence—as a means to an end—but they are chiefly interested in something more interesting.

PRIDE OF WORKMANSHIP

"They are interested in being good farmers or good mechanics or good doctors or good clergymen or good teachers or good engineers. Theirs is the pride and joy of workmanship. Money is not the main thing.

"True democracy has but one class, the working class, in the sense that all its people are in one manner or another productive—productive of food, of goods, of culture, of beauty; in a word, productive of better and happier conditions of life.

"Our most illustrious banker, Mr. Morgan, was quoted the other day as saying that civilization was dependent on having a leisure class. He did not mean, I suppose, our largest leisure class. He

did not mean the unemployed. He meant, no doubt, those who are not compelled to work, not those who are compelled not to work. Yet the latter command our concern no less than the former. For if it be true that Mr. Morgan's leisure class is upholding and raising the level of civilization, it is at least equally true that the demoralization of enforced idleness of millions upon millions of our people is dragging it down—dragging down, perhaps, Mr. Morgan's own class. For what I may term our largest leisure class is, from the point of view of the other leisure class, a recreant population. That is, they have nothing to contribute to the other; they have no purchasing power, and are, therefore, not an asset, but a drag, upon it—as things are now going, an increasing drag upon it.

NEW LESSONS LEARNED

"We have learned, let us hope, from the enforced discipline of the last few years some new lessons. We have learned that our old philosophy of prosperity does not work—the Hamiltonian philosophy that if we promote the welfare of big business and industry by tariffs and other favors and subventions, the prosperity of the rich will somehow trickle down to bless the common run of men. We have learned that prosperity is rooted in and grows upward out of the common soil of the people, and if that soil is poor or barren, the Nation is poor or barren.

"And we have learned another lesson. We have learned that leisure is a doubtful blessing, and we have changed our minds about work. The curse which drove man out of Eden, 'In the sweat of thy brow shalt thou eat bread', has become a birthright for which men are willing and determined to march and fight. Creative work is not drudging work; it is the spice and joy of life, especially if it be one's own work.

MAKE HIM STOCKHOLDER

"It is too much to hope that democracy can in any large measure restore the zest of craftsmanship in an age of mass production. But one thing it can do, which some industries have already done—it can enlist the interest of the worker as a stockholder, a partner in the business, so that he will see his piecemeal task in relation to the whole, with the zest which comes from pride of ownership.

"But what of those who have no work at all? Here is a great difficulty about which there is sharp disagreement. There are experts (not many) who contend that unemployment is a temporary condition, and there are those who insist that it is here to stay."

Organized society, Dr. Norlin said, must concern itself with the unemployed, if not as a matter of justice, then as a matter of safety.

MEN MUST BE FED

"Hungry men are troublesome, if not to say dangerous", he asserted. "They must be fed. But enforced idleness is as demoralizing as hunger, and as vital a problem to be met.

"I am aware that there are some who insist that there is no problem at all, save that which lies in human laziness. Our great Mr. Ford seems to be of that opinion. Mr. Ford is a clever man, but if he means that twelve millions of our men are out of work because they won't work, he insults, not only them, but his own intelligence. The majority of people prefer to eat their bread in the sweat of their brows. Some don't but most do."

WORK FOR UNEMPLOYED

"Can society then provide them with work? Of course it can. It cannot, probably, or should not, provide them with work in the field which is occupied by private interprise. But there is plenty of creative work which it is profitable to do—profitable, if not in immediate money returns, at any rate, in the precious coin of human well-being and happiness. Let me speak of only one enterprise which should be promoted, even if there were no unemployment. I mean the restoration of the beauty of the American landscape. In our haste and greed to loot an unspoiled continent we have despoiled a continent. We have swept over it like a scourge of locusts, leaving devastation behind. To repair the damage is the work of a generation at least. There is reforestation to be done—an enormous task; wild grass to be restored to dust-cursed prairies; scrap heaps and rubbish and ruins—relics of a squatter civilization—to be cleared away; billboards to be torn down; roadsides to be made attractive by planting along them trees and shrubs and flowers; bridle paths to be built, as in Europe, for pedestrians, equestrians, and cyclists; game refuges to be provided for the wildlife that we have not already extinguished; rivers and streams to be cleansed of pollution and restored to their clear living waters. There is also the augean task of renovating the slums of our cities.

DIVIDENDS IN HAPPINESS

"There might be money in this sort of enterprise; for, believe it or not, beauty pays in the long run. There would certainly be dividends in human happiness for all and in the zest of useful, creative work for the unemployed."

Dr. Norlin discussed the meaning of liberty, quoting Lincoln: "The shepherd drives the wolf from the sheep's throat, for which the sheep thanks the shepherd as his liberator, while the wolf denounces him for the same act. * * * Finally the sheep and the wolf are not agreed upon a definition of liberty."

"These words of Lincoln are still strangely apropos. Let me speak in terms of one example. Mr. Hearst is strong for the freedom of the press, but uses that freedom to curb freedom of speech. He is free to use the power of an astronomical fortune and a clanking chain of 27 newspapers with immense circulation to corrupt public opinion, to degrade and enslave public taste, to calumniate patriotic and honorable men, and just now to terrorize the teachers in our colleges and universities from thinking and speaking the truth. Obviously what is liberty for the wolf is not liberty for my colleagues."

Dr. Norlin closed his address by saying:

"Some will continue to cling fatuously to a philosophy which seems good when practiced upon others, crying out against the cruelty of the world when it is turned upon themselves.

"But an increasing number may see the wisdom of a philosophy—of a religion (for democracy is a religion)—which is good when applied also to one's self.

"'Do unto others as you would have others do unto you' is not a mere altruism. It is a rule of conduct which backs the claims of one's own humanity."

FEDERAL EXPENDITURES FOR COTTON COOPERATIVES—EXTENSION OF SENATE RESOLUTION 185

Mr. McKELLAR. Mr. President, I ask to have Senate Resolution 313 laid before the Senate, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read Senate Resolution 313, submitted by Mr. McKELLAR on June 1, 1936, and reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment to add at the end of the resolution a proviso, so as to make the resolution read:

Resolved, That the authority conferred by Senate Resolution 185, concerning expenditures by the Federal Government for cotton cooperatives, etc., agreed to August 24, 1935, be, and the same is hereby, extended and continued in force until the expiration of the Seventy-fifth Congress: *Provided further*, That said committee is authorized to investigate the action of the American Cotton Cooperative Association and the Commodity Credit Corporation in the concentration and sale of cotton held for the account of cotton growers.

Mr. McKELLAR. Mr. President, at the proper time I desire to offer an amendment providing for a final report not later than April 1, 1937.

Mr. SHEPPARD. A final report?

Mr. McKELLAR. A final report.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. SHEPPARD. I object.

Mr. McKELLAR. Then, Mr. President, I move that the Senate proceed to the consideration of the resolution.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

Mr. McNARY. Mr. President, what is the purpose of the resolution?

Mr. McKELLAR. It is for the purpose of continuing an investigation of cotton cooperatives which has already begun. I think probably we can agree upon the resolution if the motion to consider it shall prevail.

Mr. ROBINSON. Mr. President, the adoption of the motion of the Senator from Tennessee would displace the unfinished business, and I myself cannot consent to it.

Mr. McKELLAR. Then I withdraw the motion, Mr. President.

THE MERCHANT MARINE

The Senate resumed the consideration of the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes.

Mr. BONE. Mr. President, I should like to ask the Senator in charge of the pending bill whether any provision is to be made to reach a situation of this kind.

The Senators from Washington have telegraphic protests from the Pacific coast against the action of a certain steamship company or companies out there which have been docking and repairing these heavily "sugared" boats in Chinese drydocks with Chinese labor. The situation has been called to my attention before. If there is not now—and I am unable to find it—I think there should be language in the bill which will make it impossible for the American taxpayers to be compelled to provide the money for heavily subsidizing these boats which are repaired in Chinese docks and shipping yards.

Mr. COPELAND. Mr. President, I will say to the Senator from Washington that the Senator from Pennsylvania [Mr. GUFFEY] has just offered an amendment to cover the very matter the Senator has in mind.

Mr. BONE. Very well. Then there is one other thing I desire to ask.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BONE. I yield to the Senator from Missouri.

Mr. CLARK. Are the other Senators who are interested in the bill disposed to accept the amendment of the Senator from Pennsylvania [Mr. GUFFEY]?

Mr. COPELAND. So far as I am concerned, I am so disposed.

Mr. CLARK. Let me say, if the Senator from Washington will permit me, that I discovered, as a member of the subcommittee which investigated this matter to some extent, a very great disposition on the part of these steamship companies, as to labor employed on the ships and labor employed in drydock and everything else, to receive benefits from the United States Government and then bestow their benefits anywhere else they please.

Mr. COPELAND. So far as I am concerned, I wish to have everything used on these boats and all the repairs, so far as possible, made by American labor. If the boats are in a foreign port and have to be repaired there, that is different; but certainly in our home ports there can be no excuse for any other course than the employment of American labor.

Mr. CLARK. Of course I realize that upon occasion repairs may be necessary in foreign ports; but I also realize that in general shipping repairs can be made in American ports just as easily and just as practicably as in foreign ports. If it be the practice, as I understand it is, of the ship-operating companies which receive American subsidies habitually to have their repairs made in Japanese or Chinese or British or other foreign yards, then I do not think they have a right to accept an American subsidy.

Mr. COPELAND. Mr. President, I am in the fullest agreement. I think the Senator from Missouri is right, and if there is a commission of men who are imbued with the proper spirit, they are not going to permit such an outrageous thing as that, and if there is any language which can be formulated to cover the matter, I shall be glad to have it suggested.

Mr. CLARK. What the Senator says is entirely true. If, on the other hand, there is an authority in existence such as the old Shipping Board, or the Shipping Board Authority of the Commerce Department, or the Fleet Corporation of the Commerce Department, they will permit anything.

Mr. BONE. Mr. President, I desire to ask, also, whether the Senator in charge of the bill will accept an amendment to sections 802 and 902, which have to do with acquisition by the Government of ships either through purchase or lease. I call the attention of the Senate to some peculiar language in the bill, and I object to that language in this bill, as I did to the language in the present act. I do not wish to prolong the debate, but I do not want the debate curtailed tomorrow, unless the Senator is willing to accept the amendment. I draw attention to the language in section 802, in line 13, page 74. This is language which challenges everyone, and I am going to point out what it will do to the American taxpayer in the event of a war.

In line 13 the Government engages, in case it purchases these ships, to pay therefor the fair actual value thereof, less certain deductions in the way of the building subsidy, and the like.

Every Member of the Senate knows that in case of war the value of tonnage would jump enormously; overnight it would balloon away out of sight. If, for instance, a ship cost at the rate of $200 a ton, if a great war came on, the tonnage necessary to transport the troops would suddenly jump enormously, the value would be enhanced, and here we deliberately and coldly and purposely engage to pay to shipowners the then wartime value—we will have to write the word "wartime" in the measure, because that is the way it will be construed—and then make the deductions. The same valuation is preserved in section 902, where the vessel is taken under a lease.

The question I wish to propound to the Senator is, Will he accept an amendment providing that in the event a vessel is taken by the Government for war purposes the owner of the vessel shall have returned to him only the amount of money he actually put into the vessel? Certainly this proposed legislation rests wholly upon a patriotic foundation, and I think a man who has a love of country and who owns a vessel ought to be willing to get back merely the dollars and cents he put into the vessel, and not insist on the Government paying him the wartime value of the vessel. I think this is a frightful thing.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. CLARK. Let me call to the attention of the Senator from Washington the fact that it has heretofore been admitted by one of the sponsors of the measure that under the bill there might be a subsidy of a hundred cents on the dollar in the construction of a ship. In other words, with a basic subsidy of 50 percent, if the maritime authority proposed to be set up should find that some foreign government had granted an additional subsidy, the actual subsidy granted for construction by the United States Government to a shipbuilder or a shipowner for construction might run to a hundred cents on the dollar. Taking that in connection with the section cited by the Senator from Washington, if there should be a war, and if the United States Government should need a ship, the United States Government could only take over the ship on the basis of a fair going value, the actual value. So that a shipowner who had actually not put a dime into the construction of a ship might be able to throw it back on the Government, in the event of a war, at the wartime value of three or four hundred percent of its actual construction value, and the Government might be in the position of having to pay for the entire construction of the ship a hundred cents on the dollar, and then, in order to get the ship back, not only would not be able to recover the hundred cents on the dollar which it had to pay originally, but would have to pay three or four hundred dollars on the dollar to recover the ship for wartime use.

Mr. COPELAND. Mr. President, will the Senator from Washington yield?

Mr. BONE. I yield.

Mr. COPELAND. I fear the Senator is setting up a straw man to be knocked down. If the Senator will look on page 74, line 14, he will see that those of us who had something to do with making this bill really did love our country. I think that was the reference made. It provides "but in no event shall such payment exceed the actual depreciated construction cost thereof."

Mr. CLARK. Mr. President, will the Senator from Washington yield to me for the purpose of asking a question of the Senator from New York?

Mr. BONE. I yield.

Mr. CLARK. Let us consider a million-dollar ship, on which the Government has paid a subsidy of $500,000 under the basic-subsidy provision. Under a ruling of the Maritime Authority, we will suppose, it has granted an additional subsidy running up to another $500,000, which might mean 100 percent of the cost of the ship. In other words, the Government would have paid 100 percent of the cost of the ship without the shipowner having put in one thin dime. Then, in the event of war, under this rule, the Government having paid the shipowner the fair actual value thereof, it is provided—

> But in no event shall such payment exceed the actual depreciated construction cost thereof (together with the actual depreciated cost of capital improvements thereon, but excluding the cost of national defense features).

I should like to ask the Senator from New York whether that does not mean that the Government might have paid a million dollars for a million-dollar ship and in the event of war, when the Government wanted to take over the ship, it would have to pay the actual value of the ship—that is, the actual depreciated construction cost of the ship. So that a shipowner who had not put a dollar into the construction of the ship would be able to collect from the Government, in the event of war, when the Government needed the ship, the actual construction cost of the ship less any actual depreciation.

Mr. BONE. Mr. President, I had not completed my statement about this matter. Again I desire to call the attention of the Senator to another part of the bill which has come to my attention. The Senator from New York misunderstood me. I said that the very patriotic gentlemen who owned these ships were the ones who ought to be exhibiting the superheterodyne type of patriotism to which I adverted. I have not found them exhibiting any such spirit and did not find them exhibiting such a spirit in the case of the Jones-White Act.

Section 902 attempts to set out a definite formula—to say that the Government shall pay so much and the owners shall receive so much. Then we come to subdivision (b), which is astounding, and I do not know why it is in the bill. I refer to subdivision (b) of section 902. After providing how much the Government will be compelled to pay in setting out a formula and a definite rule, the bill adds this:

> The Commission shall ascertain the fair compensation for such taking or use and shall certify to Congress the amount so found by it to be due for appropriation and payment to the person entitled thereto. If the amount found by the Commission to be due is unsatisfactory to the person entitled thereto, such person shall be entitled to sue the United States for the amount of such just compensation, and such suit shall be brought in the manner prescribed by paragraph 20 of section 24 or by section 145 of the Judicial Code, as amended (U. S. C., title 28, secs. 41, 250).

What in the world is the use in laying down formulas and initiating a rule when in the next breath it is said, "That does not mean anything. You can go into court and sue." Let us either strike out subdivision (b) or else strike out the other provision. Two rules have been laid down. One provides for a definite amount to pay a man, and the other provision says that he may go into court and sue if he is not satisfied.

Mr. CLARK. Mr. President, the Government may pay 100-percent subsidy to begin with on the construction of a vessel; and then, if the shipowner is not satisfied with 100 percent, he may go into the Court of Claims and sue for as much as he pleases.

Mr. COPELAND. Mr. President, may I answer the Senator? I desire to call his attention to the fact that section 802, on page 74, refers to subsidized ships. Section 902, on page 84, refers to all ships documented under the United States.

Mr. BONE. I understand. There ought to be a distinction.

Mr. COPELAND. Permit me to say what I think I said to the Senator some months ago—that if he will make clear what he has in mind, and bring it along, we shall be glad to accept it.

Mr. BONE. I had this thought in mind, and I have frequently referred to it in discussing the matter with the able Senator from New York. I wonder if any of my brethren find anything in this thought with which they would disagree:

If the Government gives a man money to build a ship, and he puts some of his own money into the vessel, and our Government in time of great national peril needs the vessel, is there any Member of the Senate of the United States who feels that there is anything wrong in merely giving back to the man the money of his own which he placed in the vessel and giving the vessel to the Government in such a time of peril? I cannot conceive any attitude of mind under which a different conclusion would rest in logic or sound principles of law or justice or equity.

Mr. COPELAND. I agree with the Senator. That is what we have tried to do. If we have not chosen the right language to make clear that very thought, I will ask the Senator please to bring it along, because we thought we had chosen language to establish exactly the very laudable thing which the Senator has in mind.

Mr. O'MAHONEY. Mr. President, I desire to address a question to the senior Senator from New York, in charge of the bill.

It is my understanding that the Jones-White Act, passed many years ago, contains a provision which, to all intents and purposes, does away with the antitrust law so far as shipping concerns are dealt with, and that these shipping lines may enter into conferences with foreign lines—conferences which amount to agreements in restraint of trade.

Mr. COPELAND. I may say to the Senator that in some of the bills which bore my name there were provisions for conferences, but in the pending bill there is no reference to conferences.

Mr. O'MAHONEY. There is nothing in the bill, then, to prevent those combinations in restraint of trade?

Mr. COPELAND. There is nothing whatever in the bill relating to that. Therefore, the present laws would be in effect. There is nothing to abrogate the effect of those laws.

Mr. O'MAHONEY. I will say to the Senator from New York that it is my understanding that at the present moment a United States line which operates between the port of New York and South Africa, and which enjoys a subsidy from the Government of the United States, is in an agreement with British lines, foreign lines, crushing out of existence an American line which enjoys no subsidy, and which operates between the port of New York and South Africa.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CLARK. Let me say to the Senator from Wyoming and to the Senate that it was in evidence before the Commerce Committee in its hearings that the situation which he has described absolutely existed; that an American subsidized line was one of a conference of, I think, seven lines, all six of the lines outside of the American subsidized line being foreign-flag lines; and testimony was presented to the committee by an American line which is in competition with all the conference lines in which it assured the committee that without any subsidy, if removed from the incubus of this conference and of the subsidy which is granted to the American subsidized line, this other line could compete with all the lines in the world.

Mr. O'MAHONEY. Mr. President, does the Senator say to me that his committee has not brought in an amendment or a provision in this bill to prevent that sort of thing?

Mr. CLARK. Mr. President, so far as I am concerned, let me say to the Senator from Wyoming that I am opposed to the whole bill. I have always been opposed to the whole bill, and I always shall be opposed to any system of subsidy.

Mr. O'MAHONEY. That does not answer the question. I know the Senator from Missouri is opposed to the bill, but he is a member of the Commerce Committee. I am now asking him whether it is possible that the Commerce Committee has reported the bill without a provision designed to prevent such an outrage as the one referred to obviously is.

Mr. CLARK. It is not only possible but it is probable, and in fact even certain, that the committee did not report that sort of a provision in connection with the bill after its hearings.

Mr. O'MAHONEY. Then let me address a question to the chairman of the committee. Would the chairman of the committee entertain an amendment to make impossible that sort of discrimination against American lines?

Mr. COPELAND. I may state to the Senator that if we are to have legislation of that sort, I think it ought to be more far reaching than to the subsidized lines. The lines dealt with in this bill would be so much under the domination and control of the maritime authority that no evil such as the Senator speaks of is possible. The problem is a bigger one than that.

The Senator from Massachusetts [Mr. WALSH] happens to be away at a committee meeting; but I will say that my attention was called to a matter relating to a conference of lines operating out of Boston, which came to me because of the fact that I happened to be chairman of the Committee on Commerce, and I took up the matter with the Department of Commerce. This question of conferences is a very grave problem and a very great problem.

Mr. O'MAHONEY. Mr. President, the conference of which I am speaking is a conference which deals with shipping out of the port of New York; and I am told, upon what appears to me to be good authority, that the result of the operation

of this combination, which is in restraint of trade, and which would be in violation of the antitrust laws if it were not for the exemption contained in the act, is that at the present moment it is driving trade from the port of New York to Canadian ports. In other words, the charge brought to me is that British lines in a conference with an American subsidized line are conspiring to drive trade from the port of New York, an American port, to Canadian ports, so that other British lines in the conference may enjoy the profits of American business which ought to be carried from our ports.

Mr. President, if there is any truth to those charges, and the Senator from Missouri bears me out in that connection, I submit that there certainly ought to be some provision in the pending measure to prevent such practices. It would be an outrage, it seems to me, to permit such a condition to continue.

Mr. CLARK. Mr. President, the charge heretofore stated was made by a representative of an American line seeking to operate to South Africa and was not contradicted by any witness before the committee.

Mr. O'MAHONEY. Is the Senator referring to the Robin Line?

Mr. CLARK. I believe that is the line; but the essential fact of the testimony of the independent line seeking to compete with the conference line to South Africa was corroborated by officials of the Department of Commerce, and by the official who appeared later in behalf of the subsidized line which was a member of the conference, who endeavored to justify such an arrangement.

I do not think there is any question on earth that the facts stated by the Senator from Wyoming are correct.

Mr. O'MAHONEY. Mr. President, there seems to be no denial of the correctness of the report which has come to me, and I therefore ask the Senator from New York if he will not consent tomorrow to the adoption of an amendment which will correct a condition of that kind.

Mr. COPELAND. Speaking as one member of the committee—and I am sure I speak for all the members—we shall be glad to receive from the Senator some language seeking to accomplish what he has in mind.

If the Senator will examine the shipping law he will find that the Board may, by order, disapprove, cancel, or modify any agreement or any modification or cancelation thereof, whether or not previously approved by it, that it finds to be unjustly discriminatory or unfair as between carriers, shippers, exporters, importers, or ports, or between exporters of the United States and their foreign competitors, or to operate to the detriment of the commerce of the United States, or to be in violation of the act.

Needless to say, as a citizen of New York State and a citizen of New York City, I do not want to see any business driven to any Canadian port.

Mr. O'MAHONEY. But it is being driven from the Senator's ports now.

Mr. COPELAND. I am afraid the Senator is not informed. It has not been brought to my attention. If the Senator will give us any information he has, I shall be very glad to see what can be done to correct the situation.

Mr. CLARK. Mr. President, I do not think the Senator from New York ought to make that statement because we were both present when testimony to this effect was given before a subcommittee of the Committee on Commerce, of which he was a member and of which I was not a member, though I was a volunteer witness before the committee. I do not think his statement ought to go into the RECORD unchallenged that the matter has not heretofore been called to the attention of the chairman of the committee.

Mr. O'MAHONEY. It seems to be conceded that in considering a subsidy to be paid to shipping concerns for the purpose of building them up we should permit a condition to exist which apparently would result in tearing down American shipping. I certainly hope the Senator from New York will do more than receive an amendment of this kind if the facts explained by the Senator from Missouri [Mr. CLARK] are correct.

Mr. COPELAND. Mr. President, it dawns on me now that the Senator has in mind a complaint which has been referred to one of the standing subcommittees of the Commerce Committee to deal with exactly that problem, because it has to do with freight on certain articles where such a condition has existed. So far as that is concerned, I will go with the Senator down to the gates of the infernal region to correct that condition.

Mr. O'MAHONEY. Would it not be a simple matter to provide by amendment that no subsidy of any kind or character shall be paid to any shipping line or shipping concern which has entered into an arrangement to destroy any other American line?

Mr. COPELAND. Let us find out. I will consult the experts and see if they can choose language to cover what the Senator has in mind.

DATE OF MEETING OF SEVENTY-FIFTH CONGRESS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 286) fixing the date of meeting of the Seventy-fifth Congress, which was, on page 1, line 4, to strike out "Monday, the 4th" and insert "Tuesday, the 5th."

Mr. ROBINSON. Mr. President, the law provides that the counting of the electoral votes by Congress shall begin on the 6th day of January. The amendment which the House has adopted to the joint resolution provides for the meeting of the Congress on the 5th day of January instead of the 4th, as was proposed in the joint resolution which I introduced. I think there can be no interference with the counting of the electoral votes, assuming that the two bodies shall have been organized. Therefore, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

SOIL CONSERVATION AND DOMESTIC ALLOTMENT

Mr. MURPHY. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 291) amending section 11 of the Soil Conservation and Domestic Allotment Act. But for the fact of the recess yesterday the joint resolution would have been on the calendar.

The purpose of the joint resolution is to correct an apparent defect in the Soil Erosion Act. It introduces no new principle of law whatsoever.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Iowa?

There being no objection, the joint resolution (S. J. Res. 291) amending section 11 of the Soil Conservation and Domestic Allotment Act was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That section 11 of the Soil Conservation and Domestic Allotment Act (Public, No. 461, 74th Cong.), is amended by striking out the period at the end thereof and adding the following: "And for payments to committees or associations of producers in any region or regions to cover the estimated administrative expenses to be incurred by any such committee or association in cooperating in carrying out this act: *Provided*, That the Secretary may prescribe that all or part of such estimated expenses of any such committee or association may be deducted pro rata from the payments or grants made to the members thereof: *And provided further*, That the Secretary may make such payments in advance of determination of performance."

FIRST, SECOND, AND THIRD NATIONAL STEAMSHIP COMPANIES

Mr. GIBSON. Mr. President, I ask unanimous consent for the immediate consideration of the bill (S. 4684) for the relief of the First, Second, and Third National Steamship Companies. When the calendar was called this morning the bill was passed over at the request of the Senator from Tennessee [Mr. MCKELLAR]. I have been informed that he has looked into the matter and withdrawn his objection.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the bill (S. 4684) for the relief of the First, Second, and Third National Steamship Companies,

was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred on the Court of Claims of the United States to hear and determine in any suits instituted in said court, jointly or severally, by the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co., corporations organized and existing under the laws of the State of New Jersey, the claims of such companies on account of (1) certain sums deposited by the said companies with the United States Shipping Board in the year 1920; (3) certain disbursements made by the said companies for and on behalf of the United States in the year 1920 for other than physical operation costs in connection with the vessels *Independence, Hoxie,* and *Scottsburg,* owned by the United States Government; and (3) certain permanent improvements and equipment placed aboard the said vessels and not removed therefrom when the vessels were returned to the custody of the United States; and to enter such decrees or judgments against the United States as will provide full reimbursement and just compensation to such companies on the said claims, notwithstanding the bars or defenses of res judicata or of any alleged settlement or adjustment heretofore made or any release heretofore given by the said companies, their agents or attorneys, to the United States and notwithstanding any statute of limitations: *Provided, however,* That the United States shall be given credit for any sum heretofore paid to the said companies on account of the aforesaid deposits, disbursements, and improvements.

SEC. 2. The suits authorized under section 1 hereof may be instituted at any time within 1 year from the date of the enactment of this act.

NATIONAL UNEMPLOYMENT AND RELIEF COMMISSION

Mr. MURRAY. Mr. President, I ask unanious consent for the present consideration of the joint resolution (S. J. Res. 284) providing for the appointment of a National Unemployment and Relief Commission. Several days ago I sought to obtain unanimous consent for the consideration of the joint resolution. At that time it was objected to by the Senator from Oregon [Mr. MCNARY]. Since then I have discussed the matter with him and I understand he does not intend to interpose any objection. I talked with him this afternoon.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. TOWNSEND. Mr. President, in the absence of the Senator from Oregon [Mr. MCNARY], and with the assurance of the Senator from Montana that the Senator from Oregon does not object, I have no objection.

There being no objection, the joint resolution (S. J. Res. 284) providing for the appointment of a National Unemployment and Relief Commission was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas it is evident that the problems of unemployment and relief have passed the emergency phase and these burdens now appear to be long-term charges against the National Government; and

Whereas there is need of a thoroughgoing study of all their phases, including (1) the extent and nature of unemployment and relief needs, (2) the problem of work as against direct relief, (3) the question of assessing the financial burden and administrative responsibilities as between private charitable organizations and local, State, and Federal Governments, (4) some plan for coordinating the long-term relief program with existing governmental agencies, such as the United States Employment Service, the Social Security Board, the Public Works Administration, and other Federal agencies, and (5) the probable avenues of greater private reemployment and a general program looking to the liquidation of the entire relief problem: Therefore be it

Resolved, etc., That the President is hereby authorized to appoint immediately a nonpartisan commission to conduct a national study of the whole problem of unemployment and relief and make recommendations looking to a comprehensive, intelligent, and just policy for the future. The Commission shall be known as the Federal Unemployment and Relief Commission and shall be composed of not more than 15 and not less than 5 well qualified and distinguished citizens of the United States, who shall serve without compensation. The Commission is authorized to employ, without regard to the civil-service laws, an executive secretary and such experts and other employees as the Commission may deem necessary, and to fix their compensation without regard to the Classification Act of 1923, as amended. The Commission shall present its findings and recommendations relating to the aforementioned subjects to the Congress at the beginning of the first session of the Seventy-fifth Congress.

SEC. 2. (a) For the purposes of this resolution the Commission or any person designated by it is empowered to hold hearings at any place within the United States, to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records which the Commission deems relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or any State at any designated place of hearing.

(b) In case of contumacy by or refusal to obey a subpena issued to any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or hearing is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records. And such court may issue an order requiring such person to appear before the Commission or member or officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.

SEC. 3. The President is hereby authorized to allot such sums as may be necessary for carrying out the purposes of this resolution, not exceeding the sum of $50,000, from any money appropriated for relief purposes.

The preamble was agreed to.

BUSINESS ACTIVITY SOARS DURING '36

Mr. ROBINSON. Mr. President, I ask to have printed in the RECORD at this point as a part of my remarks a very brief Associated Press report published in the Evening Star of today, entitled "Business Activity Soars During '36."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star of June 18, 1936]

BUSINESS ACTIVITY SOARS DURING '36—FEDERAL RESERVE REPORTS SPURT FIRST 5 MONTHS HIGHEST OF 5 YEARS

The Federal Reserve Board reported last night that business taken as a whole increased more during the first 5 months this year than in the corresponding period of any of the 4 preceding years.

Many types of business activity were at the highest levels since early in 1930, the Board added in its monthly bulletin.

"The most marked increases in production during the past year as in other recent years," the Board said, "have been in the durable-goods industry. Output of durable goods, however, is still far below predepression levels, owing largely to the lag of recovery in construction activity."

INCREASE IN CONSTRUCTION

The Board noted that in the past year there has been an increase in construction, reflecting larger expenditures for residential, industrial, and commercial building, as well as increased outlays for publicly financed projects.

Increased output has been accompanied by a growth in the number of persons employed and, reflecting principally an increase in the average number of hours worked, by a somewhat larger pay roll, the board reported. However, it said unemployment has remained large and there has been relatively little change in the total number of persons on relief or employed on works projects financed by public funds.

AGRICULTURAL INCOME SOARS

Agricultural income, which had increased considerably in the last 3 years, has shown a further growth this year, the board said, adding this reflected larger income from the sale of farm products offset in part by a decline in governmental rental and benefit payments.

Stocks of cotton were reported to have been reduced during the last 4 years, but are still at a relatively high level. Wheat stocks were reported to have been reduced to about the same level prevailing prior to 1929. The supply of hogs on farms, which the board said was exceptionally small a year ago, was reported as having shown some increase during the last year.

THE POTASH INDUSTRY

Mr. BYRNES. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate resolution 274, and I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution submitted by Mr. PITTMAN on February 24 (calendar day Apr. 1), 1936.

The PRESIDING OFFICER. The clerk will state the amendment of the committee.

The CHIEF CLERK. It is proposed on page 5, line 4, after the word "the", to strike out the words "subject-matter

hereof," and to insert in lieu thereof the words "potash industry," so as to make the resolution read:

Resolved, That the Committee on Public Lands and Surveys be, and it is hereby, authorized and directed to institute and conduct a thorough investigation of all phases of the potash industry.

For the purposes of this resolution the said committee, or any subcommittee thereof, is authorized to hold hearings; to sit and act at such times and places during the sessions and recesses of the Congress until the final report is submitted; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall be not in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman. The committee is further authorized to accept the services of professional or technical employees of any department of the Government and to pay the expenses of said employees, exclusive of salaries and other compensation, said salaries or other compensation to still be paid by the department to which they are attached. The committee shall report at the next session of Congress the results of its investigation, together with its recommendations, if any, for necessary legislation.

The amendment was agreed to.

The resolution as amended was agreed to.

The preamble was rejected.

AMENDMENT TO MERCHANT MARINE ACT

Mr. MOORE submitted an amendment intended to be proposed by him to the bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, which was ordered to lie on the table and to be printed.

REPATRIATION OF NATIVE-BORN WOMEN

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2912) to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes, which were, on page 1, line 6, to strike out "relation" and insert "status"; on page 2, line 5, to strike out all after the word "before", down to and including "commissioner", in line 6, and insert "a court exercising naturalization jurisdiction thereunder"; and on page 2, line 12, to strike out "minutes" and insert "naturalization records."

Mr. COPELAND. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

A. J. WATTS—VETO MESSAGE (S. DOC. NO. 271)

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Military Affairs and ordered to be printed, as follows:

To the Senate:

I am returning herewith without my approval S. 3067, entitled "An act for the relief of A. J. Watts", which provides:

That in the administration of any laws conferring rights, privileges, or benefits upon persons who have served in the military forces of the United States, the disabilities of A. J. Watts, formerly a private, Battery B, Georgia Volunteer Light Artillery, shall be held and considered to have been incurred by him in the active military service of the United States during the Spanish-American War: *Provided*, That no compensation, retirement pay, back pay, or other benefits shall be held to have accrued by reason of this act prior to its enactment.

The record shows that this veteran enlisted May 11, 1898, and was discharged July 12, 1898, for mental incapacity as unsuited to the service. At the time request was made for his discharge his company commander stated: "This man has been most patiently handled since his muster in, but is totally incapable of acquiring the first principles of the drill."

The veteran also served in the United States Navy from August 25, 1910, and received a bad-conduct discharge therefrom on October 13, 1910. There is no record of medical treatment of the veteran during his Army service as reported by the War Department, but the Navy Department reports that he was treated October 10 and 11, 1910, for acute myalgia.

The veteran filed claim for a service pension on June 2, 1926, under the act of May 1, 1926. It was shown that the veteran served less than 30 days during the War with Spain and was not discharged for a disability incurred in service in line of duty. Pension was therefore not payable. Subsequently the veteran filed additional claims and his last claim was considered on December 10, 1934, at which time it was shown that the veteran's conditions were not incurred in service.

The veteran based his claims on conditions of nervousness and mental trouble which he believed were contracted in service during the War with Spain. He stated that on or about May 30, 1898, while in the service digging a drainage ditch he fell over with a sunstroke which has caused his present nervousness and mental condition. Official reports of examinations conducted during January and February of 1929 show that his nervous system was normal at that time but that he was suffering from hemorrhoids, eczema of the left leg, sinusitis, arrhythmia, and pyorrhea. Subsequent examinations show that he is mentally deficient and is suffering from arteriosclerosis, heart disease, defective vision, and nephritis.

None of the conditions referred to above is shown to be incurred in or aggravated by his service from May 11, 1898, to July 12, 1898, as a report received from the War Department states that there is no record of medical treatment of this veteran.

The veteran served less than 70 days during the War with Spain and consequently is not entitled to a service pension under the act of June 2, 1930.

The claim, including service reports and medical and lay evidence submitted by the veteran, was carefully considered by the Board of Veterans' Appeals and in its decision of February 11, 1935, it was held that it cannot be accepted that the veteran has established direct service connection for all or any of his then present disabilities or that he was suffering from any physical or mental condition which would have resulted from the alleged sunstroke or heat exhaustion, and furthermore that it was definitely shown that the veteran's then present mental condition was the result of a constitutional abnormality and on the basis of medical judgment could not be accepted as having been incurred in or aggravated by his military service. It was further held that he is not entitled to pension for his nonservice-connected disability under existing laws and veterans' regulations.

The approval of this measure would result in establishing a status for the veteran in opposition to the facts and would grant benefits now denied him and other veterans similarly situated by existing law. I see no justification for singling this veteran out for preferential treatment.

I wish to point out that Mr. Watts has been eligible for both hospital and domiciliary care by the Federal Government and has been furnished hospital treatment on several occasions by the Veterans' Administration, his most recent hospitalization having been obtained at Veterans' Administration facility, Mountain Home, Tenn., from February 3, 1936, to March 18, 1936, when he was dropped from the rolls for being absent without leave. While he temporarily made himself ineligible for such care by leaving the home without permission last March, he will be eligible for readmission June 18, 1936, 3 months after his recent unauthorized departure.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 16, 1936.*

WILLIAM CONNELLY, ALIAS WILLIAM E. CONNOLEY—VETO MESSAGE (S. DOC. NO. 272)

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read,

and, with the accompanying bill, referred to the Committee on Military Affairs and ordered to be printed, as follows:

To the Senate:

I am returning herewith, without approval, S. 3663, entitled "An act for the relief of William Connelly, alias William E. Connoley."

This bill provides that, in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers, William Connelly, alias William Connoley, late of Company H, Eighteenth Regiment United States Infantry, in the Indian wars, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on May 23, 1883.

The official records show that William E. Connoley was discharged on May 23, 1883, for having enlisted under false pretenses, in that he concealed the fact that he was a minor and enlisted without the knowledge or consent of his parents. Had these facts been known at the time he applied for enlistment, his acceptance for enlistment would have been barred under the regulations then in force. His discharge, involving fraud on his part at the time of his enlistment, was not honorable.

Enactment of S. 3663 into law would, in effect, constitute a legislative reversal of the considered action of the authorities charged with the execution of the laws enacted for the government and control of the military forces, and would single out for preferential treatment one individual of a large but undetermined number of former soldiers whose status is identical with that of this soldier. Moreover, it would place him on a par with those soldiers whose discharges were honorable.

The Secretary of War strongly recommends that this bill be not favorably considered, and I find nothing in the facts of the case which would justify different action on my part.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 16, 1936.*

MEMBERSHIP IN INTERNATIONAL LABOR ORGANIZATION

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States:

The Congress, by a joint resolution approved June 19, 1934, authorized me to accept membership for the Government of the United States in the International Labor Organization. Pursuant to that authorization I accepted such membership on behalf of the Government of the United States.

Representatives of this Government and of American employers and American labor attended the nineteenth session of the Conference of the International Labor Organization, held at Geneva, June 4–25, 1933.

That conference adopted, the American representative voting favorably, five draft conventions and one recommendation, to wit:

The draft convention concerning the employment of women on underground work in mines of all kinds.

The draft convention limiting hours of work in coal mines (revised 1935).

The draft convention concerning the reduction of hours of work to 40 a week.

The draft convention concerning the establishment of an international scheme for the maintenance of rights under invalidity, old-age, and widows and orphans' insurance.

The draft convention concerning the reduction of hours of work in glass-bottle works.

The recommendation concerning unemployment among young persons.

In becoming a member of the organization and subscribing to its constitution this Government accepted the following undertaking in regard to such draft conventions and recommendations:

"Each of the members undertakes that it will, within the period of 1 year at most from the closing of the session of the conference, or if it is impossible owing to exceptional circumstances to do so within the period of 1 year, then at the earliest practicable moment and in no case later than 18 months from the closing of the session of the conference, bring the recommendation or draft convention before the authority or authorities within whose competence the matter lies, for the enactment of legislation or other action. (Art. 19 (405), par. 5, Constitution of the International Labor Organization.)

"In the case of a federal state, the power of which to enter into conventions on labor matters is subject to limitations, it shall be in the discretion of that government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case. (Art. 19 (405), par. 9, Constitution of the International Labor Organization.)"

In accordance with the foregoing undertaking the above-named five conventions and one recommendation are herewith submitted to the Congress with the accompanying report of the Secretary of State, to which the attention of the Congress is invited.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 18, 1936.*

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. POPE in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations (and withdrawing several nominations), which were referred to the appropriate committees.

(For nominations this day received and nominations withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the Committee on Appropriations, reported favorably the nomination of Frank M. Keller, of Colorado, to be State engineer inspector for the Public Works Administration in Colorado, Utah, and Wyoming.

Mr. KING, from the Committee on Finance, reported favorably the nomination of Passed Asst. Surg. Erval R. Coffey to be surgeon in the United States Public Health Service, to rank as such from June 16, 1936.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Wainwright Abbott, of Pennsylvania, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul.

He also, from the same committee, reported favorably Executive B, Seventy-first Congress, second session, being a convention for promoting safety of life at sea, the original of which is deposited with the British Government, signed at London, May 31, 1929, by representatives of 18 countries, etc., for the purpose of revising the international convention of January 20, 1914, on the same subject, and submitted a report (Exec. Rept. No. 6) thereon.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

POSTMASTERS

Mr. McKELLAR. From the Committee on Post Offices and Post Roads, I report back favorably three nominations and ask unanimous consent for their immediate consideration.

The PRESIDING OFFICER. The nominations will be read.

The legislative clerk read the nomination of Theodore A. Marquardt to be postmaster at Cooperstown, N. Dak.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none; and, without objection, the nomination is confirmed.

The legislative clerk read the nomination of John J. Mahony to be postmaster at Derby, Conn.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none; and, without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert A. Reid to be postmaster at Montevallo, Ala.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none; and, without objection, the nomination is confirmed.

SECURITIES AND EXCHANGE COMMISSION

Mr. McKELLAR. On behalf of the Senator from South Carolina [Mr. BYRNES], I submit a favorable report from the Banking and Currency Committee of a nomination for which I ask immediate consideration.

The PRESIDING OFFICER. The nomination will be read.

The legislative clerk read the nomination of Robert E. Healy, of Vermont, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none; and without objection, the nomination is confirmed.

Mr. McKELLAR. I ask unanimous consent that the President be notified of the confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified of the confirmation of the nomination of Mr. Healy.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Benigno Fernandez Garcia, of Puerto Rico, to be attorney general of Puerto Rico.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the calendar.

THE JUDICIARY

Mr. COPELAND. Mr. President, my attention was diverted in connection with the bill under discussion during the afternoon. What happened to the nomination of the attorney general of Puerto Rico?

The PRESIDING OFFICER. It was confirmed.

Mr. COPELAND. I ask unanimous consent that the matter may be reopened; and I will state my reasons.

The PRESIDING OFFICER. Is there objection to the reconsideration of the vote by which the nomination was confirmed? The Chair hears none, and the vote is reconsidered.

Mr. COPELAND. Mr. President, I think the subcommittee headed by the able Senator from Nebraska [Mr. BURKE] has done a splendid job in connection with the study of this problem. Last evening, or two evenings ago, I objected to the nomination being confirmed; and the Senator from Nebraska gave me a copy of the hearings, and I read every word of them.

Mr. President, far be it from me to say that my judgment is any better than that of the committee; but I have told the Senate from time to time that for some reason or other Puerto Rico is very close to New York, and perhaps we have a little more direct interest in Puerto Rico than exists elsewhere.

I am not satisfied to have this matter determined on the brief hearing that was given it. I should not wish to have the committee displaced. I feel that the Senator from Nebraska [Mr. BURKE] and his colleague—I think perhaps the Senator from Vermont [Mr. AUSTIN] was the one who worked with him—did a good job so far as they went; but, with all due respect, I feel that the matter should be continued in the hands of the committee until a more thorough investigation shall have been made.

I am in almost constant contact with the island, and I know a great deal about the troubles that exist there. Because of the troubled conditions in the island, I feel that it would be unwise if the matter were to be closed at this time. I think it should be left in the hands of the able committee and more time taken. A great deal of work is going to be done in Puerto Rico, and much more knowledge of Puerto Rico will be in our hands very shortly.

I submit to the chairman of the subcommittee that the nomination should go over for the time, and that at a later date the Senator may make his report.

Mr. BURKE. Mr. President, the action of the committee in this matter was not hasty. Benigno Fernandez Garcia has been acting under appointment of the President as Attorney General of Puerto Rico since some time last year. At the opening of the present session in January the nomination came before the Senate and was referred to the Judiciary Committee and has been under consideration all during the present year. A great many representatives from Puerto Rico have been here and have talked to all the members of the committee. We have been in communication with the leading judicial authorities in Puerto Rico.

At first it was not felt necessary to have a hearing. Finally the insistence was very great, so a hearing was granted to those who for months had been requesting it; and we heard all the witnesses they desired to present. There were before us, for instance, the chancellor of the University of Puerto Rico, who testified in very glowing terms in favor of the nominee, and the Commissioner of Education of Puerto Rico, Dr. Ernest Gruening, from the Department of the Interior, who is in direct contact with Puerto Rican affairs. All of the justices, I believe, of the Supreme Court of Puerto Rico communicated with us, and all were highly in favor of this nominee.

The committee feels that the very fact to which the able Senator from New York refers—that Puerto Rico is in rather a troubled condition—is all the more reason why the Senate now, without further delay, should confirm the nomination of this man, who for the past 10 months has been acting with great satisfaction as attorney general.

Mr. NORRIS. Mr. President, will the Senator from New York yield to me?

The PRESIDING OFFICER. Does the Senator from New York yield to the senior Senator from Nebraska?

Mr. COPELAND. I yield.

Mr. NORRIS. As I understand, this nomination has been confirmed, and the Senator from New York desires a reconsideration of the action upon it?

Mr. COPELAND. No; consent was given to reconsider the confirmation.

Mr. NORRIS. I was about to suggest that I have not any objection to reconsideration if the Senate will vote on the nomination. I think it would be really a calamity if the nomination were to go over for the session.

This appointment was made during the recess, and the nomination was sent to the Senate at the beginning of the session last January and referred to the committee, and, as stated by my colleague [Mr. BURKE], the subcommittee have made an intensive investigation of the matter. I submit to the Senator from New York that it will never be possible in the case of Puerto Rico, as I have seen it happen in Alaska, to have an appointee to any office as to whom there will not be a great difference of opinion.

Mr. COPELAND. That sometimes happens in New York.

Mr. NORRIS. There are two sides to the problem. The opponents of the nomination have had all possible opportunity to be heard. The committee has given the matter

careful consideration. My colleague [Mr. BURKE] has devoted a great deal of time to it. While I was not on the subcommittee designated to hear the testimony, I have been investigating the matter in my small way, as much as I could; and, while there was a difference of opinion, the best opinion, as I get it from those who know most about it, is that this appointment is an exemplary one and ought to be confirmed. To throw it over until the next Congress, to nullify the appointment which has been made, will create a serious condition.

If the Senator undertakes to delay this nomination and put it over this session of Congress, I think it will interfere very materially with the necessary activities of this officer, whoever he may be. Somebody else will be apt to be appointed during the recess, when there will be no opportunity for the Senate or the Judiciary Committee to pass on the matter, or to hear it again.

I realize that there probably is opportunity for honest men to disagree on the subject; but let us vote on the nomination, and abide by whatever the result of the vote may be. Let us have the matter settled. In my opinion, we shall only be borrowing trouble if we continue this endless discussion about something that always will be debatable, and we shall never reach a decision unless we act on the nomination.

I hope the Senator from New York will not delay this nomination, but will let us vote on it, whatever the result of the vote may be.

Mr. COPELAND. Mr. President, is the Senator from Nebraska aware that the Resident Commissioner from Puerto Rico is in opposition to the nomination?

Mr. NORRIS. No; I am not. The fact is that he wished to see me. He sent in his card. It was impossible for me to see him. At that particular time I had too much to do, and could not see him; but I have conferred with many persons who know a great deal more than I do about Puerto Rico, who have studied the situation there, who have been there, and who, I think, understand the situation; and I believe we ought to settle this matter and not let it go undecided.

Mr. ASHURST. Mr. President, I agree with the Senator from Nebraska. This nomination has been pending before the Senate Committee on the Judiciary nearly 6 months. First, the able Senator from Utah [Mr. KING], who was chairman of the subcommittee to which the nomination was referred, held meetings and conducted an investigation lasting 3 months or more, but owing to the press of duties the Senator from Utah retired from the chairmanship of the subcommittee, and the able junior Senator from Nebraska [Mr. BURKE] was appointed as the next chairman of the Subcommittee of the Committee on the Judiciary. He made a careful investigation and we know that after he makes an investigation the results are very clear and very decided. These gentlemen have come to the conclusion that this nominee ought to be confirmed. I likewise gave the nomination such attention as I could, which meant over a period of some months, and I agree entirely with the statement of the senior Senator from Nebraska.

I realize that the Resident Commissioner from Puerto Rico may not be satisfied with the nomination, but he is a personal friend of mine and has been given every courtesy one legislator could afford to another.

Mr. ROBINSON. Mr. President, it is my understanding that unless the nomination shall be confirmed the appointee cannot receive his compensation.

Mr. ASHURST. That is true.

Mr. ROBINSON. If this were a case where the nomination had come in recently, there would appear to be justification perhaps for depriving the nominee of his salary until the Senate passed upon the matter. But here is a case where the nomination has been pending for a long time. I myself, at the instance of Senators and others, asked that the nomination go over more than once; but I was always informed that there would be no objection to disposing of it during the present session.

I think the Senate owes it to the nominee, owes it to the committee which investigated the subject matter of the controversy, and owes it to itself to dispose of this case.

Mr. COPELAND. Mr. President, I ask the senior Senator from Nebraska whether he will not take time to read the record between now and tomorrow afternoon. Then, if the Senator from Nebraska holds the same view as the one he now entertains, I will be convinced that I am wrong and that he is right. All I know about the case, beyond the letters and telegrams I have received, will be found in the record of the hearings, and I am convinced that there are two sides to the argument. I know the fairness of the Senator from Nebraska, I know his judicial temperament and his legal training. If he will be good enough to go over the record, and if he will tell me tomorrow that this man ought to be confirmed, I shall be glad to vote for confirmation.

Mr. NORRIS. Mr. President, I appreciate very sincerely the confidence which the Senator from New York has so well expressed; and if it were possible for me to comply with his request, I certainly should do so; but I know that I could not keep such a promise if I should make it. I have to tell the Senator that between now and the convening of the Senate tomorrow it would be a physical impossibility for me to go over the hearings.

I have examined a great deal of the evidence. I have read much of it. I do not know whether or not it is all contained in the book to which the Senator refers. I agree with the Senator that there are two sides to the question; but I must decline his request, because I know that with the other work I have to do between the adjournment today and the convening tomorrow it would be impossible for me to wade through a lot of evidence.

Mr. BURKE. Mr. President, practically all of the evidence that is in the record to which the Senator from New York has referred has already been laid before the senior Senator from Nebraska and all the other members of the Committee on the Judiciary. Copies of all affidavits and of all letters were filed by the respective parties with all the members of the committee, and I assume they have all been read. I am sure nothing would be gained by having the nomination go over.

Mr. COPELAND. Mr. President, if there is one thing in this world that I know, it is when I am licked. I have done the best I could in this matter, but I can see that the nomination must prevail. Therefore, I withdraw my objection.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

That completes the calendar.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess, pursuant to the order heretofore entered, until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 37 minutes p. m.) the Senate, under the order previously entered, took a recess until tomorrow, Friday, June 19, 1936, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 18 (legislative day of June 15), 1936

UNITED STATES DISTRICT JUDGE

Albert Branson Maris, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania to fill an existing vacancy.

TEMPORARY APPOINTMENTS IN THE REGULAR ARMY

AIR CORPS

The following-named officers of the Air Corps for appointment to temporary rank in the Air Corps in the Regular

Army of the United States under the provisions of the act of Congress approved June 16, 1936:

To be major general, commanding general, General Headquarters Air Force, with rank from June 16, 1936

Col. Frank Maxwell Andrews.

To be brigadier generals, wing commanders, with rank from June 16, 1936

Col. Henry Conger Pratt.
Col. Gerald Clark Brant.
Lt. Col. Delos Carleton Emmons.

To be brigadier generals, wing commanders, with rank from date of appointment

Col. Barton Kyle Yount.
Lt. Col. George Howard Brett.

The following-named officers of the Air Corps for appointment to temporary rank in the Air Corps, in the Regular Army of the United States, under the provisions of the act of Congress, approved June 16, 1936, with rank from that date:

To be colonels

Lt. Col. John Delbert Reardan.
Lt. Col. Henry Clinton Kress Muhlenberg.
Lt. Col. John Francis Curry.
Lt. Col. Alfred Harold Hobley.
Lt. Col. Albert Lee Sneed.
Lt. Col. Walter Reed Weaver.
Lt. Col. John Henry Pirie.
Lt. Col. John Norton Reynolds.
Lt. Col. Frank Melvin Kennedy.
Lt. Col. Robert Emmett Mason Goolrick.
Lt. Col. Jacob Herman Rudolph.
Lt. Col. Frederick LeRoy Martin.

To be lieutenant colonels

Maj. Joseph Taggart McNarney.
Maj. Edwin Bowman Lyon.
Maj. Hume Peabody.
Maj. Earl Larue Naiden.
Maj. Michael Frank Davis.
Maj. Hubert Reilly Harmon.
Maj. Henry Jervis Friese Miller.
Maj. Thomas James Hanley, Jr.
Maj. Leo Andrew Walton.
Maj. Ralph Pittman Cousins.
Maj. Adlai Howard Gilkeson.
Maj. George Edward Stratemeyer.
Maj. Robert LeGrow Walsh.
Maj. Junius Henry Houghton.
Maj. Howard J. Houghland.
Maj. Charles Belding Oldfield.
Maj. William Hampton Crom.
Maj. Gerald Evans Brower.
Maj. Robert Chapin Candee.
Maj. Oliver Patton Echols.
Maj. Vincent Bargmant Dixon.
Maj. Lloyd Neff Keesling.
Maj. Laurence Fielding Stone.
Maj. Willis Henry Hale.
Maj. William E. Kepner.
Maj. William Charles Ocker.
Maj. William Frederick Volandt.
Maj. Ernest Clark.
Maj. Charles Thomas Phillips.
Maj. Hubert Vincent Hopkins.
Maj. Donald Patrick Muse.
Maj. Asa North Duncan.
Maj. William Elmer Lynd.
Maj. Rosenham Beam.
Maj. Harry Herman Young.
Maj. Donald Wilson.

To be majors

Capt. Frederick Foster Christine.
Capt. David Sidney Seaton.
Capt. Oliver Stevenson Ferson.
Capt. Charles Merrill Savage.
Capt. George Churchill Kenney.
Capt. Arthur Wellington Brock, Jr.
Capt. Chilion Farrar Wheeler.
Capt. Earl Hamlin DeFord.
Capt. Lowell Herbert Smith.
Capt. Christopher William Ford.
Capt. Albert William Stevens.
Capt. Elmer Edward Adler.
Capt. Edwin Jacob House.
Capt. Ray Aloysious Dunn.
Capt. Earl Spiker Schofield.
Capt. Arthur Emel Simonin.
Capt. Frank O'Driscoll Hunter.
Capt. Harold Huston George.
Capt. Walter Jay Reed.
Capt. St. Clair Streett.
Capt. John Isham Moore.
Capt. Samuel Charles Skemp.
Capt. Robert Gale Breene.
Capt. James Franklin Powell.
Capt. Neal Creighton.
Capt. Alonzo Maning Drake.
Capt. Victor Herbert Strahm.
Capt. Ira Robert Koenig.
Capt. Philip Schneeberger.
Capt. Karl Shaffner Axtater.
Capt. William Joseph Flood.
Capt. George Merrill Palmer.
Capt. John Parr Temple.
Capt. Byron Turner Burt, Jr.
Capt. Earle Gene Harper.
Capt. Lotha August Smith.
Capt. William Valery Andrews.
Capt. Edwin Forrest Carey.
Capt. Merrick Gay Estabrook, Jr.
Capt. Carl Franklin Greene.
Capt. Perry Wainer.
Capt. William Seymour Gravely.
Capt. Harlan Ware Holden.
Capt. Joseph Leonard Stromme.
Capt. Rudolph William Propst.
Capt. Frank Denis Hackett.
Capt. Aaron Edward Jones.
Capt. Robin Alexander Day.
Capt. John Y. York, Jr.
Capt. Walter Hey Reid.
Capt. John Bellinger Patrick.
Capt. Claire Lee Chennault.
Capt. Ralph Bamford Walker.
Capt. Clarence Beaver Lober.
Capt. John Kenneth Cannon.
Capt. Arthur John Melanson.
Capt. Theodore Joseph Koenig.
Capt. Grandison Gardner.
Capt. Alvan Cleveland Kincaid.
Capt. Omer Osmer Niergarth.
Capt. Roderick Norman Ott.
Capt. Aubrey Hornsby.
Capt. Charles Peter Prime.
Capt. Auby Casey Strickland.
Capt. John Martin Clark.
Capt. Rowland Charles William Blessley.
Capt. Arthur Thomas.
Capt. Louis North Eller.
Capt. Ulysses Grant Jones.
Capt. John Paul Richter.
Capt. Michael Everett McHugo.
Capt. James Lionel Grisham.
Capt. Russell Lowell Maughan.
Capt. Vincent James Meloy.
Capt. Earl Seeley Hoag.
Capt. Charles Egbert Branshaw.
Capt. Edward Whiting Raley.
Capt. Harvey Hodges Holland.
Capt. Walter Miller.

Capt. Oliver Perry Gothlin, Jr.
Capt. Edwin Randolph Page.
Capt. Leo Fred Post.
Capt. Dache McClain Reeves.
Capt. John Carroll Kennedy.
Capt. Eugene Benjamin Bayley.
Capt. James Troy Hutchison.
Capt. William Albert Hayward.
Capt. Clayton Lawrence Bissell.
Capt. Horace Simpson Kenyon, Jr.
Capt. Leland Charles Hurd.
Capt. Harvey William Prosser.
Capt. Edmund Pendleton Gaines.
Capt. Robert Victor Ignico.
Capt. Leland Ross Hewitt.
Capt. Clifford Cameron Nutt.
Capt. Arthur William Vanaman.
Capt. Isaiah Davies.
Capt. Franklin Otis Carroll.
Capt. Frederick William Evans.
Capt. Harry Gage Montgomery.
Capt. Fred Cyrus Nelson.
Capt. James Andrew Healy.
Capt. Charles Douglas.
Capt. Burton Frederick Lewis.
Capt. Elmer John Bowling.
Capt. Orin Jay Bushey.
Capt. Hugh Albert Bivins.
Capt. Edward Moses Morris.
Capt. Fred Sidney Borum.
Capt. George Washington Polk, Jr.
Capt. Devereux Maitland Myers.
Capt. Guy Harrison Gale.
Capt. Alfred Warrington Marriner.
Capt. Muir Stephen Fairchild.
Capt. James Gradon Taylor.
Capt. Leland Wilbur Miller.
Capt. Raphael Baez, Jr.
Capt. Robert Halbert Finley.
Capt. Clarence Herbert Welch.
Capt. Alfred Jefferson Lyon.
Capt. Don Lee Hutchins.
Capt. Ennis Clement Whitehead.
Capt. Harold Lyman Clark.
Capt. Sam Love Ellis.
Capt. George Godfrey Lundberg.
Capt. Eugene Lowry Eubank.
Capt. Lawrence Augustus Lawson.
Capt. Bayard Johnson.
Capt. Paul Langdon Williams.
Capt. Frank Martyn Paul.
Capt. Samuel Martin Connell.
Capt. John Edwin Upston.
Capt. Reuben Curtis Moffat.
Capt. Charles Burton DeShields.
Capt. Clarence Peyton Kane.
Capt. Harry Weddington.
Capt. Samuel Custer Eaton, Jr.
Capt. Leonidas Lee Koontz.
Capt. Edward Davis Jones.
Capt. Merrill Deitz Mann.
Capt. Albert Carl Foulk.
Capt. Edward Vincent Harbeck, Jr.
Capt. Edward Ernest Hildreth.
Capt. Samuel Gordon Frierson.
Capt. Phillips Melville.
Capt. Bernard Scott Thompson.
Capt. Willis Ratcliffe Taylor.
Capt. Robert Duane Knapp.
Capt. John Gordon Williams.
Capt. Albert Brown Pitts.
Capt. William Colb Morris.
Capt. James Thomas Curry, Jr.
Capt. William Bettencourt Souza.
Capt. Alfred Lindeburg.
Capt. Joseph Alexis Wilson.
Capt. Clements McMullen.
Capt. Ames Scribner Albro.
Capt. Milo McCune.
Capt. Charles McKinley Robinson.
Capt. Benjamin Buckles Cassiday.
Capt. Charles Yawkey Banfill.
Capt. Myron Ray Wood.
Capt. Robert Theodore Cronau.
Capt. Isaac Jackman Williams.
Capt. Lloyd Chartley Blackburn.
Capt. John Henry Gardner.
Capt. William Campbell Goldsborough.
Capt. Walter Raymond Peck.
Capt. Arthur Girard Hamilton.
Capt. Emil Charles Kiel.
Capt. Lewis Allegeo Dayton.
Capt. Younger Arnold Pitts.
Capt. Harold Lee George.
Capt. Benjamin Franklin Griffin.
Capt. Howard Zabriskie Bogert.
Capt. Charles Hale Dowman.
Capt. Harry Anton Johnson.
Capt. Bernard Joseph Tooher.
Capt. Claude Edward Duncan.
Capt. Thomas Welch Blackburn.
Capt. Barney McKinney Giles.
Capt. Bob Edward Nowland.
Capt. Albert Francis Hegenberger.
Capt. Max Frank Schneider.
Capt. Donald Gardner Stitt.
Capt. Glenn Charles Salisbury.
Capt. Harold Ralph Wells.
Capt. Malcolm Stoney Lawton.
Capt. Jasper Kemper McDuffie.
Capt. Mark Rhey Woodward.
Capt. Howard Knox Ramey.
Capt. Lionel H. Dunlap.
Capt. Harold Rentsch Rivers.
Capt. Harold Daniel Smith.
Capt. James Pratt Hodges.
Capt. Earle J. Carpenter.
Capt. Frank Lauderdale Cook.
Capt. Oakley George Kelly.
Capt. Bernard Tobias Castor.
Capt. James Alexander Mollison.
Capt. Harold Webster Beaton.
Capt. Edgar Eugene Glenn.
Capt. John William Monahan.
Capt. Cortlandt Spencer Johnson.

PROMOTIONS IN THE NAVY

Commander Harry B. Hird, an additional number in grade, to be a captain in the Navy, from the 1st day of May 1936.

Lt. James H. McKay to be a lieutenant commander in the Navy, from the 28th day of April 1936.

Lt. (Jr. Gr.) Alfred J. Benz to be a lieutenant in the Navy from the 25th day of March 1936.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 1st day of June 1936:

Robert H. Solier	Thomas H. Ward
Paul L. Stahl	Merrill K. Clementson
Ward F. Hardman	Charles C. Morgan
Norman W. Gambling	Richard G. Copeland
Willard R. Laughon	Ralph E. Styles
John A. Tyree, Jr.	Everett E. Seagroves
Roy M. Davenport	William V. Pratt, 2d.
Martin A. Shellabarger	

POSTMASTERS

ARIZONA

Ruth L. Streett to be postmaster at Warren, Ariz., in place of R. L. Streett. Incumbent's commission expired February 4, 1935.

ARKANSAS

Lewis F. Strickland to be postmaster at Trumann, Ark., in place of C. E. Kemp. Incumbent's commission expired February 5, 1936.

CONNECTICUT

George E. Barton to be postmaster at Salisbury, Conn., in place of W. P. Stone. Incumbent's commission expired January 9, 1936.

FLORIDA

Otis Padgett to be postmaster at Marianna, Fla., in place of A. I. Nearing. Incumbent's commission expired January 22, 1936.

ILLINOIS

Clinton S. Warrick to be postmaster at Donovan, Ill., in place of J. W. Nelson. Incumbent's commission expired March 17, 1936.

INDIANA

Gordon N. Stockdale to be postmaster at Wingate, Ind., in place of G. E. Thompson. Incumbent's commission expired June 1, 1936.

IOWA

William A. Greenwood to be postmaster at Farley, Iowa, in place of C. A. Baker. Incumbent's commission expired April 12, 1936.

Henry Dahl to be postmaster at Hull, Iowa, in place of H. W. Huibregtse. Incumbent's commission expired June 1, 1936.

MARYLAND

Grace V. Thompson to be postmaster at Hurlock, Md., in place of G. W. Nichols. Incumbent's commission expired January 11, 1936.

MASSACHUSETTS

H. Francis Kiernan to be postmaster at Collinsville, Mass. Office becomes Presidential July 1, 1936.

John L. Markham to be postmaster at Ayer, Mass., in place of Berton Williams. Incumbent's commission expired February 4, 1935.

John Woods Kelley to be postmaster at Newburyport, Mass., in place of W. F. Runnells. Incumbent's commission expired February 10, 1934.

MICHIGAN

Frank E. Browning to be postmaster at Battle Creek, Mich., in place of J. C. Davis. Incumbent's commission expired January 25, 1936.

Livingstone Latham to be postmaster at Clinton, Mich., in place of L. L. Lancaster. Incumbent's commission expired January 25, 1936.

Joseph W. Winkel to be postmaster at Lenox, Mich., in place of F. J. Gehringer. Incumbent's commission expired April 27, 1936.

Henry Matthews to be postmaster at Lexington, Mich., in place of M. J. Stuber. Incumbent's commission expired June 1, 1936.

Norman C. Reindel to be postmaster at Roseville, Mich., in place of L. A. Lowen. Incumbent's commission expired January 7, 1936.

Charles S. Clark, Jr., to be postmaster at St. Johns, Mich., in place of W. G. Wykoff. Incumbent's commission expired January 25, 1936.

Georgia I. Holdship to be postmaster at Ubly, Mich., in place of W. E. Reid. Incumbent's commission expired May 23, 1936.

MISSOURI

Frank F. Ross to be postmaster at Carthage, Mo., in place of W. M. Wallingford, removed.

NEBRASKA

Ralph A. Gillham to be postmaster at Blue Springs, Nebr., in place of M. L. Smith. Incumbent's commission expired May 23, 1936.

NEW JERSEY

Edwin N. Perkins to be postmaster at Beverly, N. J., in place of W. T. Birkhead. Incumbent's commission expired February 19, 1936.

NEW YORK

John F. Richards to be postmaster at Hammondsport, N. Y., in place of R. D. Sanford. Incumbent's commission expired April 29, 1936.

NORTH CAROLINA

Thomas L. Rich to be postmaster at Garland, N. C. Office becomes Presidential July 1, 1936.

Arthur G. Walton to be postmaster at Jacksonville, N. C., in place of L. J. Franck. Incumbent's commission expired February 9, 1936.

Grace S. Lambertson to be postmaster at Rich Square, N. C., in place of W. A. Lambertson, deceased.

Murphy Lee Carr to be postmaster at Rosehill, N. C., in place of W. H. Hall. Incumbent's commission expired March 17, 1936.

Janie C. Norfleet to be postmaster at Roxobel, N. C. Office becomes Presidential July 1, 1936.

Harry E. Smith to be postmaster at Vanceboro, N. C., in place of L. W. Purser. Incumbent's commission expired March 17, 1936.

NORTH DAKOTA

Frank L. Swehla to be postmaster at Fordville, N. Dak., in place of T. H. H. Casement. Incumbent's commission expired May 2, 1934.

James F. Ford to be postmaster at Reeder, N. Dak., in place of A. F. Harris, removed.

Charles W. Gannon to be postmaster at Underwood, N. Dak., in place of E. M. Ericson, resigned.

Theodore A. Marquardt to be postmaster at Cooperstown, N. Dak., in place of T. A. Marquardt. Incumbent's commission expired February 9, 1936.

OHIO

Ray A. Whipple to be postmaster at Ashley, Ohio, in place of E. M. Barber. Incumbent's commission expired March 10, 1936.

Leroy B. Griffith to be postmaster at Newton Falls, Ohio, in place of C. R. Finnical. Incumbent's commission expired April 12, 1936.

George L. Gableman to be postmaster at Portsmouth, Ohio, in place of H. A. Doerr. Incumbent's commission expired January 7, 1936.

OREGON

Howard E. Barr to be postmaster at The Dalles, Oreg., in place of J. B. Kirk. Incumbent's commission expired June 10, 1936.

PENNSYLVANIA

Charles H. Schloss to be postmaster at Erie, Pa., in place of H. A. Schlaudecker, deceased.

Cletus L. Goodling to be postmaster at Farm School, Pa., in place of C. L. Goodling. Incumbent's commission expired February 10, 1936.

Walter A. Ringler to be postmaster at Reading, Pa., in place of H. H. Hammer. Incumbent's commission expires June 28, 1936.

Paul W. Marshall to be postmaster at Rochester, Pa., in place of E. E. Bentel. Incumbent's commission expired February 10, 1936.

TEXAS

Allen H. Brandt to be postmaster at Wallis, Tex., in place of W. M. Prouty. Incumbent's commission expired March 10, 1936.

James M. Noble, Jr., to be postmaster at O'Donnell, Tex., in place of Hal Singleton. Incumbent's commission expired April 4, 1936.

WISCONSIN

Delia G. Guay to be postmaster at Peshtigo, Wis., in place of F. F. Delventhal. Incumbent's commission expired June 10, 1936.

WYOMING

Nellie P. Hopkins to be postmaster at Rawlins, Wyo., in place of W. L. Wallace. Incumbent's commission expired June 10, 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 18 (legislative day of June 15), 1936

SECURITIES EXCHANGE COMMISSION

Robert E. Healy to be a member of the Securities and Exchange Commission.

ATTORNEY GENERAL OF PUERTO RICO

Benigno Fernandez Garcia to be attorney general of Puerto Rico.

POSTMASTERS

ALABAMA

Robert A. Reid, Montevallo.

CONNECTICUT

John J. Mahony, Derby.

MISSOURI

Velma B. Watt, Green City.

NEW YORK

Otis J. West, Bayville.
Claude K. Cooper, Williamson.

NORTH DAKOTA

Theodore A. Marquardt, Cooperstown.

OHIO

Orville R. Bently, Bay Village.
Hattie E. Lewis, Greenwich.
Viola L. Wisnieski, Independence.
Otto K. Evers, Napoleon.
Homer W. Rider, Spencerville.

TEXAS

George S. Brownwell, Charlotte.
Jerome H. Moyers, Ferris.
Edith Koonce, Ganado.
Henry F. Priesmeyer, Garwood.
Ruth S. Marion, Kermit.
Lizzie Crawford, Marathon.
Corinne H. Sewell, Pearsall.
Naomi M. Lewis, Royalty.

WITHDRAWALS

Executive nominations withdrawn from the Senate June 18 (legislative day of June 15), 1936

POSTMASTERS

MASSACHUSETTS

James E. Bellew to be postmaster at Mansfield, in the State of Massachusetts.

MICHIGAN

Frank L. Thome to be postmaster at St. Johns, in the State of Michigan.

NEW YORK

Elmer C. Wyman to be postmaster at Dover Plains, in the State of New York.

Robert L. Molyneux to be postmaster at Ransomville, in the State of New York.

OREGON

George D. Wood to be postmaster at Brookings, in the State of Oregon.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 18, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art our everlasting Father, we bow in prayer at the altars of our souls. Far out beyond our fondest dreams Thy love extends and Thy bounty reaches. The voices of Thy mercies make up the sweetest harmonies of the world. Thou art the rock of our salvation, and we most humbly ask Thee to bring sight out of blindness and purity out of every stain. Today may we magnify Thy name with truth, honor, and wisdom. O Lord God, we bear upon the lips of our parting prayer a petition for our President, our Speaker, the officers, the employees, and the pages of the Congress. Almighty God, give them health, strength, and peace through all the months which are to follow; stand, Heavenly Father, with love and mercy in all their earthly experiences. Bend over our whole family of loved ones, dispel all earth-born clouds, and be gracious to every State under the folds of our flag. Keep us all within Thy shadow, for there is no life without its pain, there is no hope without its cloud, and there is no prayer without its doubt; so be with us until we reach the last mile, and then let us fall in Thine arms. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on June 16, 1936, the President approved and signed bills of the House of the following titles:

H. R. 7690. An act to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y.;

H. R. 8234. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of the city of Elgin, Ill., and the erection of a heroic Pioneer Memorial;

H. R. 11072. An act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania;

H. R. 11533. An act to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg; and

H. R. 11920. An act to increase the efficiency of the Air Corps.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a concurrent resolution of the House of the following titles:

H. R. 10356. An act authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes;

H. Con. Res. 58. Concurrent resolution affecting the enrollment of H. R. 12624, the First Deficiency Appropriation Act, fiscal year 1936; and

H. R. 8368. An act to enforce the twenty-first amendment.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 4719. An act for the relief of the Bridgeport Irrigation District; and

S. 4784. An act to permit mining within the Glacier Bay National Monument.

The message also announced that the Senate had agreed, without amendment, to a concurrent resolution of the House of the following title:

H. Con. Res. 59. Concurrent resolution affecting the enrollment of H. R. 12848.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2712. An act to amend section 23 of the Independent Offices Appropriation Act, 1935;

S. 3841. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and

S. 4026. An act to amend the National Defense Act of June 3, 1916, as amended.

The message also announced that the Senate had directed the Secretary to return to the House, in compliance with its

request, the engrossed bill (S. 3843) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes.

The message also announced that the Senate had agreed, without amendment, to a concurrent resolution of the House of the following title:

H. Con. Res. 56. Concurrent resolution authorizing the printing of additional copies of the report of the Select Committee Investigating Old Age Pension Plans and Organizations, together with additional copies of the hearings held before said committee.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10630) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate nos. 24 and 54 to the foregoing bill and recedes from its amendment no. 53 to said bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12624) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate no. 49 to the foregoing bill and recedes from its amendments nos. 29, 30, and 41 to said bill.

MAKING DECEMBER 26, 1936, A LEGAL HOLIDAY IN THE DISTRICT OF COLUMBIA

The SPEAKER. The Chair recognizes the gentlewoman from New Jersey.

Mrs. NORTON. Mr. Speaker, I call up Senate Joint Resolution 241, to declare December 26, 1936, a legal holiday in the District of Columbia and ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

Mr. SNELL. Mr. Speaker, reserving the right to object, can the gentlewoman from New Jersey inform us as to whether it has been the custom lately to give the employees a holiday the day after Christmas?

Mrs. NORTON. I may say to the gentleman from New York that on December 11, 1925, President Coolidge issued an Executive order closing all Government departments in the District on Saturday, December 26, of that year and Congress enacted the necessary legislation at that time making that day a holiday. That was the last occasion on which it was done.

Mr. SNELL. I thought they had been doing that right along.

Mrs. NORTON. No; that is not true. The Commissioners have asked that this legislation be enacted.

Mr. SNELL. Does this pertain only to the District of Columbia employees?

Mrs. NORTON. Oh, no; it applies to all Government employees.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That December 26, 1936, is hereby declared to be a legal holiday in the District of Columbia for all purposes: *Provided*, That all employees of the United States Government in the District of Columbia and all employees of the District of Columbia shall be entitled to pay for such holiday the same as on other days.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESIDENTIAL INAUGURAL CEREMONIES, 1937

Mrs. NORTON. Mr. Speaker, I call up Senate Joint Resolution 272, to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies in 1937.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Senate Joint Resolution 272

Resolved, etc., That $25,000, or so much thereof as may be necessary, payable in like manner as other appropriations for the expenses of the District of Columbia, is hereby appropriated to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in said District from January 15 to January 26, 1937, both inclusive, including the employment of personal services, payment of allowances, traveling expenses, hire of means of transportation, cost of removing and relocating streetcar loading platforms, for the construction, rent, maintenance, and expenses incident to the operation of temporary public-comfort stations, first-aid stations, and information booths, during the period aforesaid, and other incidental expenses in the discretion of the Commissioners. Said Commissioners are hereby authorized and directed to make all reasonable regulations necessary to secure such preservation of public order and protection of life and property, and to make special regulations respecting the standing, movements, and operating of vehicles of whatever character or kind during said period; and to grant, under such conditions as they may impose, special licenses to peddlers and vendors to sell goods, wares, and merchandise on the streets, avenues, and sidewalks in the District of Columbia, and to charge for such privilege such fees as they may deem proper.

SEC. 2. Such regulations and licenses shall be in force 1 week prior to such inauguration, during said inauguration, and 1 week subsequent thereto, and shall be published in one or more of the daily newspapers published in the District of Columbia and in such other manner as the Commissioners may deem best to acquaint the public with the same; and no penalty prescribed for the violation of any of such regulations shall be enforced until 5 days after such publication. Any person violating any of such regulations shall be liable for each such offense to a fine of not to exceed $100 in the police court of said District, and in default of payment thereof to imprisonment in the workhouse of said District for not longer than 60 days.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRESIDENTIAL INAUGURAL CEREMONIES, 1937

Mrs. NORTON. Mr. Speaker, I call up Senate Joint Resolution 273, authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1937, and for other purposes, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of the Interior, and such other officers of the District of Columbia and the United States as control any public lands in the District of Columbia, are hereby authorized to grant permits, under such restrictions as they may deem necessary, to the Committee on Inaugural Ceremonies to be appointed with the approval of the President-elect for the use of any reservations or other public spaces in the city of Washington under their control on the occasion of the inauguration of the President-elect in January 1937: *Provided*, That in their opinion no serious or permanent injuries will be thereby inflicted upon such reservations or public spaces or statuary thereon; and the Commissioners of the District of Columbia may designate for such and other purposes on the occasion aforesaid such streets, avenues, and sidewalks in said city of Washington under their control as they may deem proper and necessary: *Provided, however*, That all stands or platforms that may be erected on the public space, as aforesaid, including such as may be erected in connection with the display of fireworks, shall be under the said supervision of the said inaugural committee, and no stand shall be built on the sidewalk, streets, parks, and public grounds of the District of Columbia, not including the area on the south side of Pennsylvania Avenue directly in front of the White House, except such as are approved by the inaugural committee and the building inspector of the District of Columbia, and no stands shall be built on the sidewalks or streets on the south side of Pennsylvania Avenue directly in front of the White House, except such as are approved by the inaugural committee, the building inspector of the District of Columbia, and the Secretary of the Interior: *And*

provided further, That the reservations or public spaces occupied by the stands or other structures shall after the inauguration be promptly restored to their condition before such occupation, and that the inaugural committee shall indemnify the appropriate agency of the Government for any damages of any kind whatsoever upon such reservations or spaces by reason of such use.

SEC. 2. The Commissioners of the District of Columbia are hereby authorized to permit the committee on illumination, of the inaugural committee for said inaugural ceremonies, to stretch suitable overhead conductors, with sufficient supports wherever necessary, for the purpose of connecting with the present supply of light for the purpose of effecting the said illumination: *Provided*, That, if it shall be necessary to erect wires for illuminating or other purposes over any park or reservation in the District of Columbia, the work of erection and removal of said wires shall be under the supervision of the official in charge of said park or reservation: *Provided further*, That the said conductors shall not be used for conveying electrical currents after January 24, 1937, and shall, with their supports, be fully and entirely removed from the streets and avenues of the said city of Washington on or before January 31, 1937: *Provided further*, That the stretching and removing of the said wires shall be under the supervision of the Commissioners of the District of Columbia, or such other officials as may have jurisdiction in the premises, who shall see that the provisions of this resolution are enforced, that all needful precautions are taken for the protection of the public, and that the pavement of any street, avenue, or alley disturbed is replaced in as good condition as before entering upon the work herein authorized: *And provided further*, That no expense or damage on account of or due to the stretching, operation, or removal of the said temporary overhead conductors shall be incurred by the United States or the District of Columbia.

SEC. 3. The Secretary of War and the Secretary of the Navy be, and they are hereby, authorized to loan to the Committee on Inaugural Ceremonies such hospital tents, smaller tents, camp appliances, ensigns, flags, signal numbers, etc., belonging to the Government of the United States (except battle flags), that are not now in use and may be suitable and proper for decoration, and which may, in their judgment, be spared without detriment to the public service, such flags to be used in connection with said ceremonies by said committee under such regulations and restrictions as may be prescribed by the said Secretaries, or either of them, in decorating the fronts of public buildings and other places on the line of march between the Capitol and the Executive Mansion, and the interior of the reception hall: *Provided*, That the loan of the said hospital tents, smaller tents, camp appliances, ensigns, flags, signal numbers, etc., to said committee shall not take place prior to the 11th of January, and they shall be returned by the 25th day of January 1937: *Provided further*, That the said committee shall indemnify the said Departments, or either of them, for any loss or damage to such flags not necessarily incident to such use. That the Secretary of War is hereby authorized to loan to the inaugural committee for the purpose of caring for the sick, injured, and infirm on the occasion of said inauguration such hospital tents and camp appliances, and other necessaries, hosptal furniture, and utensils of all descriptions, ambulances, horses, drivers, stretchers, and Red Cross flags and poles belonging to the Government of the United States as in his judgment may be spared and are not in use by the Government at the time of the inauguration: *And provided further*, That the inaugural committee shall indemnify the War Department for any loss or damage to such hospital tents and appliances, as aforesaid, not necessarily incident to such use.

SEC. 4. The Commissioners of the District of Columbia and the Secretary of the Interior be, and they are hereby, authorized to permit telegraph, telephone, and radio-broadcasting companies to extend overhead wires to such points along the line of parade as shall be deemed by the chief marshal convenient for use in connection with the parade and other inaugural purposes, the said wires to be taken down within 10 days after the conclusion of the ceremonies.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISAAC GANS

Mrs. NORTON. Mr. Speaker, I call up Senate Joint Resolution 280, to ratify and confirm the appointment of Isaac Gans as a member of the Alcoholic Beverage Control Board of the District of Columbia, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the appointment by the Commissioners of the District of Columbia of Isaac Gans as a member of the Alcoholic Beverage Control Board of the District of Columbia for a term of 4 years beginning February 4, 1936, is hereby ratified and confirmed.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEATING OF CERTAIN BUILDINGS OF THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 12532) to authorize the furnishing of steam from the central heating plant to the District of Columbia, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, through the National Park Service, be, and he is hereby, authorized to furnish steam from the central heating plant to such buildings as may be erected by the District of Columbia on the property bounded by Fourth and Fifth Streets, and D and G Streets NW., in the District of Columbia, and known as Judiciary Square: *Provided*, That the District of Columbia agrees to pay for the steam furnished at reasonable rates, not less than cost, as may be determined by the Secretary of the Interior: *And provided further*, That the District of Columbia agrees to provide all necessary connections with the Government mains at its own expense, and in a manner satisfactory to the Secretary of the Interior.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRUST COMPANIES, DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 4512) to amend section 641 of the Code of Law for the District of Columbia, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 641 of chapter XVIII of the Code of Law for the District of Columbia is amended by adding at the end thereof the following new paragraph:

"Any company transacting the business of a trust company and heretofore or hereafter organized or operating under the provisions of this chapter shall have perpetual succession from the date of its organization, or until such time as it be dissolved, or until its franchise shall become forfeited by reason of violation of law, or until terminated by either a general or special act of Congress or until its affairs be placed in the hands of a receiver and finally wound up by him."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF PETROLEUM PIPE LINES IN DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 4568) to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and are hereby, authorized and empowered to grant permission to the Steuart Bros., Inc., a corporation organized in the State of Delaware, owner of that part of square 1024, bounded by L Street SE. on the north, Twelfth Street SE. on the west, Thirteenth Street SE. on the east, and the right-of-way of the Philadelphia, Baltimore & Washington Railroad on the south, in the city of Washington, in the District of Columbia, its successors and assigns, to lay down, construct, maintain, and use not more than five pipe lines for the carriage of petroleum and petroleum products from a point or points north of said railroad right-of-way within the square 1024, in and through Thirteenth Street SE. due south to the Anacostia River.

SEC. 2. That all the construction and use provided for herein shall be under such regulations and rentals as the Commissioners of the District of Columbia may make and establish in connection

therewith and all plans and specifications for such construction shall be subject to their approval. The Commissioners of the District of Columbia shall have full authority to designate the location and to cause such repairs or relocation of said pipe lines as the public necessity may require, any such repairs or relocation to be at the expense of the Steuart Bros., Inc., its successors or assigns.

SEC. 3. That no permission granted or enjoyed hereunder shall vest any title or interest in or to the land within Thirteenth Street SE.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 11325) were laid on the table.

METROPOLITAN POLICE, UNITED STATES PARK POLICE, AND FIRE DEPARTMENT, DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 12681) to amend section 1 of the act of Congress entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the fire department of the District of Columbia", approved May 27, 1924, and for other purposes; and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of Congress entitled "An act to fix the salaries of the officers and members of the Metropolitan Police force, the United States Park Police force, and the fire department of the District of Columbia", approved May 27, 1924, be amended by striking out all of said section following the second period which appears after the words "driver-privates shall have the same rank and pay of privates of the above classes", and place in lieu thereof the following:

"Members detailed to motorcycle service shall each receive an extra compensation of $120 per annum, and members of the force assigned to special service in the prevention and detection of crime shall be in two classes and receive extra compensation as follows: Class 1 shall receive extra compensation of $600 per annum; class 2 shall receive extra compensation of $240 per annum, and the Commissioners of the District of Columbia are authorized and empowered, in their discretion, to designate the members of the force assigned to such special service who shall be in class 1 and the remaining members of the force assigned to special service shall be in class 2: *Provided, however,* That members of the force designated by the Commissioners to class 1 shall, whenever possible, be members of the force in class 2, and have had at least 2 years' experience in class 2, but all vacancies in class 1 shall be filled from members of the force designated to class 2."

SEC. 2. Nothing in this act shall be construed as repealing or amending section 3 of the act entitled "An act relating to the Metropolitan Police of the District of Columbia", approved February 28, 1901, as amended.

SEC. 3. No member of the force designated to class 1, or class 2, according to the provisions of this act, shall be demoted without a trial before the trial board.

SEC. 4. A member of the Metropolitan Police force assigned to duty in plain clothes must have previously performed duty for 3 years in uniform.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHALMETTE NATIONAL MONUMENT, LOUISIANA

Mr. DEROUEN. Mr. Speaker, I call up the conference report on the bill (H. R. 5368) to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes, and ask for its immediate consideration.

The Clerk read the conference report and statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5368) to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 4, 5, 6, and 7, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following: Page 1, lines 6 and 7, strike out "buildings within ten miles" and insert: "buildings, not to exceed an area of two hundred and fifty acres in addition to the present area of thirty-two acres,"; and the Senate agree to the same.

RENÉ L. DEROUEN,
KNUTE HILL,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

ROSE MCCONNELL LONG,
KEY PITTMAN,
ROBERT D. CAREY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5368) to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes, submit the following statement of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendments:

The Senate amendment no. (3), page 1, lines 6 and 7, strike out "buildings within 10 miles" and insert "buildings, not to exceed an area of 98 acres in addition to the present area of 32 acres", placed a maximum restriction upon the number of acres that could be bought or acquired smaller than thought advisable to the proper utilization of the moneys authorized to be appropriated and also for the proper development of the monument. The House amendment increases the number of acres from 98 to 250 acres, without increasing the amount of money appropriated. The House recedes with an amendment substituting for the Senate language the following:

Page 1, lines 6 and 7, strike out "buildings within 10 miles" and insert "buildings, not to exceed an area of 250 acres in addition to the present area of 32 acres."

RENÉ L. DEROUEN,
KNUTE HILL,
HARRY L. ENGLEBRIGHT,
Managers on the part of the House.

Mr. SNELL. Mr. Speaker, will the gentleman explain this bill?

Mr. DEROUEN. Mr. Speaker, the House passed a bill which covered an area of 32 acres. The Senate increased this acreage to 98 acres. The conferees agreed and we recommended that the amount be not more than 250 acres. That is all there is to this matter.

Mr. SNELL. There is an amendment here which appropriates $275,000?

Mr. DEROUEN. That is an authorization, yes; which is usual and customary.

Mr. SNELL. I know that; but it was not in the House bill?

Mr. DEROUEN. No; but the managers on the part of the House receded and accepted the amendment, and why not?

Mr. SNELL. Did I understand the gentleman to say that was not agreed to?

Mr. DEROUEN. That is agreed to.

Mr. SNELL. So there is something important in this bill because it carries an appropriation of $275,000?

Mr. DEROUEN. It authorizes $275,000; but do not forget that the State has already contributed over $300,000.

Mr. SNELL. To buy additional land down there to improve a park?

Mr. DEROUEN. That is correct.

Mr. SNELL. It is purely for local purposes. I just want those things to be brought out before the Members of the House to show how liberal you on that side are in expending the people's money. I know I cannot stop this, and I am not going to object; but I want the matter to be brought out fully so that it will not be passed over without notice.

Mr. DEROUEN. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMPILATION OF LIST OF LABOR-SAVING DEVICES

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 49, requesting the Secretary of Labor to compile a list of the labor-saving devices, and for other purposes.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. SNELL. Mr. Speaker, reserving the right to object, may we have some explanation of this resolution? From where did it come?

Mr. PALMISANO. Mr. Speaker, this is a House resolution which requests no appropriation. It just requests the Labor Commissioner to prepare some data and report it back to Congress.

Mr. SNELL. It seems to me if he had to compile a list of all the labor-saving devices of this country it would cost some money.

Mr. PALMISANO. I may say for the benefit of the gentleman that $4,000,000 has been allocated to the W. P. A. for certain work, but not particularly for this purpose.

Mr. SNELL. Then it is going to cost some money?

Mr. PALMISANO. They are doing the work now.

Mr. SNELL. Why is it necessary to have a resolution of the Congress, then?

Mr. PALMISANO. The Labor Commissioner has been making a survey. This would give to the Congress the information and the Department would keep the data intact for future reference.

Mr. SNELL. Would not that information be available to the Congress, if it is compiled by a Government agency, without the passing of this resolution?

Mr. PALMISANO. Perhaps so, yes; but in this instance certain information is requested which otherwise they would not compile.

Mr. SNELL. From what committee does this come?

Mr. PALMISANO. From the Labor Committee, and I may say it has been reported unanimously by that committee. The chairman of the Labor Committee asked the Speaker to recognize me this morning in connection with this matter.

Mr. SNELL. It seems to me this is a pretty far-reaching resolution, and we ought to have time for more thorough consideration of the matter.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. SNELL. Mr. Speaker, for the present, I must object.

TO AMEND SECTION 723 (A) OF THE REVENUE ACT OF 1932

Mr. BUCK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12324) to amend section 723 (a) of the Revenue Act of 1932, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand, this bill has been unanimously reported by the Ways and Means Committee?

Mr. BUCK. The gentleman is correct.

Mr. SNELL. I think the gentleman should explain briefly what this bill is about.

Mr. BUCK. I shall be pleased to do so.

Mr. Speaker, the purpose of this bill is to overcome a ruling made by the counsel for the Bureau of Internal Revenue on March 9, 1936, which reversed the previous 7 years' conduct of the Bureau of Internal Revenue with reference to the stamp tax on stock transfers.

By the Revenue Act of 1926 no documentary stamp tax is to be imposed on deliveries or transfers to a broker for sale or by a broker to a customer for whom and on whose order the broker purchases the securities. This new ruling, which reversed the practice of 7 years, under which a nominee of the broker could transfer the stock and pay one tax, holds that the stamped memorandum of sale executed at the time of the sale does not cover the transfer from the selling broker or his client to the name of the nominee of the purchasing broker and therefore requires two stamp taxes.

The point involved is this: A partnership brokerage firm takes stock in the name of one of its partners. He may only own a one-hundredth interest in the firm, but he is the transferee and only one tax is paid. When an incorporated brokerage firm takes such stock it is necessary for them to name someone as their nominee because shares standing in the name of a corporate broker are not accepted as good delivery. This arises because of divergent corporation laws of the various States and the difficulty of ascertaining corporate capacity and authority of its officers to act. The effect of the new ruling will be to require two stamp taxes to be paid where corporate brokers act. The Treasury has recognized the inequality of this ruling but claim they are unable to change it by regulation. They have approved the bill and have stated that it will not affect the revenue of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 723 (a) of the Revenue Act of 1932, as amended (U. S. C. 1934, Supp. 1, title 26, sec. 902 (b)), is amended to read as follows:

"SEC. 723. (a) Subdivision 3 of schedule A of title VIII of the Revenue Act of 1926 is amended to read as follows:

"'3. Capital Stock (and Similar Interests), Sales or Transfers: On all sales, or agreements to sell, or memoranda of sales or deliveries of, or transfers of legal title to any of the shares or certificates mentioned or described in subdivision 2, or to rights to subscribe for or to receive such shares or certificates, whether made upon or shown by the books of the corporation or other organization, or by any assignment in blank, or by any delivery, or by any paper or agreement or memorandum or other evidence of transfer or sale (whether entitling the holder in any manner to the benefit of such share, certificate, interest, or rights, or not), on each $100 of par or face value or fraction thereof of the certificates of such corporation or other organization (or of the shares where no certificates were issued) 4 cents until July 1, 1937, and 2 cents thereafter, and where such shares or certificates are without par or face value, the tax shall be 4 cents until July 1, 1937, and 2 cents thereafter, on the transfer or sale or agreement to sell on each share (corporate share, or investment trust or other organization share as the case may be): *Provided*, That in case the selling price, if any, is $20 or more per share the above rate shall be 5 cents instead of 4 cents until July 1, 1937: *Provided further*, That it is not intended by this chapter to impose a tax upon an agreement evidencing a deposit of certificates as collateral security for money loaned thereon, which certificates are not actually sold, nor upon the delivery or transfer for such purpose of certificates so deposited nor upon the return of stock loaned: *Provided further*, That the tax shall not be imposed upon deliveries or transfers to a broker or his registered nominee for sale, nor upon deliveries or transfers by a broker or his registered nominee to a customer for whom and upon whose order the broker has purchased same, nor upon deliveries or transfers by a purchasing broker to his registered nominee, but such deliveries or transfers shall be accompanied by a certificate setting forth the facts: *Provided further*, That the tax shall not be imposed upon deliveries or transfers from a fiduciary to a nominee of such fiduciary, or from one nominee of such fiduciary to another, if such shares or certificates continue to be held by such nominee for the same purpose for which they would be held if retained by such fiduciary, or from the nominee to such fiduciary, but such deliveries or transfers shall be accompanied by a certificate setting forth the facts: *Provided further*, That in case of sale where the evidence of transfer is shown only by the books of the corporation or other organization the stamp shall be placed upon such books; and where the change of ownership is by transfer of the certificate the stamp shall be placed upon the certificate; and in cases of an agreement to sell or where the transfer is by delivery of the certificate assigned in blank there shall be made and delivered by the seller to the buyer a bill or memorandum of such sale, to which the stamp shall be affixed; and every bill or memorandum of sale or agreement to sell before mentioned shall show the date thereof, the name of the seller, the amount of the sale, and the matter or thing to which it refers: *Provided further*, That as used in this section the term "registered nominee" shall mean any person registered with the collector of internal revenue in accordance with such rules and regulations as the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury shall prescribe.'"

With the following committee amendments:

Page 2, line 21, strike out the word "chapter" and insert the word "title."

Page 3, line 7, after the word "nominee", insert the words "if the shares or certificates so delivered or transferred are to be held by such nominee for the same purpose as if held by the broker."

Page 4, line 6, after the word "refers", insert "any person liable to pay the tax as herein provided, or anyone who acts in the matter as agent or broker for such person, who makes any such sale, or who in pursuance of any such sale delivers any certificate or evidence of the sale of any stock, share, interest, or right, or bill or memorandum thereof, as herein required, without having the proper stamps affixed thereto, with intent to evade the foregoing provisions, shall be deemed guilty of a misdemeanor and upon conviction thereof shall pay a fine of not exceeding $1,000, or be imprisoned not more than 6 months, or both."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRADE-AGREEMENTS PROGRAM OF THE ROOSEVELT ADMINISTRATION

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting an address I made before the National Association of Credit Men.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address by me before the National Association of Credit Men, at Richmond, Va., June 9, 1936:

I am deeply grateful for the honor that has been paid me in asking that I occupy time on your program. To me it is a heartening sign when leaders in business and industry are willing to pause in their deliberations of matters economic and hear the observations of those of us who are engaged in the very interesting matter of trying to look after the legislative needs of the country. There is a saying among us lawyers that "a smart client makes a smart lawyer."

I have long been of the opinion that the national legislative body and its labors are good, bad, or indifferent in perfect ratio to the intelligent interest taken by our constituencies and their willingness to put the national welfare above personal benefit.

Perhaps at no time in the history of our Government has the national legislative body been under such terrific pressure from individuals and groups. Opinions and views have clashed upon many subjects. Ofttimes the legislative way has been obscured by the clouds of uncertainty and indecision. Many times we would have welcomed the deliberate, unselfish viewpoint of you men of affairs. I am confident that the average Member of Congress is always grateful for a letter from a constituent, expressing his views upon a piece of legislation which shows that he understands the subject; that he has considered it from its various angles; and that he is definitely of the opinion that a certain course of conduct is for the best interest of society. I am also quite equally certain that no amount of high-powered pressure, no number of long telegrams, or visits of imposing delegations have any deciding influence on legislative action where it is so obviously shown that such effort is purely the cumulative action of individuals who are demanding a certain course of conduct merely because someone has asked them to do so.

I do not wish, however, to consume all of my time on your program by dealing in generalities. I would like, if you will permit me, for a few moments to direct your attention as businessmen to one of the aspects of our present economic and social chaos which, in my judgment, is too often overlooked or minimized in its importance. I refer to the somewhat prosaic subject of our foreign trade relations. To my way of thinking, we cannot expect any economic solidarity until we have solved the problem of finding a market for the goods, wares, and merchandise of our American industries and for the products of our farms and mines.

Therefore, I am very glad to have an opportunity to speak before a group of businessmen such as is represented by the National Association of Credit Men regarding the trade-agreements program of the Roosevelt administration. The conditions which brought about this program are not dissimilar to the problems of credit men when business conditions become acute. Credit men realize that an expansion of trade is the surest way of easing such conditions. The administration at Washington feels the same way about the international credit situation and is attempting to find a remedy through trade expansion.

Businessmen well understand that foreign trade is like traffic in a two-way street; they know that when such traffic is interrupted in one direction, it too frequently interferes with expeditious movement in the opposite direction. Credit men know that business consists of purchases as well as sales. The interest of creditors and debtors deserves some consideration in the international field as well as in the domestic phase of business. It has frequently been asserted that the United States has shifted from a debtor to a creditor position. It behooves us as creditors to make it possible for our debtors to pay us. While I do not intend to go into the complications and interrelationships of international finance and commerce, I wish to make it clear that the administration of a properly correlated foreign policy must take these matters into consideration.

The sponsors of the trade-agreements program at Washington are acting upon the principle that the component parts of foreign trade are imports and exports and that the interruption to this two-way traffic during the last 4 or 5 years has been unwarrantedly interfered with by governments at home and abroad. The administration is undertaking to modify that situation by means of trade agreements through which this Government lowers trade barriers in order to obtain better markets in foreign countries for our surplus products. The international credit situation has already been improved by trade agreements.

OBJECTIVES OF THE TRADE-AGREEMENTS PROGRAM

First, I wish to say a word as to the objectives and procedure of this program. I can explain the objectives to you in no better way than to quote some passages from a speech by the Secretary of State, the beloved Cordell Hull, before the Chamber of Commerce of the United States, on April 30 of this year. On that occasion he said in part:

"The foreign-trade program of this Government is based fundamentally upon what to us is an indisputable assumption; namely, that our domestic recovery can be neither complete nor durable unless our surplus-creating branches of production succeed in regaining at least a substantial portion of their lost foreign markets.

"Our production of cotton, lard, tobacco, fruits, copper, petroleum products, automobiles, machinery, electrical and office appliances, and a host of other specialties is geared to a scale of operation the output of which exceeds domestic consumption by 10 to 50 percent.

"In his message to Congress recommending the passage of the Trade Agreements Act, the President urged the need of restoring foreign markets in order that our surplus-producing industries may be 'spared in part, at least, the heartbreaking readjustments that must be necessary if the shrinkage of American foreign commerce remains permanent.'

"In generalizing the duty reductions negotiated in the individual trade agreements we have sought to place on an equal footing those nations which in turn extend equality of treatment to our commerce and to refuse such equality to those nations which refuse equality to us. Thus all phases of our policy are on a reciprocal basis."

Now, as to the method of attaining these objectives. On June 12, 1934, the President signed the bill commonly known as the Trade Agreements Act, which granted to him the authority to negotiate reciprocal-trade agreements with foreign nations for the purpose of expanding our foreign trade. The President in this amendment is limited to a 50-percent reduction in the rates of the Hawley-Smoot Tariff Act. A great majority of the American people will agree that the rates in most instances would still be sufficiently high after the maximum reduction of 50 percent. Few of the reductions thus far made, however, represent the maximum allowed by the law. Incidentally this limitation in reduction is parallel with the limitations of increases and decreases in duty under the flexible provision of the Tariff Acts of 1922 and 1930. Likewise the provisions for hearings under the Trade Agreements Act are similar to the provisions for hearings under these tariff acts. A further similarity between the 1934 legislation and the flexible provisions of the Tariff Acts of 1922 and 1930 is the equality of treatment of all countries. The changes in tariff rates, either upward or downward, apply to all countries alike. Under the flexible provisions, however, the great majority of rate changes represented increases. These increases did not single out individual countries, but applied to all nations. Since in a reciprocal-trade agreement both countries must agree to the changes in rates, it is readily seen that there is no place for increase in tariffs. As noted above in the objectives as stated by the Secretary of State, the purpose of the reciprocal act is to increase trade and not to restrict it further.

FALLACY OF IMPORTS DISPLACING WORKERS

There are a number of fallacies relative to the tariff which have been perpetuated for the past 100 to 150 years. One of these fallacies is that imports in general displace American products, dollar for dollar, and therefore rob American workers of their jobs. If one takes time to look into the situation, that fallacy is readily dissipated. In the first place, there are many imports into the United States on which thousands of workers directly depend for their livelihood. To mention a few, the imports of rubber, tin, raw silk, and coffee take not a single job from laborers, but actually give employment to American workers. These are four outstanding imports of the United States which bring into existence certain industries and give employment to labor. It is obvious that every individual employed in the rubber industry, with its many ramifications, the essential canning industry, utilizing tin, the great silk-manufacturing and coffee-roasting industries, are absolutely dependent upon imports for their very existence.

Most of the opponents of the reciprocal tariff program would possibly admit that these imports give employment rather than take it away from American workers. Every importation creates employment. The amount given by other imports into the United States is a matter of degree. Furthermore, for every dollar's worth of such imports brought into this country giving employment to American labor, another dollar's worth must be produced and exported. Instead of such imports robbing Americans of their jobs, they give additional jobs to American workers.

It is futile for opponents of trade agreements or high tariff exponents to attempt to calculate the loss of jobs caused by imports. Even in manufactured products as much employment is given in the purchase, sale, transportation, and handling of imported articles as in those produced domestically. Furthermore, as consumers, workers are naturally interested in obtaining their purchases at lower prices. If through imports the worker is able to buy with his 25-cent piece an imported electric light bulb for 10 cents and have 15 cents left over for other purchases, rather than pay the full 25 cents for the light bulb and have to go without other articles, his standard of living is increased. It so happens that a comparatively small cost of an electric-light bulb is represented by labor. Those who have selfish axes to grind usually beg this question by saying that we are all producers and all consumers. That, I submit, does not justify unreasonable tariff protection which may rob a worker of the product which he needs as a consumer.

HIGH-WAGE, HIGH-TARIFF FALLACY

There is still another wage fallacy related to the tariff problem. For many years it has been the contention of the high protectionists that high tariffs bring high wages. Every time a tariff measure is before the Congress, this outworn argument is paraded be-

fore the American public. It is readily granted that the American scale of wages is generally higher than that of foreign countries. A simple comparison of money wages in the United States and foreign countries appears to be a clear and convincing way of showing those not capable of further analyzing the problem of foreign trade that there is a necessity for tariffs in order to protect workers. Not being able to understand all the implications of foreign trade, it seems to follow from this comparison that cheap foreign goods must be excluded or our scale of wages will be forced down to the foreign level, to the detriment of the working class.

Incidentally, in the Canadian debates relative to the reciprocal agreement recently concluded with that country, the wage argument was used against certain cheap labor in the United States. The opponents of the trade agreement in Canada maintained that they needed a high tariff in Canada because they could not compete with lower labor costs in the United States. Some producers in France maintain that they need high tariffs to protect them from the high wages in the United States. This two-edged sword is now being used against us. The fallacy of the high-wage, high-tariff argument is, of course, the assumption that high wages mean high production costs. This, of course, is not true, as is readily seen by the experience of the automobile industry in the United States, which, on an average, pays higher wages than almost any other industry. The automobile producers are not afraid of the pauper labor of Europe or the coolie labor of the Orient. The simple explanation of high wages and low costs is that such labor is more efficient; that is, it has greater productivity than such labor in foreign countries. American money wages have always been higher than those of Europe and other foreign countries. This was true before we had a high protective-tariff system.

If there were much validity to the high-wage, high-tariff argument, the United States could not export the many lines of products which it is now sending abroad. The American worker is more productive than his foreign competitor in the industry in which he can compete in foreign markets. It is well known that many of the important export industries of the United States pay the highest average wage rates. If all the facts were available, it would be found that, generally speaking, industries which depend upon protection pay the lowest wages. The existence of tariff protection itself indicates the lack of ability to compete.

John Dickinson, as Assistant Secretary of Commerce, in commenting upon the importance of export trade to labor at the hearings on the reciprocal-tariff bill before the Ways and Means Committee, stated:

"The justification which has always been put forward for the so-called policy of protection is that it supplies employment for the American workingman; if that is its justification, was there an instance in which protection was more urgently demanded than for the American workmen who have been and are being thrown out of employment by the closing of foreign markets to our American trade?

"I submit that it is a short-sighted conception of protection to American industry which regards it as requiring the exclusion of foreign goods which are needed to pay for the American products of our American workmen who produce goods for sale abroad.

"American labor is employed in making those exports, and if we cannot sell them abroad, in return for foreign goods, the American labor employed in making them is thrown out of work without necessarily creating any opportunity for reemployment in making in this country the type of foreign goods which are excluded."

In tariff debates it is frequently represented that nearly 50,000,000 workers in the United States are dependent upon tariff protection. It is asserted that, since tariff protection is the American system, that all those gainfully employed are dependent upon it. This is an extreme assertion. Some provisional studies have been made which indicate that the tariff benefits no more than one-seventh of the country's working people, or from five to seven million workers, while it raises the cost of living to the great majority of the population. It is obvious that of the 10,000,000 farmers in the United States, a comparatively few receive actual benefit from the protective tariff, since so many agricultural products are on an export basis. Laborers and farmers are skillfully misled by the high-tariff advocates, who have been in position to say to labor, "If you do not stand for tariff protection, you will lose your job." This method of forcing workers to act against their true interests is little short of the system of indentured labor sometimes practiced by the less-enlightened countries.

In connection with the wage argument, I should like once more to quote the Secretary of State when he said in a radio broadcast on March 23, 1935:

"What do the supporters of an excessive and prohibitive tariff have to say in favor of such excesses? One of the most-used arguments is that such tariffs protect American workers against the pauper labor of Europe and Asia and the American people generally from a low standard of living. But does it? I may first remark that all agree to the maintenance of reasonable or moderate tariffs that will not allow excessive or unreasonable importations of competitive products. A study made of 36 typical industries which are on an export basis or not aided by the tariff and 36 industries whose products are highly protected shows that in 1929 the average remuneration of wage earners in the highly protected industries was $595 less than that of the worker in the industries which received no tariff benefits. The average annual income in the unprotected industries was $1,704, while that in the highly protected industries was $1,109."

The experience of 1931 and 1932 should be sufficient to demolish finally the fallacy that high tariffs protect the American wage earner. It is well known that, following the Tariff Act of 1930, which came into force the middle of that year, unemployment became cumulatively worse in 1931 and 1932 under the highest protection of our history. We hope that a deathblow has been struck the fallacious notion that high tariffs will solve all problems of unemployment. We have had sufficient experimentation along that line.

Increase in trade as the result of a moderate and reasonable tariff policy, such as that which this administration is following, is the greatest guarantee of increased employment and stability for wage earners. It is an interesting fact that during the last decade there has been a close parallel between the importation of manufactured goods and factory employment. When employment was lowest in the early part of 1933, imports also reached the depression level. As factory employment has increased, imports have increased and vice versa.

TRADE AGREEMENTS AND AGRICULTURE

Much criticism has been lodged against the trade-agreements program by organizations and individuals claiming to represent agriculture. The present administration has, of course, undertaken a number of measures for the assistance of the great number of agricultural workers of this country. One of the principal ways in which this administration has been endeavoring to help agriculture is through the expansion of foreign markets. Despite the tremendous difficulties inherent in any attempt to reduce trade barriers in the present world situation, and in spite also of the strenuous efforts of those with selfish axes to grind to distort the record, real progress has been made, although it has been necessary to move cautiously and with great care. Had the administration been willing to sell agriculture or other interests "down the river", as has been claimed, much greater progress might have been made.

In this connection I wish to reiterate what the President wisely said in his message to Congress in March 1934, when he recommended passage of the Trade Agreements Act. He then said, in part: "I would emphasize that quick results are not to be expected. The successful building up of trade without injury to American producers depends upon a cautious and gradual evolution of plans." That is the line which has since been followed. The President well realized that reversing the world trend and moving toward a more liberal trade policy could not be done overnight.

Now, let me remind you more specifically of what has been done. There have been concluded agreements with 14 countries, 10 of which are now in effect. In every one of these agreements special efforts have been made to reopen outlets for farm products; we realize full well that prosperity for agriculture means also greater prosperity for manufacturing and other industries, with greater employment for the people who live in our cities. To the 14 countries signing agreements thus far our exports of agricultural products alone fell from more than $307,000,000 in 1929 to approximately one hundred and four millions in 1933. Concessions have been obtained on agricultural items, accounting in the aggregate for some two-thirds of this trade—61 percent in 1929; 70 percent in 1933. Including both major and minor items, over 130 agricultural products, according to customs classifications, have been covered.

RESULTS OF AGREEMENTS

Though it is too early to make any final appraisal of the effects of the program in dollars and cents, the results thus far are highly encouraging. For example, shipments of agricultural products to Cuba increased 174 percent during the first year of the agreement. Although the Canadian agreement has been in effect only since January, there have already been distinct increases in exports of both agricultural and industrial items across our northern border. During the first quarter of 1936, as compared with a corresponding period for 1935, exports of the following items show substantial increases: Pork products, grapefruit, oranges, apples, dried and canned fruits, rice, fresh vegetables, eggs, and nuts. Several of these items are important to the economy of Virginia.

To other countries with which agreements have been signed, there have likewise been increases in trade in which agriculture has shared. In those months of 1935 during which the respective agreements were in effect, our total exports to each country were greater than in the corresponding period of the preceding year—by 31 percent in the case of Belgium, 18 percent for Haiti, and 20 percent for Sweden.

WHAT ABOUT AGRICULTURAL IMPORTS AND TRADE AGREEMENTS?

In order to obtain these advantages for our export trade, both agricultural and industrial, it is true that we have had to reduce duties on some products below the prohibitive levels of the Hawley-Smoot Act. Because a few agricultural items have been included in these reductions, those who would seize at any straw to turn sentiment in the farming regions against the program are trying to make the farmers of this country believe that an administration which has honestly sought to help, and has achieved results as indicated by farmers' income and farm prices, is an enemy and not their friend. These election-year friends of farmers are flooding the country with false propaganda pointing to the increases in agricultural imports during the past 2 years and seeking to create the impression that these imports have been deliberately brought about by the policies of the administration, and that agricultural imports of whatever nature are a menace to agriculture.

Now, such propaganda may fool a few farmers, but the great majority of them will not be so easily misled. They know that the great drought of 1934 made inroads into our supplies of feedstuffs and into our livestock herds, which made temporary increases of imports, particularly of feeds, absolutely imperative. They know, moreover, that the effects of the drought have persisted beyond the first year, particularly as regards livestock supplies. They know that in normal times nearly two-thirds of our agricultural imports are noncompetitive, and the bulk of the remainder is brought in over tariffs to supplement domestic production, as, for example, in the case of such items as sugar and flaxseed. They know that imports even of the competitive types of farm products, following the drought, were sufficient to replace only a small fraction of the drought losses; that they were not greater than in the predepression period; and that most of them are now receding to normal levels.

For example, a recent bulletin by the American Farm Bureau Federation stated:

"Butter imports declined 98 percent from April to October, 1935.

"Canned beef imports declined 40 percent from April to October, 1935.

"Hay imports virtually disappeared last fall when October imports amounted to only 3 percent of the April total.

"Corn imports in December 1935 were only one-fourth what they were in August.

"Oats imports virtually ceased.

"Barley imports virtually ceased.

"Wheat imports for human consumption totaled 13½ million bushels in the last 6 months of 1935, and all of this wheat paid a tariff of 42 cents per bushel."

What farmers may not know but should know is that the trade agreements program could not possibly have had any appreciable effect upon imports in 1934 and 1935, for the simple reason that most of the agreements did not come into effect until this year and for the further reason that very few reductions were made in agricultural duties. The only important exception was sugar, and sugar imports were limited by quota. The unvarnished truth is that the increased imports were almost entirely of products subject to the old Hawley-Smoot rates, and that they came in for the perfectly obvious reason that they were needed to supplement the domestic shortages which would not have occurred if we had not been afflicted with the worst drought in our entire history. To attribute the increases in imports to the trade-agreements program is entirely misleading and is to ignore the plain facts of the case.

The farmers of our country have long had almost complete possession of the domestic market for those agricultural products which could be grown in sufficient quantities and without too great a cost, and they are going to continue to have it. However, we must not lose sight of the fact that if we undertook to produce every dollar's worth of imported agricultural products which can be grown in this country at increased cost, or to produce substitutes for them, we would still have a vast acreage—possibly 45,000,000 or 50,000,000 acres—producing for export. Either we must find outlets for these exports or produce less. It will be a small price to pay if, in return for tariff concessions on our part which include some few carefully considered reductions of hitherto prohibitive duties on farm products—safeguarded where necessary by quantitative limitations—we can restore a substantial part of the trade lost during the depression.

CONCESSIONS OF PRIMARY INTEREST TO VIRGINIA

Now, I wish to bring this matter of trade agreements down to a local issue. Of course, the administration at Washington views the program from a national standpoint. That is absolutely necessary, but I am glad to say that in this national picture my State has received a number of advantages in foreign markets that it would otherwise not have received. The two or three largest export items from the State of Virginia are agricultural. Every Virginian knows of the importance of apple production to the State. This importance is dramatized every year in the blossom festival at Winchester. The exportation of a comparatively large part of the production is, of course, less dramatic, but is, nevertheless, of vital importance to the growers of Virginia. The value of exports of apples from Virginia in 1929 amounted to more than $10,000,000. At the depth of the depression, the value of exports was reduced by about one-third. There has been some recovery, but important foreign countries with which agreements have not been undertaken still greatly restrict our exports.

Concessions of direct benefit to American apple growers have been obtained in every one of the 14 reciprocal-trade agreements which have been thus far concluded.

All of the countries, with one exception—Nicaragua—have given concessions on fresh apples. These concessions include seasonal reductions in duty, increases in quota allotments, binding against any change in present treatment, and in some instances as much as a 50-percent reduction in duty. On dried apples, concessions have been obtained in 10 agreements: Cuba, Belgium, Sweden, Canada, Switzerland, Colombia, Honduras, Nicaragua, Guatemala, and France. On canned fruits, including canned apples and apple sauce, concessions have been obtained in 10 agreements: Cuba, Brazil, Belgium, Haiti, Canada, Netherlands, Colombia, Honduras, Nicaragua, and Guatemala.

The importance of foreign markets for American apples is evident when it is realized that during 1935 fresh apples ranked in value nineteenth among our exports and second only to canned fruits in our exports of foodstuffs. Exports of fresh apples were valued at $17,000,000 in 1935, as compared with $21,000,000 for the previous 5-year average. Furthermore, the apple-growing industry is not localized but is of some importance in every State in the Union. In fact, in 1929 the $159,000,000 apple crop was distributed to the extent of at least $100,000 in every State except five. These five were Florida, Louisiana, Nevada, North Dakota, and Wyoming. Although the largest production centers were in Washington, with $33,000,000, and in New York and Virginia, with $15,000,000 each, 28 other States reported apple crops valued at more than $1,000,000 in 1929.

While not all of the apple-growing States produce fruit for export, prices in the domestic apple market react very quickly to any inability of exporters to ship apples abroad. A very large proportion of this commodity is marketed and sold to the consumer as fresh fruit. However, in 1933 both the canning and drying industries reported apple products valued at more than $4,000,000. Last year $3,000,000 worth of dried apples and nearly $1,000,000 worth of canned apples and apple sauce were exported. The popularity of American fresh, dried, and canned fruits in foreign countries is increasing rapidly and every effort is being made to enlarge the opportunities for the marketing of these products abroad.

Tobacco is by far the largest item of export from the State of Virginia. This product has been important to the State from early colonial days. For a period tobacco is reported as having been used as the medium of exchange. The exports in 1929, as reported by the Department of Commerce, amounted to nearly $60,000,000. This was reduced by 54 percent in 1932. There has been some improvement in export markets during the past year or so. There is, however, much to be done in the way of lessening trade restrictions for a full recovery of our foreign markets for tobacco. Some progress has been made through agreements thus far concluded. The recent agreement concluded with France, which comes into effect on June 15, provides for a minimum increase in the purchases of tobacco by France in 1936 of about 10 percent over the purchases of 1935, or from 18,977,000 to 20,500,000 pounds. Several other concessions have been obtained in the agreements thus far concluded.

Cigarettes, an important product to Richmond, constituted the third largest item of export from Virginia. Some minor concessions have been obtained on cigarettes, but most foreign countries find that these are an important source of revenue and refuse to reduce the assessments placed on them.

There are other items, such as cotton and manufactures, lumber and wood manufactures, formerly of some significance in the exports of Virginia, which have been benefited in a number of the agreements. When the program is finally completed I can say with some confidence that every product of importance in the export trade of Virginia will have received some advantage, both directly and indirectly. The indirect benefits of this program to the State of Virginia should not be ignored.

Every important industry in every section of the country is interrelated to every other section in some way, and what is done for the advantage of one is reflected in the well-being of the other. I am sure that the members of this association, when they analyze fully the trade-agreements program, will agree with me that it is a forward-looking step toward rehabilitating world trade.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting an address I made before the Democratic convention of the State of Virginia, including some small extracts.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

DEMOCRATIC ADDRESS

Mr WOODRUM. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following keynote address by me before the Virginia Democratic convention, at Norfolk, Va., June 16, 1936:

I wish to acknowledge very sincerely my deep appreciation of the high honor conferred upon me in giving me the commission to bring you the message upon this occasion which shall officially sound the battle cry of a united, a militant, and a determined Virginia democracy. As I look out upon this inspiring scene—as I make note of your enthusiasm, your unity of purpose, and your determination—my heart is cheered with the knowledge that in our own beloved Virginia the cause of democracy, the faith of our fathers, is in good keeping. In the language of the Book of Books, "How pleasant it is for brethren to dwell together in unity."

Whatever may be or may have been our individual opinions as to methods, ways, means, and measures, certainly true it is today that we can meet upon one common ground, and that is with a heart full of pride that under the wise leadership of our great President the dark clouds of despondency and hopelessness are receding, and the sun is rising upon a new day in our land.

I wish, at the outset, to pay my respects and to extend my cordial felicitations to our State leadership. The people of Virginia have for many decades looked to the Democratic Party for the administration of State affairs. A long succession of distinguished chief executives, than whom none has been more courageous, conscientious, and patriotic than our present distinguished Governor, have given to the people of Virginia an administration of State affairs that was honest, sincere, economically sound, and in keeping with our splendid heritage. I wish

to acknowledge our debt of gratitude to our State legislative bodies, individually and collectively, to their distinguished presiding officers, and to the many other State and local officials, who, by their sincerity of purpose and devotion to the ideals of good government, have helped to make and maintain Virginia at that high point of governmental efficiency which has caused it to be held up as a model to her sister States.

In the administration of national affairs, Virginia is, of course, duly proud of her two splendid representatives in the United States Senate. I refer, of course, to Virginia's first citizen, the senior Senator, CARTER GLASS, and the distinguished, able, and courageous junior Senator, HARRY F. BYRD.

I continually thank Providence that I live in a State and represent a great district which does not require its representatives to be demagogues. If I understand the temperament of our people correctly, they wish their representatives in government to be intelligent, honest, courageous, and sincere. They do not require them to be perfect or superhuman. They can and will easily forgive human frailties, but they will not countenance dishonesty or demagoguery or cowardice. In these trying times, when it has been so imperative that in legislative matters there must be haste and a great deal of experimentation, there has been no human formula or yardstick by which any one man or set of men could say with definiteness and certainty that this course of conduct and this alone is wise. It has been the salvation of our country that there has been a difference of opinion on vital questions. It is so with the American people; it is so with the citizens of our own State. And so I say to you, my fellow Democrats, that if there have been occasions in these past few years when you have observed differences of opinion within the ranks of the Democratic Party, and its leaders, in the State and in the Nation, it is a virtue to be commended and not a vice to be condemned. It is an evidence of the freedom of thought and action which you have given your representatives, and by virtue of which they have been able, in my opinion, to reflect credit and honor upon their State and Nation.

I wish to pay tribute to the courage, the industry, and the sincerity of my colleagues in the House of Representatives. I hope I may say to you with pardonable pride and without a display of unseemly boastfulness that the Virginia delegation in the House of Representatives occupies a place in the estimation of their colleagues which is worthy of the great State they represent.

THE REPUBLICAN NATIONAL CONVENTION

I hope it is within the limit of legitimate debate to comment upon the national convention at Cleveland and the attitude toward the administration taken by the speakers and the platform. My distinguished personal friend, the able Senator from Oregon, Mr. STEIWER, keynoted, much to the apparent delight and edification of the delegates assembled. Being a keynoter myself, I have a fellow feeling for the Senator. Our positions, however, fortunately for me, were quite different.

The distinguished Senator was forced to condemn policies and measures which had been enacted into law with his approval, support, and his vote as a Senator. He vigorously attacked regimentation in Government, and yet he voted for the N. R. A. He condemned the administration's treatment of agriculture and the so-called doctrine of scarcity, and yet he voted for the New Deal farm bill, the A. A. A. He condemned our fiscal policies and charged that we had led the Government to the brink of drastic inflation, and yet as a Senator he voted for the Wheeler 16-to-1 silver amendment and for the Thomas amendment, which conferred upon the President the power to inflate the currency by issuing $3,000,000,000 in greenbacks, a power which the President has never used.

He condemned the Government in business, and yet he voted for the Tennessee Valley Authority law. He condemned the wasteful spending and the unbalanced Budget, and yet he voted twice to override the President's veto on economy legislation. He complained very bitterly about the passage of unconstitutional laws. The Senator is one of the ablest lawyers in the Senate, and yet he voted for three of these laws that were declared unconstitutional.

I recite these facts to show that there will be in the attitude and the utterances of those who now head the Republican Party a decided change of spirit toward the New Deal since their ascension to leadership.

THE REPUBLICAN PLATFORM

Without going into any long discussion of the platform adopted at Cleveland, permit me to say that while it is heavily charged with denunciations, condemnations, and criticisms, I think a very careful analysis of the platform will show that it is almost an endorsement of the fundamental principles involved in the President's recovery program. As I recall it, there were only two instances where the platform specifically pledged the party to a repeal of New Deal measures. One was the Reciprocal Trade Treaty Act and the other the authority which Congress gave the President to fix the gold content of the dollar.

It is true that the Republican platform has a farm plank and a plank on social security, budget balancing, etc., and while there undoubtedly is some difference in the approach to the problem, yet really fundamentally there is little difference.

The platform presents some curious inconsistencies. For instance, it calls for ample expenditures for public relief to be administered through State agencies; for benefit payments to farmers equal to those being paid by the New Deal plus higher tariff rates which would be invoked in his behalf; lower taxes; and, on top of all of that, a balanced Budget. Now, if you can figure that out, please let me know the formula. That is not the only inconsistency. The platform promises to open up the foreign markets for the benefit of American agriculture and industry, to collect the war debts, and to take the lead in stabilizing currency, and yet they go on record as favoring a repeal of the Reciprocal Trade Agreement Act, the imposition of higher tariffs, and an extreme isolationist attitude toward the rest of the world. It is elementary that the only way that our markets can be opened up for American agriculture and industry and the only earthly way foreign nations will ever be able to pay the war debts or any portion of them will be by reestablishing an easy flow of trade between the nations. The reciprocal trade agreement program of the administration has made splendid strides in that direction.

THE REPUBLICAN NOMINEE

As was apparent from the opening of the convention, the nomination went to Governor Landon. The Governor theretofore had been most sympathetic with the major objectives of the New Deal, as I shall presently show. Let us look now a little, if you please, at "the record."

KANSAS

Governor Landon has acquired considerable fame as the chief executive of his splendid State, especially relating to his much-talked-of "balanced budget." I certainly have no desire to dim in the least the luster of his glory in that regard. I think we can with profit, however, examine the facts.

Fiscally, the State government of Kansas has fared comparatively well during the recent depression. With the exception of 1930 and 1933 income exceeded outgo. This situation, however, represents no particular achievement because the State government itself is fiscally a relatively unimportant factor in the performance of governmental functions in the State. The cost of State and local governments averages at present approximately $135,000,000. Of this total the general fund of the State accounts for only $7,500,000. The fact that a $7,500,000 budget was balanced has little bearing upon the fiscal situation in the State. It should be noted that to balance the $7,500,000 budget the State at present relies for 45 percent of its revenue upon taxes on property, a tax base which is also the major source of revenue for the local units of government. Furthermore, to keep the budget balanced, the State was obliged to impose a personal and corporate tax in 1933 from which an additional $1,600,000 was derived annually.

The tapping of this source of revenue was still inadequate to keep the budget balanced, and for that reason it was necessary to reduce expenditures. These reductions were accomplished by cuts of as much as 30 percent in the salaries of State officers and employees (including supreme court judges).

In view of the relative unimportance of the State government in meeting the cost of government, the bulk of the burden falls upon the cities, towns, and counties. These were called upon during the depression to pay for 98 percent of the school bill and to meet most of the State's responsibility for unemployment relief, in spite of the fact that the property tax, which is their major source of revenue, showed sharp reductions in productivity.

In spite of its comparatively good financial condition the State of Kansas had prior to 1935 consistently refrained from making any appropriations for unemployment relief.

The $225,000 relief expenditures credited to Kansas in the early months of 1933 were highway expenditures and not relief expenditures and were matched by $2,592,935 R. F. C. funds. Finally, in February 1935, the State appropriated $775,000 to last for 28 months "for supervision and administration of public-welfare relief, social security, and unemployment." During the 3 years 1933, 1934, and 1935 the total contribution of the State government to relief represented less than one-half of 1 percent of all relief expenditures from public funds.

To compensate for the inactivity of the State, the localities contributed a total of $14,325,622 for relief purposes during the same 3 years. To make these contributions, Kansas localities were obliged to tap all sources of revenue. This is apparent from the fact that almost 30 percent of all local funds raised for relief purposes were obtained from the sales of bonds, while part of the remainder entailed the diversion of funds originally dedicated to other purposes. Substantial sums were obtained through levies on already overburdened property.

The steadily deteriorating financial condition of the localities forced reductions in essential expenditures. Thus, between 1932 and 1934 current school expenditures decreased from $29,760,000 to $22,125,000, or approximately 26 percent. To avoid wholesale bankruptcies, counties are now clamoring for a sales tax. Such a bill has already been prepared by the Kansas City Chamber of Commerce, an organization traditionally opposed to sales taxes.

CONCLUSIONS

Kansas could keep its budget in balance during the depression because—

(1) The general-fund budget is a comparatively unimportant factor in the Kansas governmental bill; it provides only 6 percent of all governmental funds (that is the funds supplied by State and local governments combined).

(2) The State enacted a personal and corporate income tax in 1933 and retained all revenue for itself.

(3) It cut salaries as much as 30 percent.

(4) It paid less than 2 percent of the cost of public schools.

(5) It supplied only one-half of 1 percent of the cost of relief.
(6) It forced the local governments into borrowing, into increasing burden on property, and cutting such essential costs as those for public schools.
(7) It has created a demand for a sales tax to "keep counties from bankruptcy."
(8) It received enormous sums in Federal assistance.

THE NATIONAL ADMINISTRATION

When we met 4 years ago America socially, economically, and spiritually was in the depths of despair and despondency. I shall not take the time now to again paint the picture. You remember it all too well; nor shall I undertake to place the blame. The simple facts are, however, that under an administration of national affairs wholly within the power and control of the Republican Party, we had toppled from a high pinnacle of prosperity and economic solidarity to the very brink of national and individual bankruptcy. The American people will not soon forget that tragic fact. That record is written deep in their hearts and graven upon their souls. The political opponents and severe critics of the President will have a hard time explaining to the American people how it is that if Republican policies and leadership, as represented by the then and now leaders of the Republican Party, could now be expected to rejuvenate America, why, then, did it not prevent its collapse? No amount of specious argument, no beating of the breasts, no attempts to scare and frighten the American people, no amount of mythical issues will obliterate from our minds and consciousness the fact that under 12 successive and uninterrupted years of Republican administration, day by day and in every way, we sank lower and lower in the economic scale, until on March 4, 1933, we had reached the bottom. Armies of unemployed pounded the highways; the sound of the auctioneer's voice resounded in home and on farm; bankruptcy courts were overcrowded; banks closed their doors; portions of our citizenship armed themselves and marched upon county seats to prevent foreclosures of their properties. Fear, distrust, hopelessness, and despair, the four horsemen of disaster, rode abroad in our land. I say to you, my friends, that the record is there. It speaks for itself. It cannot be denied.

"The moving finger writes; and, having writ,
Moves on; nor all your piety nor wit
Shall lure it back to cancel half a line,
Nor all your tears wash out a word of it."

But I do not wish to rest my case on trying to point out the shortcomings or failures of our political opponents; but in the language of a great American statesman, "Let's look at the record." After all, it is not what I say or what my political adversaries say, but it is the record that counts. I am reminded of a young mother who once asked her husband: "What makes you think our boy is going to be a politician?" The young father replied: "He says more things that sound well and mean nothing than any other human being I ever saw." Anyone can make a speech extolling the virtues of an individual or a party, or calling down from high Heaven the wrath of Deity. But today I have a very much more agreeable duty to perform, and that is to bring you, in the necessarily brief space of time, the record of accomplishment of the present administration. Our opponents and critics are in a most unfortunate situation. They have nothing to offer and must content themselves with carping criticism and obstructive tactics. We ask judgment on the record—on both records, if you please.

WHAT OF A DICTATORSHIP?

We have heard much talk of late, and shall doubtless hear more in the months to come, of a "dictatorship." A new slogan that seems to have been coined by the Republican keynoter at Cleveland was "Down with the New Deal Caesar." Of course, he did not take very much time in explaining how he justified the great number of times that he had followed the leadership of that New Deal Caesar.

Antiadministration spellbinders rise to their greatest heights of oratory and melodramatics when, with wild gesticulations, they strike out against the specter of a tyrannical dictator; the loss of our so-called liberties; the collapse of free and democratic institutions. They picture to us a land under the iron heel of this tyrant who holds us in political bondage. Sounds pretty bad, doesn't it? Well, do you really know what it is? It's ghost stories, conjured up to frighten little children. Fortunately, the American people are not so easily duped. The real liberties of the American people—that is, if you mean the liberties of all of the people—were never quite so safe as now. Of course, complete frankness compels me to admit that a few American citizens have lost at least for a season some of their physical liberties. Unfortunately, it was found necessary in recent years to take a few high-ranking officials, who had not properly appreciated the public trust and confidence in them reposed, and deprive them of their liberty.

It is also true that some so-called liberties have been taken from a few groups of individuals. Let us name them: That company of conscienceless stock manipulators who wish to continue free to ply their trade upon the investors of America; certain monopolistic combinations and groups of persons who wanted to exploit the American public. There have been a few groups, who, parading under the cloak of their love of liberty and constitutional government, desired in reality to have the power to control government and manipulate it for their own benefit. Some of their freedom of action in this regard has been circumscribed. There were also a few other groups of so-called business organizations reaping large profits from the exploitation of labor and of women and children in industry. They likewise have lost some of their so-called liberties.

But, my friends, the fundamental heritage of freedom, liberty of action, equality of opportunity, freedom of speech, of public assembly, of religious worship, the right to representation in free government—these and many other heritages of which we boast are safe and sound and have in nowise been curtailed or circumscribed.

But they say the present Chief Executive has usurped the powers of the legislative branch of the Government and has become a dictator. Let us look at the record: In the emergency it was necessary to confer large discretionary powers upon the President in order that there might be expeditious treatment of the problems which so vitally affected our people. In no instance that can be pointed out has this right of power been abused by the Chief Executive or has he ever in any sense of the word undertaken to force his will or his individual ideas upon the legislative branch of the Government. It has often followed his leadership, it is true, but it is likewise true that it has many times made its own decisions. But this frantic talk about the loss of our liberties, a dictatorship, and usurpation by the Chief Executive is not new. Listen to this blast, if you please, and tremble in your boots for the safety of our Nation:

"We saw the executive power grasp in one hand the sword and the purse of the Nation, and in the other the legislative and judicial authority, and hold them in a relentless grip to the complete annihilation of our constitutional rights.

"We saw trade disordered, Government finances ruined, an enormous debt piled incalculably high, intolerable taxes. We saw the superb Constitution, under which our country has grown great and respected, torn to shreds."

Now, these are bold words. It is surely an ominous warning. You can hear the rattle of the trappings of the tyrant; feel the brush of his withering breath upon your brow; the weight of his mailed hand upon your bending form; and hear, if you please, the reverberations on the crumbling foundations of our institutions of government as they fall about our ears. It surely is a pretty bad situation. Where did this blast come from? It sounds like some antiadministration keynoter, doesn't it? Surely, the warning is opportune and must have been uttered about the hated New Deal. Well, if you are interested to know about this very colorful statement, I can tell you that it is history repeating itself. The article was an editorial in the Salem (Ill.) Advocate, under date of November 13, 1863, in the middle of the first term of Mr. Lincoln. He was trying to save the Union, and that is what his political enemies said of him.

AN ADMINISTRATION BY HUMANS

In the first place, permit me to cheerfully make a concession or a confession, perhaps. The Democratic Party is made up of human beings; its great leader, thank God, is decidedly human.

Ah, my friends, it has seemed to me that there was something providential in sending us this man at this hour. The first time, perhaps, in the history of our land where there sat in the White House a great leader whose heart and sustaining hand reached out to the helpless, the despondent, the weak; who not only had sympathy for the needs of his people, but the courage to translate that sympathy into action. The clatter and clang of the trappings of form and ceremony or the imposing presence of power and affluence have not been sufficient to sway him from his purpose to minister to the needs of his people.

All human institutions are subject to frailties, errors, and failures. In order to commend the present administration to your favorable consideration, I do not feel required to demonstrate its absolute perfection and infallibility. I freely confess shortcomings, disappointments, and even failures. We were confronted with an unprecedented problem. History did not furnish its parallel. Ancient maxims of constitutionalism and government were empty and meaningless in the face of the real practical problem that lay on the doorstep of the President when he took office in March 1933.

Millions of American citizens, through no fault of their own, were destitute. They had to be fed and housed. Talk of States' rights and a balanced Budget did not seem to go very far toward easing that eating hunger that gnawed at their vitals; State and local governments had practically failed and were financially unable to meet the problem. The Federal Government had to do the job. The financial institutions of the country faced ruin. The Federal Government had to step into the breach. Business and commerce in every avenue had to turn to the Federal Government for sustenance and deliverance. The President and his party have met these problems face to face and applied the remedy that seemed to be indicated. Again, in the language of Holy Writ, "That which the hand findeth to do—do that with a will." Today millions of Americans send up to the mercy seat a prayer of thanksgiving that there was called to the White House in this hour of trial a man who had the courage and the vision and the humanity of purpose to meet the issue. The results speak for themselves. Failures there have been, but there have been so many victories, so many triumphs. There is so much of the good and so much of the commendable that the American people, with their traditional generosity, will in November give credit where credit is due and acknowledge, in a handsome way, the beneficent and wise leadership of Franklin Delano Roosevelt.

ALL CITIZENS JOINED IN ELECTING ROOSEVELT

Let me not overlook acknowledging the splendid support given the President in 1932 by many persons who never before had affiliated with our party. The size and extent of his marvelous victory were made possible by the enthusiastic support of literally thousands of citizens who put their desire for progressive government above party ties.

We invite again your cooperation and aid. The effects of the tragic situation which has confronted us and from which we are emerging fell alike on all of us regardless of sectional or political differences. The administration has sought to reconstruct and rebuild along lines that would benefit all alike. In a continuation of this forward movement we welcome the aid of every American citizen.

THE WOMEN

To the women of America and Virginia we bring salutations and hearty felicitations.

Certainly, over and above the din of bitter partisan denunciation and criticism, you have been able to discern the great warm heart and consecrated purpose of our leader, who has dared to concern himself and his administration with the well-being of women, children, youth, and the needy. For once there has been an administration of government that, in its anxiety to build up and reconstruct business and commerce, has not forgotten the fundamental truth that the strength of the Nation is its homes.

This reconstruction program has reached out and brought succor and aid to the homes of our citizens in the cities and on the farms. American womanhood will not forget Roosevelt the humanitarian.

PLATFORM

Now about our platform: That seems to be the thing that is troubling our political enemies the most. It is really very touching to see the Liberty League and the Republican Party so much concerned about us Democrats. The truth of the thing is that these gentlemen are not so much concerned because we have failed to live up to our platform, but the thing that terrifies the Liberty League and that has caused the Republican Party to try to undergo a rebirth is the fact that we have lived up to the essential and fundamental ingredients of our platform of 1932. That's what hurts—"Let's look at the record."

After all, however, let us face the realities of the situation. The platform, numbering only about 1,500 words—clear, concise, and specific—was drawn up in the middle of the summer of 1932, 8 months before the President took the oath of office. A lot happened in the meantime—don't forget that. But the remarkable and astounding part of it is that our platform makers were so nearly able to appraise and approximate conditions accurately. They missed it in one notable particular, and that was the extent of the damage done by the depression and the cost of repair. But now we have a platform, and let's see about it. There are 26 affirmative planks in this much-discussed platform. Eliminating such planks as oppose the repudiation of foreign debts, the employment of American citizens on the Panama Canal, and seven planks condemning the policies of the previous administration, et cetera, we have for practical purposes 18 affirmative planks in the platform. These have been substantially carried out or are in the process of being carried out with one exception—the plank which promised a reduction of governmental expenditures of 25 percent.

THE BUDGET

In that respect I call you to witness the fact that one of the first acts of the President was to present for the consideration of Congress the so-called economy legislation which sought to reduce public expenditures by making drastic reductions all along the line. This effort on the part of the administration was met by a storm of protest, and such reductions as were made were largely reinstated and oftentimes with aid of Republican votes in Congress.

But I ask you in all sincerity and honesty who in June 1932 could have predicted the severity of the blow or the necessity for expenditures that would be required before we could pull out of this disaster? Of course, we have spent a lot of money, and it is imperative that these expenditures be reduced as speedily as possible and that will be done. But there is still much to be done, and only a spirit of cooperation on the part of business and industry and a firm and determined stand by Congress will enable us to get back on an even financial basis. I say to you without any hesitation that if in March 1933 and the months that followed this Government had undertaken to hold down its public expenditures merely to the amount of its receipts from taxation or its income there was no power on the face of this earth that would have prevented internal social and economic disorders that would have shaken our Government from center to circumference.

RAGGED INDIVIDUALISM

This is not the first time we have had an unbalanced Budget. But again let us look at the record. Let us go back to the classic era of ragged individualism. We find that under Mr. Hoover the total expenditures increased from $3,994,152,487 in the first year of his administration to $5,142,953,677 in the last year of his administration, and the public debt rose from $16,000,000,000 to $22,000,000,000. The per-capita expenditure for the operation of the Federal Government during that period increased from 32.42 to 40.91 during that administration. What do we have now? The public debt has increased 9 or 10 billion dollars, made necessary because of this emergency. It is passing strange that we did not hear these loud lamentations and calamity howlings when the public debt mounted to $22,000,000,000, a very large portion of which, be it remembered, had gone into the pockets of war profiteers; but the wrath of high Heaven is called down upon our heads when the Government is called upon to spend a few billion dollars to feed and clothe people to save their homes and their business and to prevent a collapse of their financial institutions; to save the youth of the land, and to provide a measure of security for the aged and dependent. I stand for a balanced Budget of ordinary expenditures at the earliest possible moment, and shall exert every possible effort to that end, but we may not and need not be under the illusion that this administration or any other administration can this year or next year balance its Budget, if you include expenditures that will be necessary because of the relief load.

Again let us look at the platform and the record:

RELIEF OF HUMAN NEEDS

In the Democratic platform we find the following provision:

"We advocate the extension of Federal credit to the States to provide unemployment relief wherever the diminishing resources of the States make it impossible for them to provide for the needy; expansion of the Federal program of necessary and useful construction affected with a public interest, such as adequate flood control and waterways."

Let us recall again that this provision in the Democratic platform was written in June 1932, 8 or 9 months before the President took office. However, we have lived up to the spirit of that commitment.

In 1933 when the present administration came into power, it was confronted with a need of an immediate relief program which was without parallel in the history of our country and which might easily have caused serious economic and social disorders. State governments were divided into three classes: First, those States which were absolutely financially unable to meet their relief problems; second, that group of States which, though financially able to pay their own way, did not make such arrangements and preferred to look to the Federal Government; third, those States wherein are located the heavy metropolitan centers or industrial districts where the relief load, due to unemployment, was so stupendous that they could not and should not have been expected to have borne the whole burden. When he addressed the Human Needs Conference held in Washington in 1933, the President made this statement:

"If the State has done everything it reasonably should do, then obviously the Federal Government must step in, because, while it isn't written in the Constitution, it is the inherent duty of the Federal Government to keep its citizens from starvation."

And a month later, he said in a radio message from the White House: "The Government must not let anyone starve this winter."

Therefore, a realistic problem was presented to the administration. I maintain that it has been handled in a splendid manner, considering its perplexities and difficulties. Again I reiterate that perhaps there have been errors of judgment. Very likely plans have not worked out as intended in some instances; but with experience as its guide, the manner and method of handling relief has been as satisfactory as could reasonably have been expected under the circumstances. There were a great variety of circumstances that had to be considered. In the first place, it should be borne in mind that relief rolls were made up by local communities. If persons were on such rolls who were not entitled to be there, then certainly the blame for that cannot be laid at the door of the Federal Government. In the second place, this great army of unemployed and destitute contained all classes and elements of our citizenship. There were the men physically able to work either in the skilled or unskilled trades or labor. There was the increasingly large army of young men from the ages of 16 to 22 or 23, who, for one reason or another, could not continue in school or college and could not find employment. There was then a large and very difficult group to handle composed of the so-called white-collar workers—merchants, lawyers, insurance men, clerical workers, teachers, engineers, architects, etc. Added to this was yet another group, the so-called artists' group—professional musicians, dancers, singers, painters, sculptors, etc.

Considerable ridicule has been leveled at the projects designed to take care of these people. Bear in mind, however, that they were American citizens and that the depression had deprived them of their livelihood. They were entitled to consideration at the hands of our Government. Added to that, was something like 400,000 women and a staggering number of domestic servants. Then came the large list of unemployables who were on the relief rolls—persons who because of age or infirmities were not able to work, but who were destitute and had to be cared for. I go into this detail to show you that when it came to formulating and fashioning a program to care for these problems so varied and so complex and with no precedent to go by, the administration had a very real challenge to meet.

A few months ago when we came to consider the relief appropriations for 1937 we called before the Appropriations Committee, of which I am a member, Mr. Harry Hopkins, the Emergency Relief Director. For several days he and his aides were ready to answer questions before our committee. On this committee were three of the most able and astute members of the Republican Party in the House of Representatives. They were armed with all manner of data and did not conceal their purpose to develop any defects or shortcomings in the administration of relief. The hearings on this one item alone, which included all manner of reports and statistical data, numbered 490 printed pages. At the conclusion, I can say

without any hesitation that while there may have been some difference of opinion as to measures and methods, in not one single instance was anything developed or shown that in any way reflected upon the sincerity and the honesty of the effort to handle this very perplexing and difficult problem. It has been charged that politics has figured in this relief. There may be places where this is true, and if it is, it is entirely because of local influences and has certainly been contrary to the wishes and over the protests of the administration.

You will recall that we started out in 1933 with the Federal Emergency Relief Administration, which inaugurated the civil-works program. Under this program, which lasted until April 1934, 255,000 miles of road were built or repaired, 60,000 public buildings were repaired or rebuilt, 1,000 airports built or completed, and many other worth-while white-collar projects completed. The total cost of the civil-works program was $938,000,000, of which $738,000,000 was expended for wages. The Works Progress Administration was established in May 1935. It had for its purpose the furnishing of employment to employable persons on relief. You will recall that at that time the President decided that employables must be looked after by the respective communities. Under this program over 3,000,000 unemployed persons on relief rolls have been given work, and the following projects have been carried forward:

Workers: 3,039,000 unemployed put to work.

Flood control and other conservation: 2,989 projects under construction.

Schools: 5,266 schools built or repaired.

Public buildings (excluding schools): 4,242 structures erected or repaired.

Farm-to-market roads: Projects valued at $159,000,000 under construction. These will help to lift 13,000,000 farmers out of the mud.

Airports: 328 fields and airway markers built or improved. This builds toward a great national air transport system.

Water and sewer systems: 6,256 plants built or repaired.

Parks and playgrounds: 4,892 parks and playgrounds constructed or improved.

Utilities (electric): 130 systems installed or repaired.

In Virginia, W. P. A. had certified State grants totaling $6,318,000 to prosecute some 1,500 projects. By the end of 1935, W. P. A. and other Federal-aid programs had absorbed 45,167 workers out of a total of 61,000 men and women certified for relief.

A variety of projects had been undertaken, including highways, roads, streets, public buildings, conservation, public utilities, such as sewer and water systems, professional, technical, and clerical projects, etc. Two hundred and nine projects to employ women were in operation on December 31, employing some 9,000 women from the relief rolls.

To meet the crisis among the youth of the land, two programs have been in operation: Over a million young men have been taken from the relief rolls and put into the C. C. C. camps, where they have been improved in health and have been able to contribute to their dependents. The National Youth Movement has also made a notable contribution to this problem: 605,200 young people receiving N. Y. A. wages for many kinds of work useful both to them and to the communities in which they live; 6,600 graduate students earning an average of $25 and $30 a month to help pay their way through graduate school; 125,000 college students earning a maximum average of $15 a month to help meet the expenses of a college education; 263,600 high-school students earning up to $6 a month to pay for carfares, lunches, textbooks, and other essentials; 210,000 young men and women employed on approximately 6,800 N. Y. A. work projects; and 4,500 young women in attendance at 68 camps for unemployed women.

BOONDOGGLING

There have been very pointed and persistent criticisms of the so-called boondoggling projects. Much of the information published is without foundation and fact. Many of the instances are elaborated upon without reciting all of the facts. From time to time there have been something in the neighborhood of 300 of these so-called boondoggling projects that have been criticized in the press or in public addresses. I wish to make a brief comment upon that: In the first place, let it be remembered that these projects were undertaken with the cooperation of the States or the communities and in nearly every instance the project was selected and submitted to the Federal Government by the particular community involved, and the sponsors bore part of the costs.

But if we should say for the sake of argument that an error of judgment was made in every one of these 300 projects, which is by no means true, they constitute one-seventeenth of 1 percent of the so-called Federal-aid projects and affect fewer than 200,000 persons. The total cost of the same is correspondingly infinitesimal.

Let us pick out, however, one or two of the notable instances where there has been so much criticism. Time does not permit any extensive discussion of this phase of the program. Of course, all of us remember the very famous $25,000 dog house built in Memphis, Tenn. This project has been held up to ridicule and scorn by the press and by the Republican spellbinders. Now, what are the facts? For the past several years Memphis has been scourged with recurrent cases of mad dogs. It is unnecessary to dwell upon the terror of such a situation. The United States Public Health Service has been concerned about the condition. The mayor of Memphis pointed out in a telegram that in the last 3 years alone the city health service had given 827 Pasteur treatments, mostly to children who had been bitten by mad dogs, and that during that period 1,500 people had been bitten by dogs affected by rabies; that 362 dogs had been involved; and that at least 6 persons had suffered horrible deaths from this malady. The city of Memphis presented the so-called dog house as a worthwhile project for its community and the cost was $25,000, $6,000 of which was borne by the city; and it furnished employment for people on the relief rolls and provided a ways and means of ridding this splendid community of a terrible menace. So much for the dog house.

Let us look at another one that has been the subject of so much ridicule. The Republic National Committee, in a list of projects which it criticized, gave this meager information: "At Waltham, Mass., drainage of a piggery on Winter Street cost the Federal Government $9,478." Of course, that meager information would cause any citizen to look with scorn upon this project. What are the facts? On Winter Street in Waltham, Mass., there was a piggery, or pig wallow. In fact, there is a piggery. The drainage from this said piggery emptied into a stream which feeds the water supply of the adjoining city of Cambridge. Danger of contamination was so great that the Massachusetts State Board of Health ordered the piggery drained; and again in this instance the community presented this project to the Federal Government on a cooperative basis. The piggery has been drained. Destitute American citizens on relief were given work, and the water supply of the splendid city of Cambridge has been made safe. So much for the piggery.

I have in my files several hundred instances such as I have detailed to you, but time does not permit any more extensive discussion of that. The fact remains that the Democratic administration has in good faith, in my judgment, effectively met the relief problem. We are withdrawing from it just as fast as possible, and a continuation of improved business conditions and a cooperation of industry will enable us to get out of this business of relief, we hope, at a very early date.

GOVERNMENT REGULATION

I think all of us can agree that business and industry, as well as the individual citizen, should be given the greatest amount of personal freedom and be encouraged to use individual initiative. Unquestionably, the Government should not ruthlessly and wantonly step in and undertake to regulate the business and affairs of its citizens. But while this is true fundamentally, yet again we have been faced with a very practical situation.

Let us take, for instance, the great coal industry. After the collapse of N. R. A., the administration was besieged by this great industry to come to its assistance. The so-caled Guffey coal bill was presented as a remedy. Of course, at once it invoked heated discussion and a wide difference of opinion. Realizing the need of this remedial legislation, the President asked Congress to pass the bill, and that if there were a doubt about the constitutionality, the doubt be resolved in favor of the legislation. For that, he was soundly criticized. The bill was passed; it saved the coal industry. It was declared unconstitutional by a divided court, and it occurs to me that the splendid reasoning of the minority opinion of the Court is abundant justification for Congress having been willing to take this action in the face of such an extreme need.

Now, what has happened further? The coal industry is faced with a tragic situation. Congress is again asked to come to the aid of this industry. A few days ago, in fact, on June 10, I received a letter from a distinguished citizen of my district, whose name I do not feel at liberty to use. However, he represents the intellectually conservative type of our citizenship. His letter impressed me so greatly that I take the liberty of herewith quoting a portion of it as a convincing statement on the subject:

"Unalterably opposed as I have been, and still am, in general to Government in business, intimate contact with the coal industry for more than 20 years has forced me to the conclusion that coal has now acquired a place in the economic life of the Nation where the welfare of owners and their employees, and the protection from ruthless waste of a valuable natural resource necessitate governmental regulation of some kind. In such regulation, as I see the picture, is the only hope for the survival of the majority of coal operators.

"For quite a while I tenaciously held to the hope that through trade associations, such as Appalachian Coals, Inc., the industry might reasonably regulate itself, but I have followed earnestly these efforts to the point where I am forced to admit that with such a multiplicity of operators, widely scattered, with varying conditions, effective cooperative action will never be secured such as will eliminate unfair trade practices and abuses and continual price wars with their devastating losses.

"Hence I am writing to invoke your careful consideration of these facts and to express the hope that you may see your way clear to support the new Guffey law which, if enacted and made effective, will at least give relief for some years and perhaps until a more permanent solution of the problem is found."

So we see that in spite of theories and abstract fundamentals to which we might subscribe, here is a great industry pleading for help. Not only are the stockholders involved, mind you, but the workman and his security, as well as the consuming public.

So I think I may reiterate, there has been no precedent, no definite yardstick, which might measure and guide our course in these years that have just passed.

FURTHER WITH REFERENCE TO THE PLATFORM

Let us again look at the instances wherein the Democratic administration has proceeded to carry out its platform promises of 1932:

TRANSPORTATION

The Motor Carrier Act of 1935 provides that the power to regulate transportation of passengers or property by motor carriers engaged in interstate commerce is vested in the Interstate Commerce Commission, provides regulations for the supervision of busses and trucks, and provides penalties for failure to comply.

RAILROAD RETIREMENT ACT

Establishes a system of retirement annuities for railroad workers who reach the age of 65 years, and for any under that age who have had 30 years' service with the rail carriers and who either make application for retirement or are retired because of physical or mental disability.

THE NEUTRALITY ACT

Makes it unlawful to export arms, ammunition, or implements of war from any place in the United States or its possessions to any port of belligerent states, or to any neutral port for transshipment to, or for the use of, a belligerent country, etc.

THE BANKING ACT OF 1935

Under the leadership of the distinguished senior Senator from Virginia, the banking laws have been strengthened and improved in many notable instances.

TENNESSEE VALLEY AUTHORITY

Under the provisions of this act water-power rights have been preserved, electric utility rates reduced, and a great plant of inestimable value in time of war maintained.

UTILITY REGULATION OF HOLDING COMPANIES

The Wheeler-Rayburn Act regulating public-utility holding companies—a long-needed reform for protection of utility stockholders, as well as consumers; a bill fought through only in the most impudent and highly financed lobby in congressional annals.

REGULATION OF SECURITIES

Through the medium of the Securities and Exchange Commission, the Democratic Party has redeemed the forward-looking pledge in its platform to clean up the ugly mess existing in the stock exchanges and in private manipulation of securities. For the first time in a decade, the American investor may feel free to go into the market and make purchases of securities with some feeling of protection.

In other outstanding instances we have carried out our campaign promises, namely: Repeal of the eighteenth amendment; modification of the Volstead Act; independence of the Philippines; cooperation in the reduction of armaments; guarantee of bank deposits; protection of the natural resources, and others.

Let's look again at the record.

AGRICULTURE

In our platform we said:

"We favor the restoration of agriculture, the Nation's basic industry; better financing of farm mortgages through recognized farm-bank agencies at low rates of interest on an amortization plan, giving preference to credits for the redemption of farms and homes sold under foreclosure.

"Extension and development of farm cooperative movement and effective control of crop surpluses so that our farmers may have the full benefit of the domestic market.

"The enactment of every constitutional measure that will aid the farmers to receive for their basic farm commodities prices in excess of cost."

Now, what about the performance? A little more than 3 years ago, at the end of 12 years of Republican control of the Federal Government, the farmers of the United States were in utter despair. They had seen the collapse of repeated half-hearted Republican experiments to aid agriculture; they had witnessed the unblushing failure of the Republican Party to carry out its platform promises; they had seen prices for farm products fall so low that the farmers could not sell their crops and livestock for what it had cost to produce them. Huge surpluses had piled up; export demand had declined almost to the vanishing point; mortgages were plastered on millions of farms.

Indeed, in March of 1933, the first month of the present administration, prices for all groups of farm commodities had sunk to the lowest level since 1910. According to the reports of the Bureau of Agricultural Economics of the United States Department of Agriculture, it is probably safe to say that prices of farm products in March of 1933 were the lowest for farm products as a group since prior to the Civil War, with the single exception of the year 1896.

The total cash income received by farmers for the whole United States for the year 1932 was $4,377,000,000.

The disasters that had overtaken the farmer continued, and after 1929 agriculture, with 25 percent of the Nation's population, saw its returns shrink to 7 percent of the national income. Business in the agricultural regions was paralyzed by the loss of this farm buying power. Factories manufacturing goods for farmers and businesses distributing goods to them could not sell. The collapse of agricultural purchasing power accounted for the unemployment of at least four and one-half million men at the worst of the depression. An epidemic of business and bank failures crept eastward from the West. Finally the whole financial structure of the country fell to the ground. And that was the full flower of Republican irresponsibility in high places.

Then, in November of 1932, Franklin Delano Roosevelt was elected and at once set to work to do something practical for the farmers. He called together in Washington a little group of earnest men, experienced leaders of organized agriculture in the United States. These men were not theorists or dreamers; they were not "brain trusters." They had led in every stage of the postwar battle for agricultural equality; they had gone through successive efforts to end the inequalities that were drawing the life blood from the American farmers.

These men saw that while farmers had maintained their full production practically at the 1929 level, their prices had been driven down to 60 percent below 1929 prices; manufacturing industries, on the other hand, had held their prices up on an average level not far below that of 1929 by cutting the volume of their production nearly 60 percent below the 1929 volume. These men knew that 6½ million farmers could not expect to compete with corporate organizations for a living share of the Nation's income, and they asked the Federal Government to supply the instrument through which the farmers could effectively cooperate. The Agricultural Adjustment Act was passed substantially along the line of their recommendation. So you see the farmers themselves, for all practical purposes, were the authors of this act.

Farmers operated under this act for 2 years and a half until the United States Supreme Court on January 6, 1936, by a 6-to-3 decision, declared that agricultural production is a right reserved to the States and therefore beyond Federal control. The production-control provisions of the Agricultural Adjustment Act were in effect declared invalid.

But the adjustment program had already helped to bring a marvelous change in the condition of farmers. In March of 1935, 2 years after President Roosevelt had entered the White House, the price of wheat had risen from 34.5 to 85.5 cents a bushel; corn from 20.6 to 82.7 cents a bushel; oats from 13.07 to 54.1 cents a bushel; hogs from $3.22 to $8.10 a hundredweight; beef cattle from $3.42 to $6.55 a hundred; tobacco from 6.01 to 10.1 cents a pound, and cotton had gone up from 5.04 to 11.5 cents a pound. While it is true that the average price of tobacco of all types was 10.1 cents a pound as of March 15, 1935, this figure does not, in fact, show the large increase in tobacco prices since March 15, 1933. The actual improvement is shown by the average price for the 1934–35 marketing season, which was 21.4 cents a pound, and for the 1935–36 marketing season it was 18.5 cents a pound. April 15, 1936, wheat was selling for 86.3 cents, corn for 57.2 cents; hogs for $9.38 a hundred; cotton for 11.2 cents a pound, and rice for 86 cents a bushel.

In other words, the buying power per unit for farm products advanced from 55 percent of parity in March 1933 to 85 percent in April of 1936.

And the total farm cash income for the year 1935 had increased from $4,377,000,000 in 1932 to $6,900,000,000 in 1935.

Such, in brief, is the story of the improvement in the position of the farmers of the Nation under the present administration.

Let us now turn for a moment to what the Roosevelt administration has done for the farmers in Virginia. Farm cash income in the State of Virginia rose from $61,874,000 in 1932 to $78,356,000 in 1933; to $101,671,000 in 1934; and the preliminary estimate for 1935 was $116,378,000. For 1933 these figures include $871,000 in rental and benefit payments under the Agricultural Adjustment Act and Government purchases of pigs and sows in the 1933 emergency marketing program. For 1934 they include $4,259,000 in rental and benefit payments either disbursed or due under contracts.

Since early colonial days, tobacco has been the leading cash crop of Virginia. It also has figured prominently among agricultural commodities, taking the United States as a whole. Under the Agricultural Adjustment Act program, the income from tobacco rose steadily from 1932 when the total cash farm income from this commodity for the entire United States was $107,776,000. In 1933 the cash income jumped to $183,677,000, including rental and benefit payments, and in 1934 the total cash income was $254,000,000, counting rental and benefit payments.

The extent to which Virginia farmers' economic situation has improved since 1932 is indicated by comparing the 1932 and 1934 volume of production of certain Virginia commodities and the cash income therefrom. In 1932 a tobacco crop of 55,595,000 pounds brought producers a cash income of $4,744,000. Two years later the crop of 92,970,000 pounds yielded a cash return at the market of $22,357,000. If the rental and benefit payment portion of the cooperating farmers' price be added to this, Virginia tobacco growers received a total cash return of $24,165,000 for their 1934 crop, an amount 409 percent larger than they received in 1932.

The price of sun-cured tobacco increased from 4.2 cents a pound in 1932 to more than 10 cents a pound in 1935, while the price of fire-cured tobacco rose from 6.2 cents a pound in 1932 to nearly 11 cents a pound in 1935.

Cotton growers in Virginia produced 34,000 bales of cotton in 1932, which, together with 15,000 tons of seed therefrom, yielded a cash return of $1,206,000. The crop of 39,000 bales and 17,000 tons of seed in 1934 brought $2,869,000 in cash at the market, and $3,159,000 when rental and benefits are included.

Peanut growers in this State raised 155,150,000 pounds of peanuts in 1932 and received $2,085,000 for their crop. In 1934 they

produced a crop smaller by some 8,000,000 pounds and yet received a cash return of $4,617,000.

Over this same 2-year period, from 1932 to 1934, the total cash return to corn growers increased from $660,000 to $2,260,000; that of wheat producers from $1,380,000 to $4,668,000; and that of apple growers from $4,065,000 to $6,379,000.

In 1934 Virginia farmers received nearly $2,000,000 more for their cattle and calves and more than $1,000,000 for their hogs than they received in 1933.

Over the 4-year period from 1932 to 1935, inclusive, the average farm price of cotton lint increased from 6.42 cents to 11.30 cents a pound; cottonseed from $10.91 to $32.30 per ton; wheat from 58 to 87 cents a bushel; corn from 52 to 75 cents a bushel; hogs from $4.20 to $8.50 per hundredweight; cattle from $4.15 to $6 per hundredweight; lambs from $5 to $7.20 per hundredweight; and wool from 10 to 24 cents a pound.

For the 1935 tobacco crop Virginia farmers received around $17,860,000 plus $2,435,659 in rental and benefit payments, making a total cash income of $20,295,659 for the year. Contrast this with the 1932 returns, which amounted to only $4,744,000. The average farm price of tobacco in Virginia increased from 8.9 cents a pound in 1932 to 18.7 cents a pound in 1935.

As of March 31, 1936, rental and benefit payments disbursed among cooperating producers in Virginia from the beginning of the Agricultural Adjustment Administration in 1933 to March 31, 1936, totaled $7,140,434. This sum does not represent the total that Virginia farmers will receive ultimately. Congress has provided for payment of benefits under contracts in existence at the time of the invalidation of the A. A. A., and these payments will materially increase the present figure.

Of the sum paid up to March 31, 1936, tobacco producers received $2,435,659; corn-hog farmers, $1,917,064; wheat farmers, $1,461,142; cotton growers, $780,280; peanut growers, $546,287.

It cannot be denied that the decision of the United States Supreme Court on January 6, virtually invalidating the Agricultural Adjustment Act, was a severe blow. But President Roosevelt and his aides in the administration immediately set about to construct a new plan that would meet the objections of the Court. I cannot better describe the events following that decision than by quoting the words of Mr. H. R. Tolley, Acting Administrator of the Adjustment Act, in a recent radio address. Mr. Tolley said in part:

"It was only a little more than 4 months ago that the production-control programs, then in full swing, were stopped by the decision of the Supreme Court in the Hoosac Mills case. Fifty-four days later, in response to widespread demands from farmers, Congress had enacted and the President had signed the Soil Conservation and Domestic Allotment Act, providing for a program centered around the idea of soil conservation. And now, only 70 days from the time the bill was signed and placed in effect, several million farmers are busy working out the new program. That is a record of which, I believe, the farmers of the United States may be proud.

"The present A. A. A. conservation program recognizes that a farmer who grows less of soil-depleting crops and more of soil-conserving crops may have to make an immediate cash sacrifice to do so. Hence the program provides for a graduated system of payments calculated to make it possible for him to balance his farming operations and grow the amounts of the various crops that are best for his individual farm. These are what we are calling class I payments. The program recognizes also that certain desirable soil-building practices are expensive to carry out. Therefore a series of payments has been devised to compensate farmers, at least in part, for this expense. These payments, known as the class II payments, also serve to reward the farmers who have had a desirable proportion of their land in soil-conserving crops in the past.

"As to the details of this program, you farmers scattered through the 48 States are coming daily in closer touch with them. The country has been divided into five regions, with a specially adapted program for each region; and within each region modifications have been made that are suited to the various States. Within the States the program is in the hands of the farmers themselves, working through State, county, and community committees and county agricultural conservation associations. All over the country these committees and associations are at work, acquainting farmers with the details of the program and helping them fill out work sheets for their farms."

REFINANCING FARM INDEBTEDNESS

One of the burdens of the American farmer was his indebtedness, for which he paid large interest rates. What have we done about it?

In the last 2½ years more farms have been refinanced by the Farm Credit Administration than in the 16 years previous to the land bank's history. Seven hundred and forty-eight thousand loans have been made, totaling $1,972,000,000. These banks have outstanding a million loans and at the lowest rate for farm mortgages that ever existed in the world. Appropriate short-time credit facilities have also been provided through the medium of Federal intermediate credit banks and their agencies. These banks extend short-term credit to farmers for the production and marketing of crops, livestock, etc. The American farmer for the first time in a decade looks forward to the morrow with hope and confidence—another evidence of faithful performance of campaign promises.

THE CONSTITUTION AND THE SUPREME COURT

Our Republican friends and their allies, the Liberty Leaguers, work themselves up into quite a lather over their apprehensions about the security of our Constitution and the dignity of the Supreme Court of the United States. Because some of the recovery measures were held unconstitutional they infer from that that the President is an enemy of constitutional government. Because he disagreed with a decision of the Supreme Court and more or less casually suggested that the time might come when the people would want to amend their Constitution by giving the Federal Government greater power in cases of emergency, they charge him with having made an attack upon the Constitution and the dignity and integrity of the Supreme Court. Of course, this is utterly ridiculous when you turn upon it the light of logic and facts.

Now what has happened? In a unanimous decision, N. R. A. was held unconstitutional. None will deny that most of its objectives were sound and needed. In fact, in its brief lifetime it performed a useful service in the recovery program. Its principal objective was to spread employment by providing for shorter hours, to outlaw child labor, to prevent the exploitation of women in industry, and to prevent cutthroat competition and price cutting in business. The Supreme Court unanimously knocked it out, and that is the end of it. Then came the A. A. A. and the Guffey coal bill. Both laws had served a useful purpose. Agriculture was being rehabilitated. The coal industry had been saved, but by a divided court these acts were held unconstitutional. Do you remember what a storm of protest went up when the President suggested to Congress that it give a trial to the Guffey coal bill; that he had been advised it was constitutional, and that he would like to see the matter settled? Well be it remembered that four distinguished Justices of the Supreme Court said that it was constitutional, headed by no less authority than the distinguished Chief Justice, Charles Evans Hughes. Now, let us away with emotionalism and dramatics and get down to earth about the Constitution and the Supreme Court.

When did it get to be such a crime to suggest that the United States Constitution might be amended or should be amended? What is there in such a suggestion to justify the conclusion that the fundamental liberties of the people are being threatened? Let us remember history in this regard. The very Constitution itself is the child of unconstitutional action. The delegates to the Constitutional Convention were charged with the duty of amending the old Articles of Confederation, and those Articles of Confederation forbade any changes therein except such as were suggested or recommended by Congress and confirmed by the legislatures of 13 States. Yet, these delegates, with rare wisdom and splendid courage, realized the impotency of the old Articles of Confederation and proceeded to draft a new constitution. We honor them for their courage. All of the forefathers realized that the Constitution would have to be amended many times. Those who have so suddenly become great defenders of the Constitution and exponents of Jefferson would do well to recall these pertinent remarks of the sage of Monticello in 1816:

"Some men look at constitutions with sanctimonious reverence, and deem them, like the Ark of the Covenant, too sacred to be touched. They ascribe to the men of the preceding age a wisdom more than human, and suppose what they did to be beyond amendment.

"I knew that age well; I belonged to it and labored with it. It deserved well of its country. It was very like the present, but without the experience of the present; and 40 years of experience in government is worth a century of book reading; and this they would say themselves were they to rise from the dead.

"Laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths disclosed, and manners and opinions change with the change of circumstances, institutions must advance also and keep pace with the times. We might as well require a man to wear still the coat which fitted him when a boy as civilized society to remain ever under the regimen of their ancestors. It is this preposterous idea which has lately deluged Europe in blood. Let us follow no such examples, nor weakly believe that one generation is not as capable as another of taking care of itself and of ordering its own affairs.

"Each generation is as independent of the one preceding as that was of all which had gone before. It has, then, like them, a right to choose for itself the form of government it believes most promotive of its own happiness, and it is for the peace and good of mankind that a solemn opportunity of doing this should be provided by the Constitution, so that it may be handed on, with periodical repairs from generation to generation to the end of time, if anything human can so long endure."

And let us remember also that the Constitution was not drawn up for the purpose of conferring liberty, freedom, and power upon individuals, but was really for the purpose of putting as many checks as possible upon State power. The original Constitution contained practically no protection for the so-called people's liberties and freedom. Almost without exception each of the guarantees of liberty and freedom, of which we boast today, was put into the Constitution by amendments. Its very strength is in its flexibility; and though it is ever constant in its purpose it is likewise ever changing in its application. For one, I am not afraid of what the American people will do with their Constitution; like Jefferson and Lincoln, I believe the American people will make

their Government what they wish it to be; and if that necessitates a change in the organic law, the change will be made in the established and orderly manner. To hear some of our friends talk about this matter you would think that the Constitution might be amended by Executive order.

But please remember this fact, my friends, that up to the present hour neither the President nor any responsible spokesman for his administration has ever advocated any change in the Constitution.

As to the Court, I believe I have as much respect and reverence for this august tribunal as any American citizen. Certainly, I have no patience with the suggestion or idea that there should be any law undertaking to circumscribe its jurisdiction or authority. On the other hand, I think I am not un-American or unpatriotic when I choose to disagree with some of its opinions, and, certainly, I cannot be held up to scorn or ridicule when I prefer to accept the philosophy of four minority members of the Court rather than that of the majority of five.

The Supreme Court of the United States is composed of human beings. It is an American institution, and we do not create institutions in America and hold them up as infallible, or place them on such a high pedestal that American citizens cannot honestly disagree with their course of action. Our own Supreme Court has always been open to criticism whenever any citizen felt inclined to do so. Listen to this a moment, if you please:

"If the policy of the Government upon vital questions affecting the whole people is to be irrevocably fixed by decisions of the Supreme Court, the instant they are made the people will have ceased to be their own rulers, having to that extent practically resigned their Government into the hands of that tribunal."

Again, listen to this:

"The Supreme Court has got the doctrine of popular sovereignty down as thin as homeopathic soup that was made by boiling the shadow of a pigeon that had starved to death."

Now, I claim that this is pretty strong language. Was that some New Dealer showing his irreverence for the Supreme Court of our land? No; it was no less a great statesman than Abraham Lincoln. He even went a great deal further than that when, in referring to the decision in the Dred Scott case, he said:

"Somebody has to reverse that decision, since it is made, and we mean to reverse it, and we mean to do it peaceably."

Now, I do not mean to suggest that it is dignified or appropriate for American citizens to be jumping on the Supreme Court of the land or holding it up to ridicule, and I shall certainly not do so. The Democratic Party has not done so, but things that have happened of late have demonstrated very clearly and forcibly that the American people are going to have to give thought to problems presented in these recent decisions. What do we find? In the Guffey decision the Court held that the relationship between employer and employee constituted a local transaction and was thus outside of the authority of Congress and the Federal Government. We had sought in the Guffey bill to deal with wages and hours of labor—a situation so necessary to preserve the coal industry. Again the Court comes in the New York case involving the women's minimum wage law and, in a 5-to-4 decision, rules that State legislatures are without authority to fix minimum wages of workers in a given industry.

Now, where are we? Apparently, neither the State nor the Federal Government under the Constitution, as it exists today, has the power to deal with the vital questions of child labor, wages, hours of labor, or conditions of the workers. Therefore, it may very well be that in a rapidly changing and greatly advancing social and economic order, the people will in their own good time, and in the established and orderly manner, examine the question and determine whether or not it will be for their interest, for the stabilization of the economic order, and for the protection of human life and liberty, to confer upon the Federal Government, or even upon the State governments for that matter, the power to deal with these matters. There has been no attack upon the United States Constitution, and not one single right or liberty of the American people has been jeopardized by the present administration.

RECIPROCAL-TRADE AGREEMENTS

Let us look further at a few campaign promises which have been redeemed. In our platform we favored "a competitive tariff for revenue with a fact-finding commission and reciprocal agreements", etc. This promise is being redeemed under the brilliant leadership of Secretary Hull. Trade agreements have been concluded with 14 countries and are now in operation in 10. The results have been most gratifying and encouraging. Under these reciprocal agreements, Virginia will be largely benefited, particularly the apple, tobacco, and cotton growers of the State, as well as many manufacturing industries. Recently, in addressing the National Association of Credit Men, I presented this phase of the administration program very fully and I shall not here repeat.

LABOR

We had a plank in our platform for the spread of employment, reduction in hours of labor, etc. Substantial progress has been made under this administration, notwithstanding the legislative upsets in making more secure the lot of the laboring man. Under no administration in a decade has he had better opportunities or more considerate treatment.

NATIONAL DEFENSE

Substantial progress has been made under the present administration for the conservative and orderly yet logical strengthening of our defense forces on the land, in the air, and on the high seas.

SOCIAL SECURITY

Let us not overlook the social-security program of the administration. For the first time in our history the Federal Government has recognized the obligation which it owes to the needy aged, dependent children, mothers, crippled children, the indigent disabled, and the blind.

Appropriate laws have been passed, appropriations made, and the machinery set up for a vast cooperative enterprise which has for its purpose the fulfillment of this obligation to our citizens. We have made an auspicious beginning. Here again we have vindicated a promise we made when in our platform we said: "We advocate unemployment and old-age insurance under State laws."

RECONSTRUCTION FINANCE CORPORATION

In enlarging and expanding the powers and functions of the Reconstruction Finance Corporation we have placed at the disposal of legitimate business the credit of the Nation to be used in a vast reconstruction and stabilizing effort.

H. O. L. C. AND THE FEDERAL HOUSING CORPORATION

Nine hundred and ninety-two thousand five hundred and thirty-one homes have been saved by loans made by the H. O. L. C., aggregating three and one-half billion dollars, and the loans are being repaid 90 percent on time. Second mortgages and short-term mortgages are replaced by the Federal Housing Administration. Millions of dollars of frozen credit in banks and building-and-loan associations have been loosened and millions of American homes saved through the beneficent administration of these activities.

And so, ladies and gentlemen, if time would permit, I could detain you for hours in enumerating the beneficent actions of this Government under its present leadership and could, I think, demonstrate to you how upon all fronts we have moved forward and upward. I reiterate that it has not been a perfect performance but it has been a forward movement from which the American people will not retreat.

Is it not passing strange that in the various public utterances of our political adversaries, in the keynote addresses, etc., that the President and his party are never given credit for a single achievement or praise for any action? Nothing that we have done has been wise or helpful. However, our opponents do not take you into their confidence and tell you which of these beneficent actions, remedies, or laws they would repeal, or what would be put in its place. They seem to be content with carping criticism.

EVIDENCES OF RECOVERY

But why all of this oratory? There never was a truer saying than the old adage of our grandmother, "The proof of the pudding is in the eating thereof." You do not have to take my word for the beneficial effects of this administration. Just look about you. Pick up the daily financial sheet of any responsible publication and you will find the story: Increased bank deposits; increased exports; decreasing imports; fewer business failures; less bankruptcies; larger dividends; business and trade expansion; increasing real-estate values; optimism; hope; brightening skies; regained confidence. That is the story we find on every hand. Today there is a song of hope and triumph in our hearts.

Strange as it may seem, some of the severest critics of the present order are those who have benefited most. Let me give you a typical instance: In the House of Representatives we have a most likable and distinguished colleague who is a member of the Republican Party and who has been relentless in his criticism of the administration. He is a banker and a businessman of large proportions. Almost daily he proclaims upon the floor of the House that the Democratic Party is ruining the country. Incidentally he is president of a big manufacturing industry which is located in a community which was named after his family. Notwithstanding his apprehensions, it has been discovered that a short time ago there went out from his industry to his customers the following letter:

"DEAR CUSTOMER: Time marches on; 1935 has passed into history. Woolrich (the name of his industry) enjoyed one of the best years in its 105 years of existence."

BANK FAILURES

Permit me to give you, in closing, what is to my mind an unanswerable evidence of the safety and soundness of the present order.

I think you will agree that any instability of our economic order of governmental fiscal policies would be quickly reflected in our banking institutions. They, after all, are the safest and surest barometers of public confidence and soundness of government. "Let's look at the record."

Three and a half years under Harding brought 91 national-bank failures.

Four and a half years under Coolidge brought 533 failures.

Four years under Mr. Hoover, 1,035 failures.

During 1933, 435 suspensions occurred before or during the bank holiday, and only 3 during the remainder of the year.

During 1934–35, five banks closed, and all deposits up to $5,000 were insured by the Federal Deposit Insurance Corporation.

ON GUARANTEE OF BANK DEPOSITS

One of the most helpful measures of the New Deal has been the law placed upon the statute books guaranteeing bank deposits. It is practically impossible now to hear anyone who will challenge the benefit and stabilizing influence of this act.

It is interesting to recall Governor Landon's attitude on this law. I quote herewith a few paragraphs from an address of Governor Landon that his representative read to the American Bankers Association at Chicago September 6, 1933, and published in the Commercial and Financial Chronicle. The full address may be found in the CONGRESSIONAL RECORD of June 15, 1936, at page 9353.

First let us see what the Governor thinks on economies and finance generally:

"The future of the American people lies to a considerable extent in the hands of the men in this room insofar as you represent the State banking system. There is no question in my mind but that the guaranty of bank deposits is a greater blow to the ultimate welfare of the American people than the wildest inflation of the currency could possibly be. Certainly no currency inflation could be more completely destructive and devastating to a people than it was in Germany, but the German people and the German resources are still there. After the holocaust of an incredible inflation, such as no one believes President Roosevelt even contemplates, was over, the German people had a bank structure to turn to as a keystone of the arch of such economic stability as they have been able to rebuild.

"In my judgment the guaranty of bank deposits, if carried out in this country to its logical conclusion, will completely destroy the entire banking system of the Nation. That destruction must inevitably be accompanied or followed by the most extreme inflation of the currency. When the final day of reckoning comes there will be no financial structure whatsoever to which to turn or on which to rely as a fulcrum for whatever lever statesmen may devise to begin the great task of reconstruction."

Of course, we are grateful that the dire calamity which the Governor prophesied has not come to pass.

Listen, if you please, to this observation and wonder how it will impress some of the more orthodox and conservative followers of the Governor:

"For the first one-third of our national history this country was largely dominated by agriculturalists. For the second one-third it was largely dominated by industrialists—great builders and developers of railroads. For the last one-third, to a large extent, by financiers. You, and all independent bankers in this country, are going to pay, and pay dearly, for the unwise banking practices that have permitted the Insulls and others free rein. The innocent will suffer with the guilty. These manipulators of great wealth, elevated to places of responsibility in our great financial institutions, have sponsored huge bond issues in our industrial and utility fields; plucked out their paper profits of excessive bonds or stocks, and financed the entire load by subsequent sales of securities to the public. The overloading by the greedy and unscrupulous lords of financial juggling has been too heavy for honest business to carry, dividends have stopped, and our banking system is facing loss of confidence because in too many cases bankers were involved in the profit-taking manipulations."

Again the Governor speaks on guarantee of deposits:

"Let us examine some of the arguments that have been used in favor of the bank-guaranty plan contained in the Glass bill. It has been said that it will force the banks to cooperate more closely to prevent unsound banking. I think CARTER GLASS himself has used that argument. Is he ignorant of the fact that that argument was used in Kansas a quarter of a century ago? Is he unaware of the fact that events proved conclusively in Kansas that the argument is not worth wasting breath on?"

So much for the Governor's ideas on finance. Now let us see, from his precampaign utterances, what he thought of the New Deal:

GOVERNOR LANDON ON EXPERIMENTATION

"We have solved the secrets of power and machinery, but we have not yet found how to control and manage the industrial civilization which we have created. The only way we can find the solution is the age-old way of trial and error and experience." (Sept. 3, 1934.)

GOVERNOR LANDON ON EMPLOYMENT

"I am confident that the President and the W. P. A. are doing all in their power to get the people to work." (Nov. 13, 1935.)

GOVERNOR LANDON ON LOCAL SELF-RULE

"Dictatorships have been established all over the world. I do not view the granting of additional powers to President-elect Roosevelt as belonging in this class. I do not believe it would endanger our democracy." (Feb. 11, 1933.)

GOVERNOR LANDON ON EXECUTIVE POWER

"We have never felt it any confession of weakness in a democracy to repose in our President the greatest power of any governmental head in the world in time of war." (Feb. 11, 1933.)

GOVERNOR LANDON ON BUDGET BALANCING

"Kansas must meet its work-relief problems without placing its taxpayers in debt." (Oct. 23, 1933.)

"It would be good business, in my opinion, for Kansas to borrow every dollar it can get under the P. W. A. that could possibly be spent on highway work by July 1935." (May 21, 1934.)

GOVERNOR LANDON ON DEPRESSION

"I desire to acknowledge in a tangible way the appreciation of the people of my State for the courage with which President Roosevelt has attacked the depression." (Baltimore Evening Sun, quoting a speech Landon made in March 1933.)

GOVERNOR LANDON ON PLEDGES

"I plan to enlist with President Roosevelt for duration of the war against depression." (March 1933.)

Now, let us hear from the Governor on the relief program of the administration:

SOUNDEST, MOST CONSTRUCTIVE

"I have felt that this civil-works program is one of the soundest, most constructive policies of your administration, and I cannot urge too strongly its continuance." (Jan. 17, 1934.)

"I am confident the President and the W. P. A. are doing all in their power to get the people to work." (Nov. 13, 1935.)

GOOD FOR KANSAS

"It would be good business, in my opinion, for Kansas to borrow every dollar it can get under the P. W. A. that could possibly be spent on highway work by July 1935." (May 31, 1934.)

EFFICIENT

"There were no payless days for work-relief applicants." (Apr. 9, 1934.)

FOR EDUCATIONAL PROGRAMS

He wired Hopkins to "make provision for relief on the basis of not only the physical needs of families but also for the educational requirements of the next generation." (July 17, 1933.)

EFFICIENT

"Kansas was fortunate in having nearly 32,000 men and women on civil-works pay rolls the first week the civil-works program was put into operation." (Apr. 9, 1934.)

WANTS MORE

"We are in dire need of substantial increase in May grant for general relief purposes for the State, as April grant was insufficient." (Apr. 24, 1934.)

So said the Governor, my friends, before his candidacy.

Ladies and gentlemen, I must conclude. I have sought to bring you accurate information and to present convincing argument on the record.

That record speaks for itself. Like Tennyson's brook, I might go on and on if I sought to detain you long enough to recount all of the beneficences of this administration; but I must close.

The case is with you. I ask you to judge it upon its merits and upon our record. I have an abiding faith and confidence that when the verdict is in the people of America will in 1936, as they did in 1932, show, with a degree of unanimity seldom witnessed in American political affairs, that they appreciate the consecrated efforts and that they have an abiding faith and confidence in the patriotic purpose of Franklin D. Roosevelt.

PILGRIMAGE OF GOLD STAR MOTHERS OF AMERICA TO STAUNTON, VA.

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes to extend an invitation to the Members of the House.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, I desire to extend, on behalf of the city of Staunton, Va., a most cordial invitation to my colleagues in the House to visit Staunton during the pilgrimage of the Gold Star Mothers of America from June 18 to 21, inclusive, to the birthplace of our great wartime President, Woodrow Wilson. Staunton is the largest city in the Shenandoah Valley, and its history dates back to early colonial days, when it was the county seat of a vast domain known as West Augusta, which extended to the Mississippi River and included the area known as the Northwest Territory. The brilliant and distinguished Governor of the great State of Indiana, Hon. Paul V. McNutt, has highly honored us by agreeing to make the principal address to the Gold Star Mothers in Staunton on the afternoon of June 20. Governor McNutt already enjoys a national reputation, and I predict further honors for him in the coming years. We would like for you to come to Staunton to hear Governor McNutt on Saturday, to see the birthplace of Woodrow Wilson, to visit the spot where Lewis, of West Augusta, dressed in deerskin breeches and a coonskin cap, proposed independence for the Colonies months before Patrick Henry declared that life was not so dear or peace so sweet as to be purchased at the price of chains and slavery. And on your way to Staunton you will have an opportunity to pass through the beautiful Shenandoah Park, which on July 3 will be officially dedicated by the President of the United States as a national recreational area. [Applause.]

ENROLLMENT OF H. R. 12624

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the House concurrent resolution (H. Con. Res. 60) which I send to the Clerk's desk.

The Clerk read the House concurrent resolution, as follows:

House Concurrent Resolution 60

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives is authorized and directed, in the enrollment of H. R. 12624, to amend the matter

agreed to by both Houses in connection with Senate amendment no. 14, as follows:

Insert in such matter, after the figures "1936", the following: "including payment of salaries and expenses heretofore incurred in preparing to carry out the provisions of such act."

The SPEAKER. Is there objection to the present consideration of the House concurrent resolution?

There was no objection.

The House concurrent resolution was agreed to.

QUESTIONNAIRE TO SCHOOL TEACHERS OF THE DISTRICT OF COLUMBIA

Mr. KELLER. Mr. Speaker, I offer the following privileged resolution, which I send to the desk and ask to have read.

The SPEAKER. Does the gentleman offer the resolution as a matter of the privileges of the House?

Mr. KELLER. I do.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Whereas the gentleman from Texas, Mr. BLANTON, has directed a letter to each and every school teacher in the District of Columbia seeking certain information, of which the following is an exact copy:

"As chairman of the subcommittee handling the District appropriation bill, to obviate a hearing and save you the time and inconvenience of coming before us in person, I request that you kindly give us the following information, filled in by you in the blank spaces provided therefor, and signing same, and return promptly in the enclosed addressed envelope, requiring no postage, namely:

"Please state—

"Your present position?_____ School?_____ Salary?_____

"Do you believe in any of the doctrines of communism?_____ If so, which_____. Do you approve of communism being given any favor or support in the schools?_____.

"Do you believe there is a God?_____. Do you believe in some form of religion?_____.

"Are you a subscriber to the Social Frontier?_____. Were you asked to subscribe?_____. If so, state by whom_____.

"Are you a member of the N. E. A.?_____. Since when?_____. Who suggested joining?_____.

"Have you a copy of Conclusions and Recommendations?_____. Have you read same?_____.

"Have you a copy of Counts' Dare the School Build a New Social Order?_____. Have you read same?_____. Do you approve of same?_____. Do you approve of Dr. George S. Counts' writings?_____. Do you approve of Dr. Charles A. Beard's writings? _____. Have you been to Russia?_____. Did you attend school there?_____.

"Have you read Boy and Girl Tramps of America, by Thomas Minehan?_____. Do you approve it?_____. Are you in favor of high school girls reading it?_____. Would you read it aloud? _____.

"Have you read Made in Russia?_____. Do you approve of it? _____.

"Do you approve of Scholastic as a school magazine for high-school students?_____. Do you know why the school committee's recommendation to eliminate it from the Washington public schools has been held up?_____. If so, why?_____.

"Very truly yours,

"THOMAS L. BLANTON.

"My answers above are correct _____; position_____, address_____."

Whereas this was done as chairman of the subcommittee handling the District appropriation bill; and

Whereas the letter was sent in a franked envelope as official business; and

Whereas a franked envelope requiring no postage was inserted in the letter for the purpose of the teacher's reply; and

Whereas the use of the language "to obviate a hearing and to save you the time and inconvenience of coming before us in person, I request that you kindly give us the following information", would lead the recipient to believe that a failure to answer the questionnaire would result in the issuance of a subpena hauling the teacher before the subcommittee handling the District appropriation bill; and

Whereas this constitutes a thinly veiled threat that a subpena might be issued; and

Whereas the subcommittee does not have authority to force the attendance of anybody at a hearing; and

Whereas there has been no congressional action giving this subcommittee that power; and

Whereas the action of the gentleman from Texas, Mr. BLANTON, in directing this letter to the teachers in the aforementioned manner might lead some to believe that the subcommittee and the House of Representatives were joining with the gentleman from Texas, Mr. BLANTON, in demanding this information in this threatening manner; and

Whereas the spread of this belief might tend to greatly lessen the dignity of the House of Representatives and violate the integrity of this House by assuming an authority which had not been delegated to him: Therefore be it

Resolved, That the House deplores the action of the gentleman from Texas, Mr. BLANTON, which was not authorized by the House of Representatives nor by any competent agency thereof, and that his action shall not be construed as being an act authorized by the House of Representatives nor any competent agency thereof.

During the reading of the foregoing resolution the following occurred:

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eighty Members present, not a quorum.

Mr. O'CONNOR. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 124]

Andrews	Deen	Hook	Robsion, Ky.
Ayers	Dies	Kee	Rogers, Okla.
Berlin	Ditter	Kleberg	Ryan
Bolton	Doutrich	Lanham	Sadowski
Brennan	Drewry	Larrabee	Sanders, La.
Brewster	Duffey, Ohio	Lee, Okla.	Sandlin
Brooks	Dunn, Miss.	McClellan	Sauthoff
Buckley, N. Y.	Eagle	McFarlane	Schneider, Wis.
Bulwinkle	Englebright	McSwain	Schuetz
Cannon, Wis.	Ferguson	Maloney	Scrugham
Cary	Fernandez	Martin, Mass.	Sears
Chapman	Piesinger	Maverick	Secrest
Claiborne	Fish	Michener	Stewart
Clark, N. C.	Frey	Monaghan	Sumners, Tex.
Cole, Md.	Gasque	Montague	Tolan
Collins	Gassaway	Montet	Weaver
Connery	Gray, Pa.	Nelson	Wilson, La.
Corning	Greenway	Nichols	Wood
Culkin	Hamlin	Oliver	Zioncheck
Darden	Higgins, Conn.	Parks	
Darrow	Hoeppel	Reed, N. Y.	
Dear	Hollister	Richards	

The SPEAKER. Three hundred and thirty-seven Members have answered to their names, a quorum.

Mr. O'CONNOR. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The Clerk resumed and concluded the reading of the resolution.

Mr. BLANTON. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. While I think the resolution clearly shows upon its face that it is not a privileged resolution, and is subject to a point of order, I do not want to make the point of order, because I want the author of the resolution, the gentleman from Illinois [Mr. KELLER], to be heard upon the matter, and I want to be heard myself, because I want the House to know what the facts are, and then to vote on the matter. I want a vote of the House on it. I shall not make the point of order.

Mr. FULLER. Mr. Speaker, I make the point of order that it is not a resolution involving the privileges of the House. Upon its face it shows that Mr. BLANTON had no authority to bind any Member of this House, and certainly had none in law, directly or indirectly, to bind his committee. As to whether or not he did what is right is not a question for this House to pass on as a special privilege. It is a matter in which he exercised his own judgment, and certainly he could not bind the House and no Member of the House could be bound by it. It is, therefore, in no sense of the word a resolution involving the privileges of the House.

Mr. BLANTON. I would much prefer that the House vote on the resolution.

The SPEAKER. The gentleman from Arkansas makes the point of order that the subject matter in the resolution is not sufficient to constitute a matter involving the privileges of the House. The Chair has had opportunity to examine this question.

Mr. MARCANTONIO. Mr. Speaker, may I be heard upon the point of order?

The SPEAKER. No. The Chair is ready to rule. During the roll call the Chair had an opportunity to examine carefully the subject matter of the resolution, and also the rules of the House. The Chair is somewhat familiar with

the precedents involved in matters of this sort. The question of privilege under rule IX under which this resolution is offered provides that questions of privilege shall be—

First, those affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings.

The matter set up in the resolution constitutes an allegation of certain conduct on the part of an individual Member of the House, who, it seems, wrote certain letters to school teachers or other persons in the District of Columbia. Whether or not the subject matter of the letter was proper or not, whether it was a matter of propriety or not, whether it was a matter of good judgment or not, is not one that involves under this rule the question of the privileges of the House and its proceedings, in the opinion of the Chair. The Chair, therefore, sustains the point of order. [Applause.]

Mr. BLANTON. Mr. Speaker, since this ridiculous resolution has been read into the RECORD and will go in the press, and every fair-minded man in the House knows that votes for it here would be negligible and it could not be passed, I think it is only fair that the House should give me 5 minutes, and I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

Mr. KENNEDY of New York. I object.

Mr. BLANTON. Mr. Speaker, of course, one objection can prevent it, so I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. I submit the last four clauses of the resolution just read, which was filed here by the gentleman from Illinois [Mr. KELLER], without any notice whatever to me, at a time when I was in a Senate conference, working for this House, and did get an agreement with the Senate conferees on an important appropriation bill, will be used by "red" newspapers as a reflection upon me, although, as a matter of fact, it cannot hurt me or my good name in any way. I had no notice that this resolution was to be offered, and I was called out of that conference with Senate managers after the resolution had been sent to the Clerk's desk for consideration.

While under a strict interpretation of the rules I realize full well that because the resolution does not reflect upon me, and will not hurt me, it does not constitute privilege, but I feel that I should raise the question to show what a great injustice was done me by it being presented. I submit that, as a matter of personal privilege, I should have a right to be heard.

The SPEAKER. The Chair stated that in his opinion the subject matter stated in the resolution was not of such nature as reflected upon the gentleman from Texas.

The Chair is of the opinion that the matter stated by the gentleman from Texas does not constitute a question of personal privilege. [Applause.]

Mr. BLANTON. I am glad the Chair has ruled that way, and I hope the "red" newspapers will correctly report it, and abide by it. [Laughter and applause.]

The regular order was demanded.

Mr. BLANTON rose.

The SPEAKER. For what purpose does the gentleman from Texas rise?

Mr. BLANTON. I should like to ask whether or not under the unanimous consent that heretofore has been granted all Members of the House to extend their own remarks, it would embrace my review of this question in my remarks in the RECORD?

The SPEAKER. Under the privilege granted the gentleman has the right to extend his own remarks.

Mr. BLANTON. I want the Members to read what I put into the RECORD tonight. [Laughter and applause.]

PRELIMINARY EXAMINATION OF INTRACOASTAL WATERWAY THROUGHOUT BROWARD COUNTY, FLA.

Mr. WILCOX. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12458) authorizing a preliminary examination of the intracoastal waterway throughout Broward County, Fla.

The SPEAKER. Is there objection?

Mr. WADSWORTH. Mr. Speaker, reserving the right to object, has this any connection with the famous Florida canal?

Mr. WILCOX. None whatever.

Mr. WADSWORTH. I withdraw my reservation of objection.

Mr. SNELL. Reserving the right to object, Mr. Speaker, I should like to ask the gentleman from Florida a question. As I understand, this is a survey that can be done by the Army engineers in their regular duties?

Mr. WILCOX. That is correct.

Mr. SNELL. And it does not call for any extra expenditure on the part of the Federal Government?

Mr. WILCOX. The gentleman is correct.

The SPEAKER. Is there objection?

Mr. MAPES. Further reserving the right to object, Mr. Speaker, one or two other similar resolutions have been called up by unanimous consent in the House during the past few days. My understanding is that the same authority can be granted to the Board of Engineers by a simple resolution of the Committee on Rivers and Harbors. I am wondering why Members do not submit their resolutions to that committee and get a resolution from the committee?

Mr. WILCOX. I think the gentleman is in error on that. The Committee on Rivers and Harbors can authorize a resurvey which has been previously authorized by the Congress; but it is my understanding that as to an original survey there must be an authorization by Congress for the Board of Army Engineers to make it an initial proposition.

Mr. MAPES. Does the gentleman say that the law does not permit the Committee on Rivers and Harbors to authorize a resurvey?

Mr. WILCOX. No, no. The law does permit a resurvey, and it does permit the Rivers and Harbors Committee, by simple resolution, to authorize surveys within the purview of the original act. For instance, this intracoastal waterway was adopted by the Congress. Any survey in connection with the original proposal for the establishment of the waterway could be done by the Rivers and Harbors Committee, but this is a proposal to survey a certain section of that waterway for the purpose of determining flood-control measures that may be installed to prevent the overflow of salt water on farm lands in the adjacent territory.

Mr. MAPES. Has the gentleman submitted his resolution to the Committee on Rivers and Harbors?

Mr. WILCOX. Yes; and that committee found it was outside of their jurisdiction. The matter was referred to the Committee on Flood Control, which has favorably reported it upon the recommendation of the Secretary of War.

Mr. MAPES. This resolution has been reported by the Committee on Flood Control?

Mr. WILCOX. Oh, yes.

The SPEAKER. Is there objection?

Mr. RICH. Reserving the right to object, Mr. Speaker, is this one of the Regular Army flood-control survey projects?

Mr. WILCOX. No. This proposes a survey of a short territory to determine whether or not flood-control measures could be installed along this waterway, to prevent overflows.

Mr. RICH. When was this brought out in the Flood Control Committee? I have attended practically every session of the committee, and I do not recall that bill. We did pass the regular flood-control bills that were authorized by the Army engineers.

Mr. WILCOX. This was reported by the Committee on Flood Control (Rept. No. 2739) May 22.

Mr. RICH. Mr. Speaker, I am going to object for the present.

Mr. WILCOX. I hope the gentleman will not object.

Mr. RICH. I object, Mr. Speaker.

LIEV EIRIKSSON PAINTING IN STATUARY HALL

Mr. KNUTE HILL. Mr. Speaker, I ask unanimous consent to extend my own remarks, and include therein addresses made on the occasion of the official presentation and acceptance of the Liev Eiriksson painting in Statuary Hall on March 23.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KNUTE HILL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following addresses made on the occasion of the official presentation and

acceptance of the Liev Eiriksson painting in Statuary Hall on March 23:

PRAYER BY JAMES SHERA MONTGOMERY, CHAPLAIN, HOUSE OF REPRESENTATIVES

Almighty God, Thou hast been our dwelling place in all generations, before the mountains were brought forth or ever Thou hast formed the earth and the world—even from everlasting to everlasting Thou art God. Thou art not only our Heavenly Father but Thou art our Heavenly Father upon earth. We rejoice in Thy providences which have been above all and over all and we believe will be blessed forevermore. We are grateful for the rich and abiding contributions which have been made to our country by other lands. Hear us, gracious Father, as we breathe a prayer of gratitude for those courageous sons and daughters which have come from the arteries of the brave Norsemen, conspicuous among whom is he whose memory we celebrate today. We praise Thee for his chivalry of soul, for his vision, and for his daring and intrepid spirit which led him to the unknown shores of this part of the old world. We praise Thee for the generations of those which continue to make rich our country in peace, righteousness, and industry. God, abide with the King and the royal family of their homeland. Bless our own country and ever remain with our own President. Through Jesus Christ, our Lord. Amen.

INTRODUCTION BY WILHELM MORGENSTIERNE, NORWEGIAN MINISTER TO THE UNITED STATES

Mr. Vice President, Mr. Speaker, distinguished Members of the Senate and the House of Representatives, ladies, and gentlemen, 11 years ago, on the occasion of the Norwegian American Centennial in 1925, the Congress of the United States authorized a special commemorative medal which carried the words: "By authority of the Congress of the United States of America", and, further, a picture of a viking ship and of Liev Eiriksson and the letters "A. D. 1000."

This was accepted on both side of the ocean, I believe, as the definite, official recognition by the United States of Liev Eiriksson as the first discoverer of the American Continent.

This event gave a tremendous impetus to the Liev Eiriksson movement. It has been growing steadily since, until last year the Congress and the President of the United States decided that October 9, 1935, should be officially observed all over the United States as Liev Eiriksson Day, the Stars and Stripes flying that day from all public buildings in the United States.

Today, thanks to the efforts primarily of my friend Dr. Bjercke, and also other Norwegian friends of America, a copy of the famous painting Liev Eiriksson Discovers America is going to be presented to the Congress.

It has been my privilege during the last year to submit this matter to Members of Congress and to receive the assurance that this painting would be gladly accepted and included in that collections of historic paintings which illustrate the manifest destiny of this great Nation.

To all Norwegians, to all Americans of Norwegian ancestry, to those hundreds of thousands in Norway and here listening in this morning, this is an occasion of great significance. To me it is an honor and a privilege to stand before you today as the representative of the Government and the people of Norway.

If the essence of true diplomacy is to emphasize what reveals and unites, if it is to create mutual understanding and good will between men and between nations, here, indeed, is a task eminently congenial and appropriate.

I am sure that no vain desire of mere priority enters into this eagerness to commemorate and to gain universal recognition for Liev's discovery. No one could more than the Norwegians, with their traditions of high adventure and seamanship, admire and whole-heartedly recognize the epoch-making venture which 500 years later was responsible for the opening up and the permanent settlement of the American Continent.

The real incentive behind the Liev Eiriksson movement undoubtedly has been, and is, first the love of historic truth, and, secondly, the deep affection which the several million Americans of Norwegian ancestry feel for this country and its people. No wonder that theirs should be a proud satisfaction that this historic contact between Norway and America stretches back almost a thousand years.

In the heroic figure of Liev they sense, and we in Norway sense, a symbol of that relationship. A relationship which in modern times has found nourishment and inspiration in the democratic ideas and institutions, the ideals of freedom and of peace, which both Nations have in common.

There is something fine and inspiring in the fact that no question of size or bigness plays any part in this fundamental understanding and friendship between one nation of 130,000,000 people and one of 3,000,000. Here are two great nations in the true sense of the word, joining hands across the sea, realizing that not only do they have the same colors in their flags but also the same ideals in their hearts.

Just as I was leaving for the Capitol this morning I received a cable from Dr. Halvdan Koht, the eminent professor of history at the University of Oslo and Minister of Foreign Affairs of Norway. He asks me to convey his hearty personal greetings to everyone present here this morning. Dr. Koht emphasizes in his message how our common history, and a common spirit of enterprise, bind together the Norwegian and American people in close understanding and sympathy.

I have the honor and the pleasure to introduce to you Dr. Alf Bjercke, of Oslo, who did not only originate the idea of this gift but who has also carried it to such a happy conclusion. Dr. Bjercke has come here from Norway to present this picture on behalf of those Norwegian friends of America of whom he is one. Dr. Alf Bjercke.

ADDRESS BY DR. ALF BJERCKE

Mr. Vice President, Mr. Speaker, distinguished Members of the Senate and of the House of Representative, ladies, and gentlemen, I should like to begin by saying that we Norwegians are immensely grateful to the American people for the friendliness with which we have been met by this great Nation. In the first instance the Norwegian pioneers who came over here during the first period of emigration owe a debt of thanks to the Nation, and later all good Norwegians during several generations who succeeded them and who by hard and honest work made themselves deserving of the confidence shown them by this great Nation in receiving them amongst its people as its own. They are all glad and proud—as we in the native country also are—when the highest representative of this great Nation gives the following testimonial to the Norwegian contribution to American progress:

"We recognize fully the great contribution which they (the Norwegians) have made to the progress of this country, in a cultural as well as in a commercial and industrial way." These were the words of President Roosevelt about 2 years ago.

In addition to this recognition of the Norwegian-born men and women's good work as American citizens, the American people in general are more and more realizing that the Norwegians' feelings for this continent are, so to speak, rooted in tradition. I refer here to all the memorials and other marks of appreciation which are dedicated to the name of Liev Eiriksson, America's discoverer. All Norwegian-bred American citizens and all Norwegians in the mother country received with great pleasure the information that the Congress last year instituted the 9th of October as Liev Eiriksson's Day. And we entertain the hope that the day will continue to be devoted to his memory.

It is with gratitude to the Congress for its friendly act and for all other American honor to the first white man who set foot on the American shore, together with 34 other Norsemen, that we today present Congress with this painting of Liev Eiriksson's expedition to America. It is a gift from Norwegian friends of America and amongst the subscribers you will find our Parliament's Speaker, Mr. C. J. Hambro, who recently visited the States, as President of the International League of Norsemen. Also the Minister of Foreign Affairs, Mr. Halvdan Koht, from whom you just received a greeting through the Minister, Mr. Mowinckel, former Prime Minister. And among the contributors is our eminent Minister to the States, Mr. Morgenstierne, who has subscribed as an indication of personal devotion and love for this country, to which he is Norway's official representative. You will also find Capt. Magnus Andersen's name there, the old viking, who crossed the ocean from Norway to the world exhibition in Chicago in 1893 in an open viking ship copied from the original Gokstad ship in the museum near Oslo—besides several Norwegian friends of America.

I venture to assert that there are few moments in history so dramatic as when our Norwegian ancestors landed for the first time on the American shore up there on the coast of Labrador. They were looking for experiences and adventures and they found them, just as Nansen and Amundsen did later. Liev Eiriksson and his men, they did not search the gold like the Spaniards who came to the islands after them and to the southern parts of the American continent. They did not find gold, but they found adventure. They discovered for the first time the soil which later has given bread and power to the world's mightiest Nation—the United States of today. We have hitherto, according to the historical sources which have been known, regarded this voyage of discovery as one made only by adventurers, but the subsequent investigation has shown that behind the manly courage and behind the toil was regularity of plan and desire to find new land for further colonization.

I should at this point like to say a few words about Liev Eiriksson. He was the son of Eirik Raude, who discovered Greenland in 980 and subsequently colonized it. Liev bought a boat from a man called Bjarne Herjulvssøn. Bjarne had sailed from Iceland to Greenland, but drifted westward into the sea; a fog came on and he lost his course. When the fog cleared and they set their course again, they saw land which they understood was not Greenland, because it was not wooded. Bjarne was therefore the first Norseman who saw the American shore, but he did not land there. And Liev Eiriksson bought his ship in order to explore this land which Bjarne had only seen. Liev's expedition was not an accidental discovery of new land, like Bjarne's, but Liev is one of the important men of that age, there is a glamour about his young, strong personality which calls to mind one of his contemporaries, the Norwegian hero King, Olav Trygvason. Liev disembarked where they saw land first, and named it "Helluland", part of what is now called Baffinsland—afterward he came to Markland (Woodland), the coast of Labrador, and continued southward. They came to a land where it was good to be, with salmon in the sea and fine soil. There was no frost in wintertime as there was in their own country, and the grass was always green. They explored the land thoroughly and found among other things, grapes, which caused Liev to call the land "Wineland." From the time reports and observations regarding the sun's position, according to the latest investigations, we can now in all probability establish that Wineland was situated about 50° to 40°, or even further south.

As I have said there was a plan for the expeditions to the country which they temptingly called Wineland, and the enterprises continued down through the Middle Ages, even if nothing more

came of them than an attempt at colonization with 160 people and three ships led by Torfin Karlsevne.

Torfin's son Snorre was the first white native American, being born about 1020 in America.

We are glad and proud that the Nation has officially accepted this painting to be placed here in the Capitol of the United States, and that those who live in this country today where Liev Eiriksson was the first to set foot have not forgotten the country's first discoverer, but honor his memory by giving the painting a place in the very heart of the Nation, at its seat of power. And we hope that all the thousands of visitors who will see this painting in the coming years will pause awhile before it and receive a strong impression of this bold, stalwart Viking, as Christian Krogh, the famous Norwegian painter, in 1893 pictured Liev Eiriksson standing at the tiller pointing to the new country—the New World. We hope that this picture will inspire the American men and women to get to know the descendants of this explorer who first discovered the country for the white man. And we should be very glad, indeed, if this picture could play a part in inducing you Americans also to go on expeditions eastward to see the country Liev Eiriksson came from, and even if you do not meet him or his vikings over there, and it is perhaps just as well, I can promise you all the same that the country lies where it lay 936 years ago, just as safe and beautiful.

Sirs, with these words I have the honor on behalf of Norwegian friends of America to present the painting Liev Eiriksson Discovers America to the Congress.

ADDRESS OF SENATOR ALBEN W. BARKLEY ACCEPTING THE PAINTING LIEV EIRIKSSON DISCOVERS AMERICA, PRESENTED BY THE PEOPLE OF NORWAY TO THE PEOPLE OF THE UNITED STATES, MARCH 23, 1936, IN STATUARY HALL, CAPITOL OF THE UNITED STATES

Mr. Vice President, Mr. Speaker, Your Excellency, Dr. Morgenstierne, Dr. Bjercke, ladies, and gentlemen: I very deeply appreciate the honor which has been conferred upon me as a representative of the Senate of the United States in accepting this beautiful painting of a historic discovery.

If time permitted, it would afford me the greatest of pleasure to allow my fancy to dwell upon the remarkable history of the Scandinavian people as a whole and of Norway in particular. I should like to trace the growth of this great people, its migrations and settlement in the northern countries, now known as Norway, Sweden, and Denmark, its kinship and connection with the great Indo-European race of men, and its influence upon the civilization of the world; but obviously I cannot, on this occasion, indulge my fancy to such an extent.

The history of the races of mankind, to me, is a fascinating story. I love to dwell upon the migrations and settlements of tribes and of races in the various portions of the world, and try to imagine the moving causes which impelled them forward to the permanent settlements which became their final allotment of the earth's surface.

In all this migration, in all these movements, in all these great developments of what we call the world's civilization, no race of men has played a more heroic part than the people now known as Scandinavians.

In the beginning, they were a ferocious and warlike people. They sent their ships of war and plunder into nearly all parts of the civilized world. They conquered the Roman Empire and made of the cultured Romans conquered slaves. They invaded and took possession of Italy, of Spain, of parts of France, of England, of Germany, and of Russia.

They conquered Normandy and brought to that part of France a new culture and a new vigor. They conquered England and sat upon her throne for many years.

They established the Russian Empire and dominated it for nearly two centuries.

They discovered Iceland and established there the world's first republic more than a thousand years ago, the anniversary of whose establishment was celebrated in 1930 and was attended by an American delegate in the person of our Senator PETER NORBECK, of South Dakota, who is now in this audience.

This great race of people—and I speak now particularly of the Norwegian branch of the Scandinavian race—discovered and civilized Greenland. They were the first to send their ships of commerce across the waste waters of the North Atlantic. From the region of their first discovery and exploration they sent their ships and their men and women to the northern coasts of America, though it was not then known by such a name. The history of these discoveries must, of course, leave something to the imagination, but it is fairly definitely known that these Norwegian adventurers came down the eastern coast of this continent as far as Newfoundland, Nova Scotia, and Markland or Vineland, which is the region adjacent to Cape Cod, and that they probably sailed as far south as Long Island in New York State.

The leaders in this vanguard of American discovery were Eric the Red and Liev Eiriksson. Tradition tells us that these men were forced to leave Norway because of homicides which they had committed. If this is true, we are reminded that they lived in an age where brute force played an overwhelming part in the relationships of men; but if it be true that their departure from Norway was the result of these personal encounters, then the civilization of America, which they assisted in promoting, may be counted as an atonement for such misdeeds as may have been attributed to them.

The story of Liev Eiriksson, who is the subject of this beautiful painting which is today unveiled, is a romantic story. It is a story of love, adventure, and of hardship. It is a story of privation. It is a story that ranks him and his life inseparably with the strength and vigor of the Scandinavian world.

We need not seek to penetrate the night which enveloped what is now northern America from the advent of Eiriksson to the later discovery of Christopher Columbus. It is sufficient that the descendants of Liev Eiriksson have made an indispensable contribution to the civilization of the United States.

It is a singular coincidence that this great race of people who at the beginning were so savage in their attacks upon other nations and other people have become the most peace loving and peaceful among the nations of the world. Norway, Sweden, and Denmark not only live in peace among themselves, but at peace with all the world. During the world's greatest struggle from 1914 to 1918, these people dedicated to the arts of civilization and to the pursuit of happiness, not only remained aloof from the conflict, but made great contributions toward the ultimate outcome of peace.

These great people have contributed to the jurisprudence of our civilized era a conception of law and of order and orderly development which takes its place alongside that of England.

In our own country they have made indispensable contributions to the arts and sciences, to religion and education, to the development of industry, and to the high conception of public service which characterizes the regions in which they are predominating citizens.

As I look upon this beautiful painting I am reminded of Washington crossing the Delaware, but it was no Delaware River that Liev Eiriksson navigated to discover northern America. It was an ocean theretofore uncharted, which held within its bosom every element of nautical danger. The wonder to us is that he was ever able to reach the goal or to return to the country from which he had departed.

Dr. Bjercke, let me, as the commissioned representative of the Senate, on this historic occasion express to you the gratitude of our people for this gracious gift to them from the people of your country. This painting will hang in the Capitol of this great Nation as a perpetual reminder of the enduring friendship which exists between your country and ours, and may I express the hope that you will convey to your people in Norway and indirectly to all the people of Scandinavia our deep appreciation of the fine spirit which has actuated them in sending you to this Capitol to present to us this historic painting of a great historic accomplishment consummated more than 1,000 years ago.

May I express the fervent hope that the great contributions to civilization which your people have made and are making may enlarge the vision of mankind and the opportunities for the enjoyment of a fuller life, and may I also express the fervent hope that the cordial relationship which has always existed between your people and ours may continue so long as men appreciate the heroic and substantial part that both countries and both peoples are playing in the development and the enjoyment of a better world?

HOMESTEADS FOR ACTUAL FARM FAMILIES

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein excerpts from the report of a subcommittee of the Committee on the Public Lands, of which I was chairman, on H. R. 8286, a bill to provide homesteads free of debt for actual farm families, introduced by me.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PETERSON of Georgia. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following report of the subcommittee of the Committee on the Public Lands, of which I was chairman, on the bill (H. R. 8286) to provide homesteads free of debt for actual farm families:

SEVENTY-FOURTH CONGRESS, SECOND SESSION

MAY 19, 1936

The subcommittee of the Committee on the Public Lands appointed for the purpose of studying the provisions of H. R. 8286, a bill to provide homesteads free of debt for actual farm families, introduced by Mr. PETERSON of Georgia, makes its report, as follows:

The question of the necessity for legislation of this nature has been considered of first importance.

In an effort to determine this question, we have made a careful study of national homestead policies; the trend of farm ownership, farm-mortgage debt, and tenant farming; and the effect of these forces upon the national economic and social structure.

In the detailed report which follows this summary may be found tables and data, compiled by various Government agencies, substantiating statements made herein. Data has also been obtained from regular Government statistics and reports which are not reproduced herein but which are readily available.

SUMMARY

In this study we have divided farmers into three groups: Owner-operators free of mortgage debt, owner-operators with mortgage debt, and tenant farmers.

During the 40-year period for which complete census figures are available—1890 to 1930—the group of owner-operators free of mortgage debt steadily declined. Today they represent less than one-third of the total number of farmers. The number of farms operated by tenants increased rapidly. Farm mortgages grew by

leaps and bounds—from a total of slightly over three and one-quarter billion dollars in 1910 to nine and one-quarter billion dollars in 1930.

We find that no legislation of a basic nature relating to the national land policies has been enacted since the adoption of the homestead law of 1862. At that time there was a total of over 1,000,000,000 acres of land in the public domain, a major portion of which was suitable for farm purposes.

So long as free farm lands were available to the public, farm families operating their own homesteads free of debt composed the predominating group of the Nation's farmers.

The farm mortgage was a minor feature of the farm structure.

Such tenantry as existed was of a voluntary nature.

Years ago, however, all the desirable farm lands passed into private ownership, and the homestead law of 1862 has become inoperative. Since that time farm mortgages and tenant rentals have occupied places of increasing importance in the Nation's economy; while the plight of the tenant farmer and the owner-operator with mortgaged farm has created a serious social problem different from any heretofore confronting our people.

ANALYSIS OF THE FARMER'S INCOME

A reason for this rapid decline in the number of owner-operated farms free of mortgage debt and a corresponding increase in the number of tenant farms is readily found through an analysis of the income of the Nation's farmer.

The last complete census giving necessary data for this purpose was that of 1930.

In 1930 farm prices and farm production were both above normal, and exchange values as between agriculture and industry were not far below normal, so that the figures for 1930 may be relied upon as fairly representative. (See table at close of detailed report.)

During that year (1930) the average net income of the average farm operator throughout the Nation, above operating expenses, was $26.50 per month. (In 1934 it was only $18.42 per month.)

The average net cash income of the average farm operator in the three respective groups was as follows:

Net cash income per month:

Owner-operator free of mortgage debt	$36.66
Owner-operator with mortgage debt	15.00
Tenant farmer	21.00

(Figures given here are for the average throughout the entire Nation. Net cash income of each group for each State is estimated in a table appearing in the detailed report.)

LIMITED INCOME PROHIBITS PAYMENT OF OBLIGATIONS

Out of his income of $36.66 per month, the owner-operator free of mortgage debt was supposed to supply management and supervision for his farm (which had an average value of $9,103); support and clothe his family; provide household necessities; pay doctors' and medicine bills; educate his children; pay church dues and other religious and social obligations; take care of telephone, electric, and other similar accounts; furnish and maintain automobiles, radio, sewing machines, etc.; and meet all other obligations of the normal American family.

Expenditures, however, are often in excess of this exceedingly limited income. Especially is this true with credit and merchandise both plentiful, with fine farm lands available as collateral, and with loan agents anxious to make commissions.

Once the farmer steps beyond the bounds of his income, whether deliberately or through the force of circumstances, the result is generally another farm mortgage.

After the average owner-operator has mortgaged his farm he finds that in addition to all the other operating expenses he is also forced to meet interest and retirement payments on the mortgage in order to prevent foreclosure. In 1930, after paying these additional expenses, his net cash income dwindled from $36.66 per month to an average of $15 per month (the average farm mortgage in 1930 amounted to approximately $3,500). With this sum it is obviously impossible for the farmer to meet his living expenses, which are just as great as they were before he mortgaged his farm.

As a result he becomes delinquent in payments on the farm mortgage. The mortgage is foreclosed, and his farm is placed in the group of tenant-operated farms.

Convincing evidence of this fact is found in tables presented in the detailed report following this summary, which tables were prepared by the Farm Credit Administration. They show that more Federal land-bank loans are foreclosed each year than are paid. On January 1, 1935, over one-third of the outstanding loans were delinquent.

AMERICA'S NEW CASTE SYSTEM

Struggling against these tremendous odds the American farmer is being driven into a condition of tenantry.

Even now 3,000,000 farm families are settling down to a social state of serfdom heretofore foreign to our great country.

Almost 2,000,000 more, with their farm homes heavily mortgaged, struggle on under the burden of debt, hoping that a kind Providence will save them from a like fate.

Less than 2,000,000 families of the Nation's once proud group of independent home-owning farmers remain, and their ranks are thinning every year. The independent home owner is rapidly vanishing.

BANKRUPTCY COURTS AND FREE SOIL—THE NATION'S CITY OF REFUGE

In framing our Government, the founders recognized the necessity for an avenue of escape from the oppressions of debt, and provided for the enactment of Federal bankruptcy laws.

The bankruptcy system was planned as a city of refuge to safeguard every citizen of the Nation in his inalienable right of the pursuit of happiness. However, this system was buttressed and supplemented by what appeared at the time to be an unlimited supply of free soil, available to all. Free homesteads constituted a vital portion of the city of refuge.

After freeing himself of the burden of debt through bankruptcy proceedings, a citizen could move into new lands where he could acquire a homestead and maintain his family, secure from threat of tenantry or serfdom.

Today, with no more free homesteads available, the Federal bankruptcy laws have lost their sustaining ally, free soil. They continue to be effective weapons against the oppressions of debt, but they no longer offer hope to the unfortunate citizen who has become a victim of tenantry and serfdom—those other monsters, equally as hideous, which have, since the dawn of civilization, destroyed human rights and blighted human progress wherever they have prevailed. From these conditions our Government now provides no city of refuge—no avenue of escape—for the average citizen of the Nation.

Since the homestead law of 1862 became ineffective there is no national law safeguarding the American farmer in his inalienable right of the pursuit of happiness in freedom and independence.

AGRICULTURE DRIFTS—A PREY OF INDUSTRY

For 40 years agriculture in the United States has been gradually drifting into the clutch of practices which have prevailed in commerce and industry for centuries, and which, when permitted to go unchecked, have invariably destroyed the independent farm home, and reduced agriculture to a condition of serfdom.

Under a correct order of things this condition would not prevail.

Agriculture is the foundation of our economic structure, and the stability of agriculture is dependent upon self-supporting families composed of free and equal citizens.

Therefore, the Nation's commercial and industrial activities should center around a sound national agrarian policy; while its social structure should rest upon the sturdy shoulders of a free yeomanry.

GOVERNMENT AID ESSENTIAL

It is gravely doubtful whether this problem will ever right itself without the aid of the Federal Government.

Experience, throughout the ages, has demonstrated that without such aid the farm group when once reduced to serfdom never regain that equal station to which the laws of nature and of nature's God entitle them.

> Ill fares the land, to hastening ills a prey,
> Where wealth accumulates, and men decay.
> Princes and lords may flourish or may fade,
> A breath can make them as a breath has made;
> But a bold peasantry, their country's pride,
> When once destroyed, can never be supplied.

CONCLUSIONS

It is evident that the present trend of agriculture is toward a system of tenantry and serfdom that is destructive of the liberty and freedom of the individual citizen and foreign to the doctrine of equality of citizenship.

This condition is brought about largely by economic practices beyond the farmer's control and is very undesirable, both economically and socially, tending to destroy essential elements of our Christian civilization.

It is, therefore, a duty of Congress to enact legislation to check this tendency and to promote the economic independence of agriculture and the social welfare of those engaged in agriculture equally with all other groups. H. R. 8286, a bill to provide homesteads free of debt for actual farm families, proposes a national land policy designed to meet these specific ends. It involves a basic principle of government that is essential to the life of our free institutions.

We, therefore, consider it a matter of vital importance.

To aid the committee in its further consideration of this legislation we present our report and findings, supported by important tables and other data, together with an explanation of the bill.

DETAILED REPORT

REVIEW OF NATIONAL LAND POLICY

The homestead law under which the major portion of the Nation's public domain was settled was enacted in 1862, after having been a subject of national debate and discussion over a long period of years.

Its primary purpose was to provide an opportunity for needy families to own a home and live in freedom and independence. It was intended by its author to provide a haven of safety for every citizen who was willing to labor with his hands and earn an honest living by the sweat of his brow.

Under its provisions over 1 billion acres of public domain were made available to the people of the Nation, and there was promoted an amount of emigration the like of which the history of the world affords no other example.

The beginning of the twentieth century found practically all desirable farm lands taken up by homesteaders.

With no free lands suitable for farm purposes left, the homestead law of 1862 could no longer be the means of furnishing free land for free laborers.

Complete title to these lands had passed out of the Government. It was the homesteader's to use as he saw fit, to mortgage, to give away, or to sell. However, when the title to this homestead passed out of his possession he could not now apply to the General Land Office for a new homestead. The supply had become exhausted.

In the Thirteen Original States the lands were never under the jurisdiction of the General Land Office, but were controlled by the States themselves. Although the major portion of these lands had passed into private possession long before the enactment of the homestead law of 1862, still the operation of that law in opening vast areas to free homesteaders materially affected land practices and values in these States.

During the intervening years from the enactment of the homestead law of 1862 to 1890, when the first comprehensive farm census was taken, there was free land for everyone who was willing to take possession of it. Therefore, such tenantry as existed was certainly of a voluntary nature.

During this period, too, the problem of the farm mortgage was not insurmountable, for when the costs of a mortgage became excessive or beyond the ability of the farmer to pay he always had the recourse of giving up his farm and moving west to new and unencumbered land.

Laborers engaged in industrial pursuits were not forced to accept terms of employment which they considered unjust or unfair. They were not absolutely dependent upon their employer for a living. The Government was always ready to furnish them with a free farm where they could live in freedom and independence.

Whenever the burden of debt became destructive of the liberty of any citizen he could always turn to the Government for relief through the bankruptcy laws, and for a new opportunity through the homestead law.

The Nation's free soil was the people's greatest natural refuge from injustice and oppression.

THE PRESENT TREND OF AGRICULTURE

Soon after the beginning of the twentieth century free farm lands suitable for the support of a family disappeared. The homestead law became inoperative.

Since that time agriculture has been drifting, without the aid of national legislation or the guidance of a definite national policy.

In order to determine the direction of the drift of agriculture, we have made a study of the census figures for the entire 40-year period from 1890 to 1930. This analysis of the Nation's farm population and of the fiscal affairs of the Nation's farmer discloses certain pronounced and continuing tendencies.

Although farm operators are ordinarily placed in two groups—the owner and the tenant—we find that the farm mortgage, which played so small a part in the early history of agriculture in this Nation, has grown to be such a tremendous factor that it is necessary to give it equal attention with the other elements of the farm picture.

We have, therefore, found it essential to class farm operators into three groups in order to correctly analyze their present condition:

1. The farm operator who owns his farm free of mortgage debt.
2. The farm operator who owns his farm but has a mortgage on it.
3. The farm operator who does not own his farm, and is known as the tenant farmer.

Then there is a small group of farmers known as managers, who occupy only a small part of the complete field of operation. Certainly it is not necessary to take them into account in order to get a true picture of the real condition of the average American farmer.

Throughout the entire 40-year period 1890 to 1930, there was a constant decrease in the percentage of owner-operators free of mortgage debt.

At the same time there was a constant and steady increase in the percentage both of owner-operators with farm mortgages and of tenant farmers. The table below clearly demonstrates these facts.

Number of farms in the United States, by tenure and by mortgage status of owners, 1890, 1900, 1910, 1920, 1925, and 1930

[Compiled from reports on the Census of Agriculture]

Description	1890	1900	1910	1920	1925	1930
	Number	*Number*	*Number*	*Number*	*Number*	*Number*
Total	4,564,641	5,739,657	6,361,502	6,448,343	6,371,640	6,288,648
Full owners and part owners	[1] 3,142,746	3,638,403	3,948,722	3,925,090	3,868,332	3,568,394
Free of mortgage debt	2,228,806	2,419,180	2,588,596	2,074,325	[2]	1,845,997
Mortgaged	874,215	1,093,164	1,312,034	1,461,306	[3] 1,395,026	1,497,766
Unknown	39,725	126,059	48,092	389,459	[2]	224,631
Full owners				3,366,510	3,313,490	2,911,644
Free of mortgage debt				1,844,470	[2]	1,569,178
Mortgaged				1,217,234	[3] 1,128,207	1,157,848
Unknown				304,806	[2]	184,618
Part owners				558,580	554,842	656,750
Free of mortgage debt				229,855	[2]	276,819
Mortgaged				244,072	266,819	339,918
Unknown				84,653	[2]	40,013
Managers		59,213	58,104	68,449	40,700	55,889
Owners and managers	3,269,726	3,660,072	4,006,826	3,993,539	3,909,032	3,624,283
Joint owners and tenants		53,299				
Tenants	1,294,913	2,026,286	2,354,676	2,454,804	2,462,608	2,664,365

PERCENTAGE OF ALL FARMS

Description	1890	1900	1910	1920	1925	1930
	Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Total	100.0	100.0	100.0	100.0	100.0	100.0
Full owners and part owners	[1] 68.8	63.4	62.1	60.9	60.7	56.7
Free of mortgage debt	48.8	42.2	40.7	32.2		29.4
Mortgaged	19.2	19.0	20.6	22.7	21.9	23.8
Unknown	.8	2.2	.8	6.0		3.5
Full owners				52.2	52.0	46.3
Free of mortgage debt				28.6		25.0
Mortgaged				18.9	17.7	18.4
Unknown				4.7		2.9
Part owners				8.7	8.7	10.4
Free of mortgage debt				3.6		4.4
Mortgaged				3.8	4.2	5.4
Unknown				1.3		.6
Managers		1.0	.9	1.1	.6	.9
Owners and managers	71.6	63.8	63.0	61.9	61.4	57.6
Joint owners and tenants		.9				
Tenants	28.4	35.3	37.0	38.1	38.6	42.4

[1] Owned farm homes.
[2] Not reported.
[3] Number reporting amount of mortgage debt on farm land and buildings anywhere in the United States.

FREE AND SELF-SUPPORTING FARM FAMILY DISAPPEARING

It is evident from the above table, which shows both the number of farms in each group and the percentage of the total each group represents, for the 10-year periods from 1890 to 1930, that the owner-operator free of debt is disappearing from the farm picture.

In 1890 there were 2,228,806 owner-operators free of debt out of the total number of four and one-half million farm families. This represented almost one-half of the total farms.

In 1930 the total number of owner-operators free of debt had decreased to 1,845,997, while the total number of farms had increased to over six and one-quarter million.

In 40 years the owner-operators free of mortgage debt decreased from 48.8 percent of the total to 29.4 percent of the total.

During this same period the owner-operators with farm mortgage increased from 874,215, or 19.2 percent of the total, to 1,497,766, or 23.8 percent of the total.

Likewise the tenant farmers steadily increased, rising from 1,294,913, or 28.4 percent of the total, in 1890 to 2,664,365, or 42.4 percent of the total, in 1930.

(At the close of this report can be found detailed tables for the years 1890, 1910, 1920, and 1930. These tables, prepared by the Census Bureau of the Department of Commerce, show number of

farms, land in farms, and value of farms, by tenure of farm operator and by mortgage status for full owners and part owners, by divisions and States.)

By combining the two groups—owner-operators with mortgage debt and tenants—into one group and comparing the combined group with the group of owner-operators free of mortgage debt a much clearer and more impressive picture of the entire farm group for the whole Nation is presented.

In 1890 the owner-operator free of debt represented 48.8 percent of the total number of farms, while the owner-operator with mortgage debt and the tenant farmer combined represented only 47.6 percent of the total.

Forty years later, in 1930, the owner-operator free of mortgage debt represented only 29.4 percent, or less than one-third of the total, while the owner-operator mortgaged and the tenant farmer combined represented 66.2 percent, or two-thirds of the total.

The tables given below show number of farms in these groups and the percentage of the total they represent for the entire Nation and for each State of the Union for the years 1890, 1910, 1920, and 1930.

Total land area, farm acreage, and the number of farms and owned farm homes—Specified tenure and mortgage classes, by States: Census of 1890

	Total land area (acres)	Total area in farms (acres)	Total number of farms	Farm homes occupied by owners free from debt		Farms of tenants and occupied farm homes of owners mortgaged		Farm homes occupied by owners, debt not reported, and all other farms, except tenant farms	
				Number [1]	Percent of all farms	Number	Percent of all farms	Number	Percent of all farms
United States	1,903,337,600	623,218,619	4,564,641	2,228,806	48.8	2,169,128		166,707	
Alabama	32,818,560	19,853,000	157,772	68,596	43.5	79,751		9,425	
Arizona	72,857,600	1,297,033	1,426	1,602		231		−407	
Arkansas	33,616,000	14,891,356	124,760	75,127	60.2	43,331		6,302	
California	99,776,000	21,427,293	52,894	27,701	52.4	22,742		2,451	
Colorado	66,341,120	4,598,941	16,389	11,098		5,638		−347	
Connecticut	3,084,800	2,253,432	26,350	14,750	56.0	9,698		1,902	
Delaware	1,257,600	1,055,692	9,381	3,223	34.4	5,745		413	
District of Columbia	37,120	11,745	382	232		150			
Florida	35,111,040	3,674,486	34,228	23,030	67.3	8,788		2,410	
Georgia	37,584,000	25,200,435	171,071	70,841	41.4	94,072		6,158	
Idaho	53,346,560	1,302,256	6,603	5,619		1,401		−417	
Illinois	35,841,280	30,498,277	240,681	100,158	41.6	139,927		596	
Indiana	22,966,400	20,362,516	198,167	95,656	48.3	97,610		4,901	
Iowa	35,575,040	30,491,541	201,903	66,949	33.2	133,099		1,855	
Kansas	52,335,360	30,214,456	166,617	52,065	31.2	111,923		2,629	
Kentucky	25,715,840	21,412,229	179,264	117,405	65.5	49,703		12,156	
Louisiana	29,061,760	9,544,219	69,294	33,560	48.4	32,153		3,581	
Maine	19,132,800	6,179,925	62,013	44,372	71.6	15,951		1,690	
Maryland	6,362,240	4,952,390	40,798	17,768	43.6	20,262		2,768	
Massachusetts	5,144,960	2,998,282	34,374	20,314	59.1	12,095		1,965	
Michigan	36,787,200	14,785,636	172,344	73,415	42.6	95,666		3,263	
Minnesota	51,719,120	18,663,645	116,851	52,416	44.9	60,461		3,974	
Mississippi	29,671,680	17,572,547	144,318	55,652	38.6	80,903		7,763	
Missouri	43,985,280	30,780,290	238,043	108,100	45.4	125,706		4,237	
Montana	93,568,640	1,964,197	5,603	4,340	77.5	1,071		192	
Nebraska	49,157,120	21,593,444	113,608	39,855	35.1	71,242		2,511	
Nevada	70,285,440	1,661,416	1,277	1,023		308		−54	
New Hampshire	5,779,840	3,459,018	29,151	19,992	68.6	7,894		1,265	
New Jersey	4,808,960	2,662,009	30,828	10,897	35.3	18,818		1,113	
New Mexico	78,401,920	787,882	4,458	8,032		449		−4,023	
New York	30,498,560	21,961,562	226,223	96,595	42.7	122,172		7,456	
North Carolina	31,193,600	22,651,896	178,359	100,820	56.5	66,062		11,477	
North Dakota	44,917,120	7,660,333	27,611	12,855	46.6	14,102		654	
Ohio	26,073,600	23,352,408	251,430	130,817	52.0	110,708		9,905	
Oklahoma [2]	44,424,960	1,606,423	8,826	9,903		65		−1,142	
Oregon	61,188,480	6,909,888	25,530	16,774	65.7	8,319		437	
Pennsylvania	28,692,480	18,364,370	211,557	112,004	52.9	91,631		7,922	
Rhode Island	682,880	469,281	5,500	3,276	59.6	1,801		423	
South Carolina	19,516,800	13,184,652	115,008	41,531	36.1	67,191		6,286	
South Dakota	49,195,520	11,396,460	50,158	19,273	38.4	27,802		3,083	
Tennessee	26,679,680	20,161,583	174,412	102,784	58.9	57,199		14,429	
Texas	167,934,720	51,406,937	228,126	118,164	51.8	102,679		7,283	
Utah	52,597,760	1,323,705	10,517	9,795		1,119		−397	
Vermont	5,839,360	4,395,646	32,573	14,759	45.3	16,520		1,294	
Virginia	25,767,680	19,104,951	127,600	79,310	62.2	36,877		11,413	
Washington	42,775,040	4,179,190	18,056	13,948		6,623		−2,515	
West Virginia	15,374,080	10,321,326	72,773	47,816	65.7	20,047		4,910	
Wisconsin	35,363,840	16,787,988	146,409	72,316	49.4	70,949		3,144	
Wyoming	62,460,160	1,830,432	3,125	2,278	72.9	474		373	

[1] Farm homes occupied by their owners. In the reports of the 1890 census, all owned farm homes without mortgage report were distributed between the two groups, "mortgaged" and "free from mortgage." For purposes of comparison, the number of these farm homes which was assigned to each group has been recomputed and subtracted, leaving the figures for 1890 approximately as reported.

[2] Figures include Oklahoma Territory alone, no data being available for Indian Territory.

Total land area, farm acreage, and number of farms of specified classes, by States

CENSUS OF 1910

	Total land area (acres)	Area in farms (acres)	Total number of farms	Farms operated by owners free from debt		Farms of owners mortgaged and of all tenants		Farms of managers, and owners mortgage status not reported	
				Number	Percent of total	Number	Percent of total	Number	Percent of total
United States	1,903,289,600	878,798,325	6,361,502	2,588,596	40.7	3,666,710	57.6	106,196	1.7
Alabama	32,818,560	20,732,312	262,901	74,504	28.3	185,783	70.7	2,614	1.0
Arizona	72,838,400	1,246,613	9,227	7,038	76.3	1,904	20.6	285	3.1
Arkansas	33,616,000	17,416,075	214,678	82,321	38.3	129,640	60.4	2,717	1.3
California	99,617,280	27,931,444	88,197	39,368	44.6	44,897	50.9	3,932	4.5
Colorado	66,341,120	13,532,113	46,170	26,822	58.1	18,026	39.0	1,322	2.9
Connecticut	3,084,800	2,185,788	26,815	13,080	48.8	12,590	47.0	1,145	4.3
Delaware	1,257,600	1,038,866	10,836	3,817	35.2	6,799	62.7	220	2.0
District of Columbia	38,400	6,063	217	93	42.9	105	48.4	19	8.8
Florida	35,111,040	5,253,538	50,016	29,614	59.2	18,502	37.0	1,900	3.8
Georgia	37,584,000	26,953,413	291,027	78,004	26.8	209,297	71.9	3,786	1.3
Idaho	53,346,560	5,283,604	30,807	17,933	58.2	12,198	39.6	676	2.2
Illinois	35,867,520	32,522,937	251,873	87,713	34.4	160,171	63.6	4,988	2.0

Total land area, farm acreage, and number of farms of specified classes, by States—Continued

CENSUS OF 1910—continued

	Total land area (acres)	Area in farms (acres)	Total number of farms	Farms operated by owners free from debt		Farms of owners mortgaged and of all tenants		Farms of managers, and owners mortgage status not reported	
				Number	Percent of total	Number	Percent of total	Number	Percent of total
Indiana	23,068,800	21,299,823	215,485	89,847	41.7	121,601	56.4	4,037	1.9
Iowa	35,575,040	33,930,688	217,044	63,234	29.1	150,160	69.2	3,650	1.7
Kansas	52,335,360	43,384,799	177,841	60,582	34.1	114,647	64.5	2,612	1.5
Kentucky	25,715,840	22,189,127	259,185	135,505	52.3	120,899	46.6	2,781	1.1
Louisiana	29,061,760	10,439,481	120,546	42,011	35.9	76,441	63.4	2,094	1.7
Maine	19,132,800	6,296,859	60,016	41,309	68.8	17,511	29.2	1,196	2.0
Maryland	6,362,240	5,057,140	48,923	21,084	43.1	26,543	54.3	1,296	2.6
Massachusetts	5,144,960	2,875,941	35,917	18,788	50.8	15,993	43.3	2,156	5.8
Michigan	36,787,200	18,940,614	206,960	88,705	42.9	115,320	55.7	2,935	1.4
Minnesota	51,749,120	27,675,823	156,137	65,038	41.7	88,956	57.0	2,143	1.4
Mississippi	29,671,680	18,557,533	274,382	60,543	22.1	211,184	77.0	2,655	1.0
Missouri	43,985,280	34,591,248	277,244	102,514	37.0	171,444	61.8	3,286	1.2
Montana	93,568,640	13,545,603	26,214	18,014	68.7	7,164	27.3	1,036	4.0
Nebraska	49,157,120	38,622,021	129,678	47,435	36.6	80,280	61.9	1,963	1.5
Nevada	70,285,440	2,714,757	2,689	1,805	67.1	694	25.8	190	7.1
New Hampshire	5,779,840	3,249,458	27,053	18,119	67.0	8,113	30.0	821	3.0
New Jersey	4,808,960	2,573,857	33,487	11,983	35.8	20,087	60.0	1,417	4.2
New Mexico	78,401,920	11,270,021	35,676	31,382	88.0	3,732	10.5	562	1.6
New York	30,498,560	22,050,367	215,597	93,118	43.2	117,183	54.4	5,296	2.5
North Carolina	31,193,600	22,439,129	253,725	117,028	46.1	133,929	52.8	2,768	1.1
North Dakota	44,917,120	28,426,650	74,360	30,651	41.2	42,391	57.0	1,318	1.8
Ohio	26,073,600	24,105,708	272,045	135,616	49.9	132,185	48.6	4,244	1.6
Oklahoma	44,424,960	28,859,353	190,192	46,889	24.7	140,173	73.7	3,130	1.6
Oregon	61,188,480	11,685,110	45,502	24,855	54.6	19,491	42.8	1,156	2.5
Pennsylvania	28,692,480	18,586,832	219,295	112,156	51.1	101,804	46.4	5,335	2.4
Rhode Island	682,880	443,308	5,292	2,811	53.1	2,134	40.3	347	6.6
South Carolina	19,516,800	13,512,028	176,434	47,535	26.9	126,241	71.6	2,658	1.5
South Dakota	49,195,520	26,016,892	77,644	35,101	45.2	40,922	52.7	1,621	2.1
Tennessee	26,679,680	20,041,657	246,012	118,285	48.1	125,067	50.8	2,660	1.1
Texas	167,934,720	112,435,067	417,770	128,082	30.7	283,583	67.9	6,105	1.5
Utah	52,597,760	3,397,699	21,676	15,131	69.8	6,212	28.7	333	1.5
Vermont	5,839,360	4,663,577	32,709	14,851	45.4	17,148	52.4	710	2.2
Virginia	25,767,680	19,495,636	184,018	111,474	60.6	69,911	38.0	2,633	1.4
Washington	42,775,040	11,712,235	56,192	30,979	55.1	23,752	42.3	1,461	2.6
West Virginia	15,374,080	10,026,442	96,085	66,093	68.4	29,360	30.4	1,232	1.3
Wisconsin	35,363,840	21,060,066	177,127	72,941	41.2	101,783	57.5	2,403	1.4
Wyoming	62,460,160	8,543,010	10,987	7,815	71.1	2,820	25.7	352	3.2

CENSUS OF 1920

United States	1,903,215,360	955,883,715	6,448,343	2,074,325	32.2	3,916,110	60.7	457,908	7.1
Alabama	32,818,560	19,576,856	256,099	64,498	25.2	176,123	68.8	15,478	6.0
Arizona	72,838,400	5,802,126	9,975	3,708	37.2	5,181	51.9	1,086	10.9
Arkansas	33,616,000	17,456,750	232,604	64,881	27.9	153,211	65.9	14,512	6.2
California	99,617,280	29,365,667	117,670	36,042	30.6	69,250	58.9	12,378	10.5
Colorado	66,341,120	24,462,014	59,934	20,965	35.0	34,894	58.2	4,075	6.8
Connecticut	3,084,800	1,898,980	22,655	9,597	42.4	10,839	47.8	2,219	9.8
Delaware	1,257,600	944,511	10,140	3,504	34.6	6,004	59.2	632	6.2
District of Columbia	38,400	5,668	204	53	26.0	114	55.9	37	18.1
Florida	35,111,040	6,046,691	54,005	25,010	46.3	21,791	40.3	7,204	13.3
Georgia	37,584,000	25,441,061	310,732	64,061	20.6	230,089	74.0	16,582	5.3
Idaho	53,346,560	8,375,873	42,106	11,872	28.2	26,761	63.6	3,473	8.2
Illinois	35,867,520	31,974,775	237,181	68,892	29.0	152,235	64.2	16,054	6.8
Indiana	23,068,800	21,063,332	205,126	73,233	35.7	117,061	57.1	14,832	7.2
Iowa	35,575,040	33,474,896	213,439	45,807	21.5	155,160	72.7	12,472	5.8
Kansas	52,335,360	45,425,179	165,286	40,979	24.8	110,765	67.0	13,542	8.2
Kentucky	25,715,840	21,612,772	270,626	116,613	43.1	130,945	48.4	23,068	8.5
Louisiana	29,061,760	10,019,822	135,463	36,010	26.6	89,164	65.8	10,289	7.6
Maine	19,132,800	5,425,968	48,227	30,665	63.6	15,027	31.2	2,535	5.3
Maryland	6,362,240	4,757,999	47,908	19,292	40.3	25,180	52.6	3,436	7.2
Massachusetts	5,144,960	2,494,477	32,001	14,055	43.9	14,919	46.6	3,027	9.5
Michigan	36,787,200	19,032,961	196,447	72,869	37.1	113,480	57.8	10,098	5.1
Minnesota	51,749,120	30,221,758	178,478	54,086	30.3	113,683	63.7	10,709	6.0
Mississippi	29,671,680	18,196,979	272,101	53,073	19.5	203,792	74.9	15,236	5.6
Missouri	43,985,280	34,774,679	263,004	82,099	31.2	161,265	61.3	19,640	7.5
Montana	93,523,840	35,070,656	57,677	16,365	28.4	36,404	63.1	4,908	8.5
Nebraska	49,157,120	42,225,475	124,417	26,965	21.8	88,621	71.2	8,731	7.0
Nevada	70,285,440	2,357,163	3,163	1,599	50.6	1,180	37.3	384	12.1
New Hampshire	5,779,840	2,663,506	20,523	11,992	58.4	6,762	32.9	1,769	8.6
New Jersey	4,808,960	2,282,585	29,702	10,000	33.7	16,911	56.9	2,791	9.4
New Mexico	78,401,920	24,409,633	29,844	16,650	55.8	9,912	33.2	3,282	11.0
New York	30,498,560	20,632,803	193,195	75,522	39.1	103,735	53.7	13,938	7.2
North Carolina	31,193,600	20,021,736	269,763	102,050	38.2	141,958	52.6	24,855	9.2
North Dakota	44,917,120	36,214,751	77,690	12,833	16.5	60,380	77.7	4,477	5.8
Ohio	26,073,600	23,515,858	256,695	110,004	42.9	126,428	49.3	20,263	7.9
Oklahoma	44,424,960	31,951,934	191,988	30,551	15.9	144,861	75.5	16,576	8.6
Oregon	61,188,480	13,542,318	50,206	18,077	36.0	27,270	54.3	4,859	9.7
Pennsylvania	28,692,480	17,657,513	202,250	93,804	46.4	92,760	45.9	15,686	7.8
Rhode Island	682,880	331,600	4,083	1,971	48.3	1,582	38.7	530	13.0
South Carolina	19,516,800	12,426,675	192,693	42,847	22.2	138,530	71.9	11,316	5.9
South Dakota	49,195,520	34,636,491	74,637	16,037	21.5	53,303	71.4	5,297	7.1
Tennessee	26,679,680	19,510,856	252,774	105,128	41.6	136,149	53.9	11,497	4.5
Texas	167,934,720	114,020,621	436,033	105,490	24.2	302,249	69.3	28,294	6.5
Utah	52,597,760	5,050,410	25,662	10,756	41.9	12,703	49.5	2,203	8.6
Vermont	5,839,360	4,235,811	29,075	12,132	41.7	15,611	53.7	1,332	4.6
Virginia	25,767,680	18,561,112	186,242	98,470	52.9	72,076	38.7	15,696	8.4
Washington	42,775,040	13,244,720	66,288	25,012	37.7	36,423	54.9	4,853	7.3
West Virginia	15,374,080	9,569,790	87,289	25,617	60.3	24,372	27.9	10,300	11.8
Wisconsin	35,363,840	22,148,223	189,295	57,773	30.5	121,516	64.2	10,006	5.3
Wyoming	62,430,720	11,809,351	15,748	6,816	43.3	7,481	47.5	1,451	9.2

Total land area, farm acreage, and number of farms of specified classes, by States—Continued

CENSUS OF 1930

	Total land area (acres)	Area in farms (acres)	Total number of farms	Farms operated by owners free from debt		Farms of owners mortgaged and of all tenants		Farms of managers, and owners mortgage status not reported	
				Number	Percent of total	Number	Percent of total	Number	Percent of total
United States	1,903,216,640	986,771,016	6,288,648	1,845,997	29.4	4,162,131	66.2	280,520	4.5
Alabama	32,818,560	17,554,635	257,395	47,406	18.4	202,837	78.9	7,152	2.8
Arizona	72,838,400	10,526,627	14,173	4,822	34.0	5,937	41.8	3,414	24.1
Arkansas	33,616,000	16,052,962	242,334	47,494	19.6	186,393	77.0	8,447	3.5
California	99,617,280	30,442,581	135,676	43,852	32.3	79,056	58.3	12,768	9.3
Colorado	66,341,120	28,876,171	59,956	15,741	26.2	40,708	67.9	3,507	5.8
Connecticut	3,084,800	1,502,279	17,195	7,024	40.9	9,066	52.7	1,105	6.4
Delaware	1,257,600	900,815	9,707	3,470	35.7	5,689	58.6	548	5.6
District of Columbia	39,680	3,071	104	35	33.7	44	42.3	25	24.0
Florida	35,111,040	5,026,617	58,966	25,535	43.3	26,457	44.9	6,974	11.8
Georgia	37,594,000	22,078,630	255,598	46,479	18.2	199,807	78.2	9,312	3.7
Idaho	53,346,560	9,346,908	41,674	11,466	27.5	27,977	67.1	2,231	5.3
Illinois	35,867,520	30,695,339	214,497	62,990	29.4	141,941	66.2	9,566	4.4
Indiana	23,068,800	19,688,675	181,570	61,731	34.0	111,483	61.4	8,356	4.5
Iowa	35,575,040	34,019,332	214,928	41,371	19.3	166,040	77.3	7,517	3.5
Kansas	52,335,360	46,975,647	166,042	41,728	25.1	119,405	71.9	4,909	3.0
Kentucky	25,715,840	19,927,286	246,499	103,780	42.1	126,601	51.4	16,118	6.6
Louisiana	29,061,760	9,355,437	161,445	30,339	18.8	125,231	77.6	5,875	3.7
Maine	19,132,800	4,639,938	39,006	22,535	57.8	13,688	35.1	2,783	7.1
Maryland	6,362,240	4,374,398	43,203	17,575	40.7	23,089	53.4	2,539	5.9
Massachusetts	5,144,960	2,005,461	25,596	9,961	38.9	13,601	53.1	2,036	7.9
Michigan	36,787,200	17,118,951	169,372	68,046	40.2	95,168	56.2	6,158	3.6
Minnesota	51,749,120	30,913,367	185,255	53,830	29.1	125,708	67.8	5,717	3.1
Mississippi	29,671,680	17,332,195	312,663	44,271	14.2	261,408	83.7	6,984	2.2
Missouri	43,985,280	33,743,019	255,940	80,056	31.3	169,260	66.1	6,624	2.6
Montana	93,523,840	44,659,152	47,495	14,498	30.6	30,620	64.5	2,377	5.0
Nebraska	49,157,120	44,708,565	129,458	24,893	19.2	99,981	77.2	4,584	3.5
Nevada	7,285,440	4,080,906	8,442	1,332	38.7	1,595	46.3	515	15.0
New Hampshire	5,779,840	1,960,061	14,906	7,704	51.7	5,721	38.4	1,481	9.9
New Jersey	4,808,960	1,758,027	25,378	9,316	36.7	14,611	57.6	1,451	5.7
New Mexico	78,401,920	30,822,034	31,404	15,655	49.9	12,057	38.4	3,692	11.8
New York	30,498,560	17,979,633	159,806	68,786	43.0	82,659	51.7	8,361	5.3
North Carolina	31,193,600	18,055,103	279,708	89,364	31.9	176,847	63.2	13,497	4.8
North Dakota	44,917,120	38,657,894	77,975	14,124	18.1	60,990	78.2	2,861	3.6
Ohio	26,673,600	21,514,059	219,296	94,179	42.9	113,692	51.9	11,425	5.2
Oklahoma	44,424,960	33,790,817	203,866	31,776	15.6	163,887	80.4	8,203	4.1
Oregon	61,188,480	16,548,678	55,153	19,754	35.8	32,860	59.6	2,539	4.6
Pennsylvania	28,692,480	15,309,485	172,419	85,616	49.7	75,602	43.9	11,201	6.5
Rhode Island	682,880	279,361	3,322	1,619	48.7	1,441	43.4	262	8.0
South Carolina	19,516,800	10,393,113	157,931	32,222	20.4	121,088	76.7	4,621	2.9
South Dakota	49,195,520	36,470,053	83,157	15,394	18.5	64,381	77.4	3,382	4.0
Tennessee	26,679,680	18,003,241	245,657	87,010	35.4	147,935	60.2	10,712	4.3
Texas	167,934,720	124,707,130	495,489	99,440	20.1	377,118	76.1	18,931	3.8
Utah	52,597,760	5,613,101	27,159	9,488	35.0	15,198	55.9	2,473	9.1
Vermont	5,839,360	3,896,097	24,898	9,945	40.0	14,043	56.4	910	3.6
Virginia	25,767,680	16,728,620	170,610	87,031	51.1	75,584	44.3	7,995	4.7
Washington	42,775,040	13,533,778	70,904	25,774	36.3	40,909	57.7	4,221	5.9
West Virginia	15,374,080	8,802,348	82,641	49,259	59.7	26,904	32.6	6,478	7.8
Wisconsin	35,363,840	21,874,155	181,676	55,509	30.5	119,801	65.9	6,457	3.6
Wyoming	62,430,720	23,525,234	16,011	4,772	29.9	10,013	62.5	1,226	7.6

FARM MORTGAGES AND TENANTRY INCREASE

It is evident from a study of the above tables that farm mortgages are being contracted at a more rapid pace than they are being paid off. (As further evidence of this fact we refer to table 19, p. 46, of Technical Bulletin No. 288, issued by the U. S. Department of Agriculture in February 1932.)

It is also evident that the number of farms shifting into the tenant class is increasing more rapidly than the number shifting into the owner-operated class.

The total land area of the United States is 1,903,337,600 acres, of which about 1,000,000,000 acres is in farms.

Of this amount only approximately 300,000,000 acres are operated by the owner and free of mortgage debt.

The remainder, over 700,000,000 acres, which represents over two-thirds of the total acreage, is either heavily mortgaged or operated by tenants, or both mortgaged and operated by tenants.

The outstanding mortgage debt on farm lands in the Nation is estimated for the respective years, as follows (H. Doc. No. 9, 73d Cong. 1st sess., p. 5):

1910	$3,320,470,000
1920	7,857,700,000
1930	9,241,390,000

Since 1930, statisticians calculate that at least $1,000,000,000 of the mortgage debt has been retired either through foreclosure or a scaling down of indebtedness.

In 1930 it is estimated that the farm-mortgage debt of over $9,000,000,000 was secured by mortgage over approximately 425,000,000 acres of farm land.

The value of the average farm of the Nation in 1930 was $9,103.

The average mortgage debt per owner-operated farm mortgaged throughout the Nation was approximately $3,561. The average size of the mortgage in the different States varied considerably—from an average amount of $1,163 in Mississippi to $9,626 in Iowa.

The average annual interest charges per owner-operated farm mortgaged throughout the Nation were $219.

The interest charges on all farm mortgages for the entire Nation amounted to over $500,000,000.

Other debts in addition to mortgage debts increased the farmer's total interest charges in 1930 to between $800,000,000 and $900,000,000. (See H. Doc. No. 9, 73d Cong., 1st sess., p. 20.)

The table below shows the average size and value of owner-operated farms mortgaged, the average amount of the mortgage, and the average interest charges on the mortgage for each State of the Union in 1930.

Mortgaged farms operated by full owners reporting amount of debt by divisions and States, 1930

Division or State	Average acreage per farm [1]	Average value per farm [1]	Average mortgage debt per farm [1]	Average charges per farm [2]
United States	147.3	$8,997	$3,561	$219
Geographic divisions:				
New England	110.4	7,073	2,565	155
Middle Atlantic	95.6	7,759	3,029	179
East North Central	99.8	8,394	3,773	221
West North Central	189.2	13,000	5,639	326
South Atlantic	111.0	5,598	1,965	129
East South Central	109.8	4,039	1,551	102
West South Central	241.3	7,788	2,634	180
Mountain	324.2	10,041	3,714	257
Pacific	117.8	15,388	4,909	330
New England:				
Maine	126.8	5,959	2,013	130
New Hampshire	123.7	4,998	1,805	100
Vermont	160.9	5,674	2,423	139
Massachusetts	65.6	8,554	3,089	190
Rhode Island	62.4	8,960	2,977	188
Connecticut	75.0	9,721	3,264	194
Middle Atlantic:				
New York	110.0	7,896	3,093	184
New Jersey	60.0	10,776	4,012	247
Pennsylvania	85.9	6,923	2,733	158

[1] Based on 1,145,737 farms reporting amount of debt.

[2] Interest, commissions, bonuses, and premiums for 1929, based on 1,107,664 farms reporting amount of debt and charges.

Mortgaged farms operated by full owners reporting amount of debt by divisions and States, 1930—Continued

Division or State	Average acreage per farm	Average value per farm	Average mortgage debt per farm	Average charges per farm
East North Central:				
Ohio	82.8	$7,314	$3,136	$195
Indiana	90.8	6,767	2,722	166
Illinois	122.3	14,112	6,182	358
Michigan	89.9	6,099	2,534	160
Wisconsin	112.3	9,169	4,600	253
West North Central:				
Minnesota	143.4	10,610	4,734	270
Iowa	146.2	19,853	9,626	533
Missouri	130.0	7,123	3,233	199
North Dakota	380.4	11,332	4,323	277
South Dakota	315.2	14,951	5,768	338
Nebraska	308.9	19,586	7,588	428
Kansas	226.3	12,604	4,460	267
South Atlantic:				
Delaware	81.4	6,429	2,554	155
Maryland	94.2	7,948	3,123	186
District of Columbia	16.4	22,529	5,250	309
Virginia	122.5	7,260	2,295	143
West Virginia	122.4	5,073	1,580	101
North Carolina	87.3	4,300	1,599	102
South Carolina	114.5	4,362	1,747	128
Georgia	142.4	4,065	1,620	114
Florida	93.3	9,465	2,561	193
East South Central:				
Kentucky	105.0	5,199	1,995	123
Tennessee	102.3	4,682	1,798	115
Alabama	112.2	3,181	1,264	92
Mississippi	118.8	3,125	1,163	80
West South Central:				
Arkansas	105.2	3,472	1,327	99
Louisiana	106.7	4,676	1,780	128
Oklahoma	173.6	7,525	2,529	162
Texas	370.0	10,759	3,522	238
Mountain:				
Montana	520.7	9,644	3,808	257
Idaho	176.0	9,715	3,802	260

Mortgaged farms operated by full owners reporting amount of debt by divisions and States, 1930—Continued

Division or State	Average acreage per farm	Average value per farm	Average mortgage debt per farm	Average charges per farm
Mountain—Continued.				
Wyoming	629.0	$10,260	$3,435	$ 33
Colorado	310.0	10,040	3,857	259
New Mexico	487.4	9,039	2,767	201
Arizona	117.6	13,425	4,187	321
Utah	183.6	9,040	3,145	229
Nevada	715.3	21,056	8,298	574
Pacific:				
Washington	95.4	9,295	3,036	200
Oregon	200.4	10,239	3,526	226
California	97.0	20,510	6,405	437

ANALYSIS OF FARM INCOME, 1930

The average farm in 1930 had a gross income of $1,503. Included, however, in this amount were farm products consumed by the farm family which were valued at $226.

This left a gross cash income of $1,277.

The total average operating expenses, including taxes and interest but excluding costs of liquidating farm-mortgage debts, were $889.

This left an average net cash income of $388 per family.

It is estimated that there are 1.22 family laborers to each farm, not including household laborers and members of the family not actually engaged in the operation of the farm. Therefore the cash income per family laborer was $318 annually, or $26.50 per month.

There are given below tables prepared by the Division of Statistical and Historical Research, Bureau of Agricultural Economics, setting forth these facts, including the total amount of the different items which entered into the cost of operation. (We have also secured comparative figures for 1934, which are also given below:)

Income from farm production in the United States and its distribution, 1930 and 1934

Item	1930	1934	Percentage of gross income	
			1930	1934
	Million dollars	*Million dollars*		
Gross income from agricultural production	9,454	6,706	100.0	100.0
Value of farm products retained for home consumption	1,424	1,033	15.1	15.4
Gross cash income from agricultural production	8,030	5,673		
Total expenditures for farm operations	5,591	3,832		
Operators' current production expenditures	1,722	1,206	18.2	18.0
Depreciation on operators' buildings and equipment	892	780	9.4	11.8
Wages to hired labor	1,112	518	11.8	7.7
Interest payable on farm mortgages of operators (excluding dwellings)	362	298	3.8	4.4
Taxes payable on operators' farms	420	271	4.5	4.0
Rent to nonoperators	911	669	9.6	10.0
All other expenditures	172	81	1.8	1.2
Gross income available for operators' labor, capital, and management	3,863	2,874	40.9	42.9
Cash income available for operators' labor, capital, and management	2,439	1,841	25.8	27.5
	Number	*Number*		
Number of farms in the United States	[1] 6,288,648	[2] 6,812,350		
	Dollars	*Dollars*		
Gross income from agricultural production per farm	1,503	984		
Value of farm products retained for home consumption per farm	226	151		
Gross cash income from agricultural production per farm	1,277	833		
Expenditures for farm operations per farm	889	562		
Gross income available for operator's labor, capital, and management per farm	614	422		
Cash income available for operator's labor, capital, and management per farm	388	270		
	Number	*Number*		
Unpaid family laborer per farm (including operator)	1.22	1.22		
	Dollars	*Dollars*		
Income available per family laborer (unpaid)	503	346		
Cash income per family laborer (unpaid)	318	221		
Yearly wage rate per laborer without board	535	326		
Yearly wage rate per laborer with board	374	215		

[1] United States Census of Agriculture, Jan. 1, 1930.
[2] United States Census of Agriculture, Jan. 1, 1935.

Division of Statistical and Historical Research of the Bureau of Agricultural Economics.

The average farmer who owned and operated his farm, free of mortgage debt, had a net cash income, above actual operating expenses, of $440 per farm laborer annually, or $36.66 per month.

The average farmer who owned and operated his farm and had a mortgage on it had a net cash income above actual operating expenses (including interest and sinking fund on the mortgage debt) of $179 per farm laborer annually, of $15 per month.

The average tenant farmer had a net cash income above actual operating expenses (including rentals) of $252 per farm laborer annually, or $21 per month.

There are inserted below tables showing the total income, total operating costs, and net cash income for each of these three groups for the entire Nation for 1930.

Owner-operator (total number, 1,845,997), free of mortgage debt

Total gross income, 1930		$1,503
Income in kind		226
Total cash income		1,277
Operating expenses	$435	
Wages	177	
Taxes	95	
Other expenditures	33	
Total expenditures in production of crop		740
Net cash income for 1.22 family laborers		$537
Net cash income per family laborer		$440
Percent of total cash income received as net, per laborer		34
Net cash income per month per laborer		$36.66

Owner-operator (total number, 1,497,766), with mortgage debt

Total gross income, 1930		$1,503
Income in kind		226
Total cash income		1,277
Operating expenses	$435	
Wages	177	
Taxes	95	
Interest on mortgage debt	219	
All other expenditures	33	
Sinking fund on debt	100	
Total expenditures in production of crop and on debt		1,059
Net cash income for 1.22 family laborers		$218
Net cash income per family laborer		$179
Percent of total cash income received as net, per laborer		14
Net cash income per month per laborer		$15

Tenant (total number, 2,664,365)

Total gross income, 1930		$1,503
Income in kind		226
Total cash income		1,277
Operating expenses	$389	
Wages	177	
Rent	342	
Taxes	29	
Other expenditures	33	
Total expenditures in production of crop		970
Net cash income for 1.22 family laborers		$307
Net cash income per family laborer		$252
Percent of total cash income received as net per laborer		20
Net cash income per month per laborer		$21

The owner-operator must either manage and supervise his farm holding, valued at $9,103, himself or pay for such management and supervision out of his net cash income.

The tenant farmer does not have a capital investment in farm holdings and is therefore relieved of many of the responsibilities of ownership.

The average owner-operator free of mortgage debt, with his income of $36.66 per month, must provide for other members of his family who have contributed materially in the operation of the farm, but whose services have been given no cash value in the above estimates; pay all cash expenses incidental to the operation of his household; clothe and educate his family; pay insurance premiums, church dues, doctor's and medicine bills, and provide for other personal and household requirements and necessities; purchase automobiles, radio, sewing machines, etc., and pay for their upkeep; and take care of other expenses of the average normal American family.

The average owner-operator with farm mortgage had a cash income of only $15 per month, yet he is subject to the same cash demands as are made upon the owner-operator free of mortgage debt. In addition there is the mortgage debt, hanging like the sword of Damocles, suspended eternally over his head—one false move, one major adversity, and down comes the sharp instrument with ruthless precision, severing the last tie by which he holds his equal place as an independent American citizen, and hurling his family into an inferior position of tenantry and serfdom.

The average tenant farmer had a cash income of $21 per month. He does not have the ownership of a farm. Neither does he have the worries of a mortgage. At the same time he has lost his position as an independent home owner and all the moral and social benefits to himself and his family that go with such ownership. His sense of responsibility as a unit of society grows dull, and the love of liberty, which can never be destroyed, is overcome by penury and want.

For him to attempt to climb back to economic independence over the rugged pathway of another farm mortgage is a herculean task accomplished only by the favored few. To the great majority such an adventure leads only to despair.

GROSS INCOME FOR EACH STATE, 1930

The net cash income figures given above are the averages for the entire Nation. However, incomes and operating costs vary considerably in the different States. There is presented below a table prepared by the Department of Agriculture showing gross income by States and the average per farm in each State for 1930.

Gross and cash income from farm production, total by States, and per farm, 1930

State	Gross income	Cash income	Number of farms	Income per farm	
				Gross	Cash
	1,000 dollars	*1,000 dollars*			
Maine	77,154	66,289	39,006	$1,978	$1,699
New Hampshire	27,548	23,442	14,906	1,848	1,573
Vermont	52,924	46,381	24,898	2,126	1,863
Massachusetts	80,337	72,934	25,598	3,138	2,849
Rhode Island	10,389	9,335	3,322	3,127	2,810
Connecticut	60,649	54,943	17,195	3,527	3,195
New York	389,523	347,600	159,806	2,437	2,175
New Jersey	105,528	98,353	25,378	4,158	3,876
Pennsylvania	312,152	261,887	172,419	1,810	1,519
Ohio	332,910	278,217	219,296	1,518	1,269
Indiana	280,822	238,082	181,570	1,547	1,311
Illinois	490,806	428,701	214,497	2,288	1,999
Michigan	236,084	199,656	169,372	1,394	1,179
Wisconsin	361,068	319,848	181,767	1,986	1,760
Minnesota	385,105	343,050	185,255	2,079	1,852
Iowa	627,597	572,485	214,928	2,920	2,664
Missouri	325,939	266,046	255,940	1,273	1,039
North Dakota	147,931	129,184	77,975	1,897	1,657
South Dakota	195,094	176,576	83,157	2,346	2,123
Nebraska	381,809	349,654	129,458	2,949	2,701
Kansas	347,232	311,424	166,042	2,091	1,876
Delaware	20,115	17,534	9,707	2,072	1,806
Maryland	76,983	63,454	43,203	1,782	1,469
Virginia	154,380	104,087	170,610	905	610
West Virginia	66,748	38,707	82,641	808	468
North Carolina	252,211	177,020	279,708	902	633
South Carolina	129,779	96,973	157,931	822	614
Georgia	211,926	155,873	255,598	829	610
Florida	139,025	127,344	58,966	2,358	2,160
Kentucky	172,684	118,040	246,499	701	479
Tennessee	168,704	108,918	245,657	687	443
Alabama	174,115	112,934	257,395	676	439
Mississippi	167,321	119,034	312,663	535	381
Arkansas	126,773	85,665	242,334	523	353
Louisiana	130,072	101,297	161,445	806	627
Oklahoma	189,697	150,139	203,866	930	736
Texas	577,142	478,462	495,489	1,165	966
Montana	93,387	83,633	47,495	1,966	1,761
Idaho	93,157	85,517	41,674	2,235	2,052
Wyoming	45,387	41,590	16,011	2,835	2,598
Colorado	153,417	143,303	59,956	2,559	2,390
New Mexico	42,724	37,861	21,404	1,996	1,769
Arizona	44,589	41,742	14,173	3,146	2,945
Utah	53,115	48,605	27,159	1,956	1,790
Nevada	13,417	12,307	3,442	3,898	3,576
Washington	169,912	154,350	79,904	2,396	2,177
Oregon	110,769	99,146	55,153	2,008	1,798
California	601,335	563,924	135,676	4,432	4,304
United States [1]	9,413,545	7,987,606	6,288,648	1,497	1,270
United States adjusted [2]	9,454,405	8,030,156	6,288,648	1,503	1,277

[1] Totals include $6,060,000 for sugar beets for "other States."

[2] After deducting for interstate sales of crops, principally seeds, and adding for "other poultry" and honey not estimated by States.

NET CASH INCOME OF FARMERS IN EACH STATE, 1930

We have endeavored to obtain definite figures showing operating costs for each State but have been advised that no such figures are available. However, assuming that operating costs, taxes, interest, and mortgage payments consume about the same proportions of the gross income in each State, a table has been prepared showing the estimated average net cash income per farm laborer annually and per month for each group in each State of the Union for the year 1930. It is presented below.

Gross cash income per farm and net cash income per family laborer, by States, 1930

Division or State	Gross cash income per farm	Average net cash income per family laborer							
		All farms		Owner-operated farms free of mortgage debt		Owner-operated farms with mortgage debt		Tenant-operated farms	
		Annual	Per month	Annual	Per month	Annual	Per month	Annual	Per month
United States	$1,277	$318	$27	$434	$36	$179	$15	$255	$21
New England:									
Maine	1,699	425	35	578	48	238	20	340	28
New Hampshire	1,573	393	33	535	45	220	18	315	26
Vermont	1,863	466	39	633	53	261	22	373	31
Massachusetts	2,849	712	59	969	81	399	33	570	48
Rhode Island	2,810	702	58	955	80	393	33	562	47
Connecticut	3,195	799	67	1,086	90	447	37	639	53
Middle Atlantic:									
New York	2,175	544	45	740	62	304	25	435	36
New Jersey	3,876	969	81	1,318	110	543	45	775	65
Pennsylvania	1,519	380	32	516	43	213	18	304	25
East North Central:									
Ohio	1,269	317	26	431	36	178	15	254	21
Indiana	1,311	328	27	446	37	184	15	262	22
Illinois	1,999	500	42	680	57	280	23	400	33
Michigan	1,179	295	25	401	33	165	14	236	20
Wisconsin	1,760	440	37	598	50	246	20	352	29
West North Central:									
Minnesota	1,852	463	39	630	52	259	22	370	31
Iowa	2,664	666	56	906	76	373	31	533	44
Missouri	1,039	260	22	353	29	145	12	208	17
North Dakota	1,657	414	34	563	47	232	19	331	28
South Dakota	2,123	531	44	722	60	297	25	425	35
Nebraska	2,701	675	56	918	76	378	32	540	45
Kansas	1,876	469	39	638	53	263	22	375	31
South Atlantic:									
Delaware	1,806	452	38	614	51	253	21	361	30
Maryland	1,469	367	31	499	42	206	17	294	24
Virginia	610	152	13	207	17	85	7	122	10
West Virginia	468	117	10	159	13	66	6	94	8
North Carolina	633	158	13	215	18	89	7	127	11
South Carolina	614	154	13	209	17	86	7	123	10
Georgia	610	152	13	207	17	85	7	122	10
Florida	2,160	540	45	734	61	302	25	432	36
East South Central:									
Kentucky	479	120	10	163	14	67	6	96	8
Tennessee	443	111	9	151	13	62	5	89	7
Alabama	439	110	9	149	12	61	5	88	7
Mississippi	381	95	8	130	11	53	4	76	6
West South Central:									
Arkansas	353	88	7	120	10	49	4	71	6
Louisiana	627	157	13	213	18	88	7	125	10
Oklahoma	736	184	15	250	21	103	9	147	12
Texas	966	242	20	328	27	135	11	193	16
Mountain:									
Montana	1,761	440	37	599	50	247	21	352	29
Idaho	2,052	513	43	698	58	287	24	410	34
Wyoming	2,598	650	54	883	74	364	30	520	43
Colorado	2,390	598	50	813	68	335	28	478	40
New Mexico	1,206	302	25	410	34	169	14	241	20
Arizona	2,945	736	61	1,001	83	412	34	589	49
Utah	1,790	448	37	609	51	251	21	358	30
Nevada	3,576	894	74	1,216	101	501	42	715	60
Pacific:									
Washington	2,177	544	45	740	62	305	25	435	36
Oregon	1,798	450	38	611	51	252	21	360	30
California	4,304	1,076	90	1,463	122	603	50	861	72

Prepared in the Division of Agriculture, Bureau of the Census, from basic figures furnished by Congressman PETERSON of Georgia.

It can be seen from this table that the estimated net cash income per farm laborer ranged from $4 per month for the average owner-operator with mortgage debt in Arkansas to $122 per month for the average owner-operator free of debt in California.

FEDERAL LAND BANK RECORDS

As convincing evidence of the disaster which befalls so many of the unfortunate families who struggle under the burden of a farm mortgage, we present a record of farm-mortgage loans made by Federal land banks, institutions created for the purpose of saving the farmer from tenantry and restoring him to a position of economic independence.

This record shows that the Federal land banks, on December 31, 1934, had 606,344 farm-mortgage loans outstanding, representing a total mortgage indebtedness of $1,896,414,669.40.

Of these loans, $204,480, or 33.7 percent of the total, were delinquent. The delinquent loans represented $628,454,079.17, or 33.2 percent of the total debt.

More Federal land bank loans are foreclosed annually than are paid. During 1935, 62 percent of all the loans closed out were settled through foreclosure. Only 38 percent were settled through payment. (Eleven thousand four hundred and fifty-two loans were foreclosed; only 7,012 loans were paid in full.)

Total interest charges during 1934 amounted to $64,905,715; $47,810,304 of this sum was delinquent on December 31, 1934.

We give below data prepared by the Farm Credit Administration giving status of Federal land bank loans for each year since the creation of that institution. (It will be noted that the data given is not complete for each year. We attempted to obtain this complete data but were advised by the Farm Credit Administration that it is not available at their office.)

Number and amount of loans closed from 1917 through 1935 by the Federal land banks and Land Bank Commissioner

Year	Federal land banks		Land Bank Commissioner		Total	
	Number	Amount	Number	Amount	Number	Amount
1917	18,154	$39,112,115			18,154	$39,112,115
1918	49,808	118,129,836			49,808	118,129,836
1919	45,436	144,987,180			45,436	144,987,180
1920	17,997	66,984,534			17,997	66,984,534
1921	27,153	91,029,976			27,153	91,029,976
1922	74,055	224,301,400			74,055	224,301,400
1923	60,100	192,083,015			60,100	192,083,015
1924	47,227	165,509,845			47,227	165,509,845
1925	39,905	127,355,451			39,905	127,355,451
1926	36,893	131,317,715			36,893	131,317,715
1927	39,268	140,384,200			39,268	140,384,200
1928	26,968	102,236,400			26,968	102,236,400
1929	17,132	64,252,500			17,132	64,252,500
1930	12,572	47,971,000			12,572	47,971,000
1931	10,898	42,015,300			10,898	42,015,300
1932	7,208	27,569,800			7,208	27,569,800
1933	38,568	151,634,111	44,039	$70,812,112	82,607	222,446,223
1934	190,147	730,367,140	306,354	553,136,316	496,501	1,283,503,456
1935	58,968	248,671,200	91,004	196,395,349	149,972	445,066,549

Source: Farm Credit Administration, Division of Finance and Research. Jan. 30, 1936.

Number and amount of loans paid in full to the Federal land banks and Land Bank Commissioner

Institution	1933		1934		1935		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Federal land banks	2,981	$4,493,596.73	4,506	$8,136,086.58	7,012	$14,715,365.98	14,499	$27,345,049.29
Land Bank Commissioner	24	35,000.00	1,476	2,118,241.63	4,238	6,011,158.76	5,738	8,164,400.39
Total	3,005	4,528,596.73	5,982	10,254,328.21	11,250	20,726,524.74	20,237	35,509,449.68

Source: Farm Credit Administration, Division of Finance and Research. Feb. 1, 1936.

Federal land bank loans outstanding, classified according to condition, extensions and delinquent installments and foreclosures, at selected times

Year ended Dec. 31	Total loans outstanding		Loans not delinquent		Loans delinquent (total)		Extensions and delinquent installments	Loans foreclosed during the year [1]	
	Number	Amount	Number	Principal amount	Number	Principal amount		Number	Amount
1918	(2)	$156,213,891.73							
1919	(2)	293,595,395.35							
1920	126,261	349,678,987.71							
1921	151,823	432,523,141.07							
1922	221,778	639,486,434.55							
1923	274,507	799,596,834.78							
1924	313,712	927,567,597.78						1,739	$5,757,455.35
1925	342,804	1,005,684,816.60		$957,565,424.68		$48,119,391.92	$2,654,266.18	2,399	6,938,150.79
1926	366,494	1,077,818,724.32	348,734	1,016,472,980.51	17,843	67,345,743.81	3,341,999.60	2,557	8,171,778.64
1927	392,148	1,157,093,123.86	371,038	1,078,752,089.04	21,110	78,341,034.82	4,179,289.70	2,330	8,024,722.02
1928	404,865	1,194,470,055.88	383,497	1,123,412,547.41	21,202	71,408,333.83	4,321,078.41	2,957	11,264,392.09
1929	409,559	1,197,949,727.32	385,287	1,120,630,083.86	24,272	77,883,832.66	4,913,086.23	3,350	11,629,152.26
1930	410,493	1,188,132,459.70	366,625	1,052,157,107.46	43,868	137,447,246.67	8,199,658.62	4,645	16,866,108.97
1931	407,852	1,163,475,657.12	313,515	862,970,329.90	94,337	304,927,875.59	18,580,753.39	7,386	27,168,645.95
1932	400,537	1,116,691,663.76	220,145	523,098,947.13	180,392	593,592,716.63	47,536,280.48	10,039	40,419,840.29
1933	428,861	1,213,523,313.17	219,696	586,118,886.50	209,165	627,404,426.67	72,307,794.57	6,585	25,801,412.27
1934	606,344	1,896,414,669.40	401,864	1,267,960,590.23	204,480	628,454,079.17	48,924,555.26	4,763	15,244,494.18
1935	643,803	2,070,611,654.20	515,236	1,671,022,212.82	128,567	399,589,441.38	57,101,946.58	11,438	36,209,951.96

[1] Including voluntary deeds.
[2] Information not available.
Source: Farm Credit Administration, Division of Finance and Research. Apr. 9, 1936.

Foreclosures completed, real estate disposed of, farms owned outright, and loans delinquent at selected times by Federal land banks

Year	Number of foreclosures completed during year	Amount of foreclosures completed during year	Number of farms owned outright and held subject to redemption at end of year	Number of disposals of farms and sheriffs' certificates during year		Loans delinquent
				Whole	Part	
1929	3,350	$11,629,152.26	6,641	2,234	235	$77,883,833
1930	4,645	16,866,108.97	8,532	2,826	305	137,447,247
1931	7,386	27,168,645.95	12,629	3,729	502	304,927,876
1932	10,039	40,419,840.29	18,503	5,364	920	593,592,717
1933	6,616	25,801,412.27	21,945	4,128	642	627,404,427
1934	4,780	15,244,494.18	22,960	4,858	696	628,454,079
1935	11,452	36,209,951.96	27,516	8,423	1,289	[1]300,589,441

[1] Effective February 1935, the definition of loans delinquent was changed so as to exclude loans on which extensions have been granted.
Source: Farm Credit Administration, Division of Finance and Research. Feb. 3, 1936.

Federal land banks and Land Bank Commissioner—Amount of interest maturing during the years 1934 and 1935, and delinquent at the end of such years

Year	Federal land banks		Land Bank Commissioner	
	Interest maturing during year	Interest delinquent at end of year	Interest maturing during year	Interest delinquent at end of year
1934	$64,905,715	$47,810,304	$7,990,342	$1,416,539
1935	75,700,308	18,035,366	31,771,701	5,967,943

Source: Farm Credit Administration, Division of Finance and Research. Jan. 31, 1936.
NOTE.—Data for years previous to 1934 not available as reports prior to that time to this office did not separate interest and principal maturities.

A study of these figures would indicate that in a few years the Federal Government will own outright the major portion of the farms on which it has made mortgage loans. It already owns over 27,000 of them.

A large portion of the outstanding loans are in default, and it is only a matter of time before they will have to be foreclosed if the debt is to be liquidated.

Until that fateful day arrives, however, the farmer struggles on hopefully, raising all the cash crops he possibly can and turning them over to his creditor.

He is producing yearly enough to support himself and his family, could the purchasing power of his produce be devoted to his domestic requirements. But he is prohibited from using it in this manner. It must go to pay interest, carrying charges, and sinking funds on the farm-mortgage debt. He is deprived of the use of his raw products and of the finished goods which are processed from these raw products.

THE FARMER'S ECONOMIC DILEMMA

Thus the farmer fights a hopeless battle, producing raw products, creating new wealth in abundance only to see it used in appeasing the appetite of a never-satisfied mortgage debt, while he and his loyal family, who have labored faithfully in producing this new wealth, are denied its use in supplying themselves with the meager necessities of life. And so we witness a nation of producers creating tremendous surpluses yet facing penury, want, and even starvation.

The surplus products about which we have heard so much during recent years represent the lifeblood of millions of good American families and should have been available for their own sustenance; but an ill-adjusted economic system has forced these products from the control of the farmer into the channels of commerce, only to clog the machinery, stop the wheels of industry, and bring despair and suffering to the processor equally with the producer. They constitute new wealth which "under the laws of Nature and of Nature's God" belongs to the producer but which society has decreed that the producer must pay as tribute for the privilege of even living at all.

Still the producer struggles on, willing even to carry the ever-increasing load of a mortgage debt—to witness the privations of a family that he loves—fighting to the end for the cause of "a bold peasantry", rather than peacefully resign himself to that subservient position of serfdom from which his foreparents fled in horror many years ago as they sought a new freedom in a new land.

However, the fateful day finally arrives, the law must be fulfilled, the clear voice of the auctioneer rings out, the hammer falls, and another family is doomed to forego the right and privilege of independent citizenship—one of the greatest advantages of Christian civilization.

SUMMARY

A condition wherein producers of the raw products—the farmers—had free access to the soil and unrestricted use of their new wealth was an essential factor in the building of our Government and the establishment of our institutions.

Today such economic independence does not prevail. Over two-thirds of the farmers are either tenants or have heavy mortgages over their farms, and this percentage grows daily.

A careful analysis of the Nation's farm population reveals that the independent farm operator, earning an honest living from the soil, and enjoying the use and benefits of the fruits of his labor, is rapidly vanishing. With this group destroyed free institutions cannot survive, and unless the farm home is rescued from its present plight our great system of free government will crumble and decay.

An unfair and unjust economic system has produced this condition. It has forced the farmers from their homes, deprived them of the fruits of their labor, and robbed them of their freedom and happiness.

It now challenges the principles of free government and threatens our Christian civilization.

Agriculture is the foundation of our economic structure. The life of our Nation is dependent upon the soil. And unless the disease which has brought agriculture down prostrate, "sick unto death", is cured, all other remedies applied in other fields will prove futile.

Before there can be a permanent recovery from our economic crisis, the farmers of the Nation must be restored to a healthy condition of normal prosperity.

It is a duty of Congress to attack this problem and to attempt its solution.

HOMESTEAD BILL (H. R. 8286) IS DESIGNED TO ACCOMPLISH THIS RESULT

It is the opinion of the author of H. R. 8286 that the bill is so designed as to be a most effective instrument with which to meet this vital issue.

In his advocacy of this legislation before the subcommittee he has recited the benefits which he believes will grow out of its enactment by Congress, as follows:

1. Under its provisions farm mortgages will be liquidated by the Government and free homesteads will again be available through the General Land Office. However, these homesteads will not be subject to debt or encumbrance.

2. Four million farm families will be raised to a position of economic independence, with the purchasing power of their new wealth restored to them. This will result in the immediate stimulation of commerce and industry throughout the Nation and will prove of great and lasting benefit to all the people.

3. It will prove a step toward a permanent solution of the Nation's chief economic problem and will cost the Government far less than it is now spending for temporary relief. In addition it will relieve the Government of the necessity for future emergency expenditures, which will inevitably be demanded under existing conditions.

4. Congress is already appropriating for temporary agricultural relief an amount sufficient to finance this entire program and liquidate the total farm-mortgage indebtedness within a very short period. (At the close of this report will be found a table showing amount of these payments.) This bill would use these funds for permanent relief instead of for temporary relief as at present.

5. The necessity for producing excessive surpluses of cash crops is eliminated by removing fixed cash charges such as interest, carrying charges of mortgaged indebtedness, and rentals, which amount in many instances to over one-fifth of the total gross cash income of the farms upon which they are levied.

6. Free homesteads will also be available for families not now engaged in agriculture, who have no means of support, and who are willing to till the soil and earn an honest living by the sweat of their brow.

7. This measure also provides for the withdrawal of submarginal lands from farm use and restoring them as a portion of the public domain.

8. It creates no new office but eliminates the necessity for many governmental agencies and thousands of Government employees now costing the taxpayers hundreds of millions of dollars.

9. By restoring to the producer control of the purchasing power of his raw products and relieving the need for forced surplus production a balanced economic condition as between agriculture and industry will naturally prevail.

10. The laws of supply and demand will again function in a normal manner, restoring legitimate business to a condition of normal prosperity.

13. Labor will be afforded additional employment through a normal and healthy stimulation of business brought about by increased demand for manufactured and processed goods.

14. At the same time free homesteads will always be available for industrial laborers—a safe refuge from those who would oppress the laborer and his family, and a guaranty of economic rights and human liberties—thus throwing around industrial labor equally with farm labor safeguards which are indispensable to human liberty.

15. A study of the laws of Moses, which set forth the social and civil rules which are the basis of our Christian civilization and which guided our forefathers in the creation of our Government, clearly demonstrates the fact that this legislation is in complete harmony with these fundamental principles of human conduct. It is the simple application of these righteous principles to a vital public problem which threatens the life of our Nation.

16. It will again restore the free American home—which is the unit of our civilization—to its former predominating position, making it secure from the selfish schemes of powerful and designing interests. Thus it will promote our free institutions which are of necessity built around free homes occupied by free citizens.

FINDINGS

We believe that with the Nation's farm families living in their own farm homes and applying their energies to the creation of the Nation's new wealth, while society protects them in the freedom of their homes and in the enjoyment of the fruits of their labor, there can be no doubt as to the future safety and progress of our people.

We consider the provisions of this legislation to be in harmony with the principles which underlie our great representative system of government, and we deem this measure a fitting and timely step toward a permanent solution of the Nation's chief economic and social problems.

EXPLANATION OF THE BILL—H. R. 8286

Section 1 is the enacting clause.

Section 2 (a) authorizes the Secretary of the Interior through the General Land Office to purchase liens and mortgages on farm lands.

(b) Authorizes the Secretary of the Interior through the General Land Office to liquidate all liens acquired under this act, and provides methods for such liquidation.

(c) Guarantees to the debtor the right to meet the terms of his obligation, if he prefers to do so, and upon payment of the debt his obligation must be canceled.

Section 3 authorizes the Secretary of the Interior, through the General Land Office, to purchase lands that have been taken over in settlement of debts since January 1, 1920, provided the title to such lands is still in the lienholder. However, it prohibits payment for same of a sum greater than the amount of the debt at time the lands were acquired by said lienholder, provided such sum shall not be greater than the normal value of the land, plus the useful value of improvements.

Section 4 (a) directs that all lands coming into possession of the General Land Office under this measure be made part of the public domain.

(b) Directs that these lands be classified according to their fertility, adaptability, and usefulness for farm purposes.

(c) Directs that those lands not suited for farm purposes be retained as part of the public domain.

(d) Directs that those lands suitable for farm purposes be divided into homestead tracts of proper size for the support of a family of average size under normal conditions, taking into consideration the fertility of the soil and general farm conditions and requirements in the section where said lands are located.

Section 5 directs that the Secretary of the Interior, through the General Land Office, grant such homesteads to any person who is the head of a family, subject to the following conditions:

(a) Requirements of homestead acts now in force must be met where same do not conflict with provisions of this measure.

(b) Preference in granting homesteads must be given to farm families now living on farms.

Section 6 (a) provides that homestead grants under this measure shall include and guarantee full and complete possession and use of the lands granted.

(b) Directs that provisions be made whereby homestead grants may be exchanged.

(c) Provides that no person shall be permitted to have title to more than one homestead tract at any given time.

(d) Provides that no person owning farm land shall be granted a homestead under this act.

(e) Expressly prohibits selling or encumbering homestead tracts granted under this act, or in any manner making them subject to any debt, except as set forth in section 7 of this act.

(f) Directs that homestead grants shall be free except for registration fee not exceeding $10.

Section 7 (a) provides that all lands coming into possession of the General Land Office under the terms of this act shall be subject to the laws, including those relating to taxation, of any State or political subdivision in which such lands are located in the same manner and to the same extent as such laws apply in the case of privately owned lands.

(b) Provides that upon failure of any owner of homestead grant under this act to comply with the provisions of section 7 (a) of this act his rights under said grant shall be forfeited and the General Land Office shall have power to eject said owner and repossess such lands, making them again eligible for entry by other qualified applicants, under this act.

Section 8 authorizes an appropriation for the purpose of carrying out the provisions of this act.

Rental and benefit payments to farmers, by commodities and by months
[In thousands of dollars]

	Total	Cotton			Tobacco	Wheat	Hogs (pig)	Corn-hogs	Cattle	Sheep	Sugar	Rice	Peanuts
		Rental and benefit	Pool and sale	Total									
1933													
August	7,517	771	----------	771	1	----------	6,745	----------	----------	----------	----------	----------	----------
September	70,741	49,254	----------	49,254	41	----------	21,446	----------	----------	----------	----------	----------	----------
October	53,835	50,802	----------	50,802	580	----------	2,453	----------	----------	----------	----------	----------	----------
November	10,513	7,847	----------	7,847	372	2,294	----------	----------	----------	----------	----------	----------	----------
December	19,128	2,731	14	2,745	280	16,103	----------	----------	----------	----------	----------	----------	----------
Total	161,734	111,405	14	111,419	1,274	18,397	30,644	----------	----------	----------	----------	----------	----------
1934													
January	59,658	724	31,740	32,464	272	26,922	----------	----------	----------	----------	----------	----------	----------
February	28,430	220	13,854	14,074	40	14,316	----------	----------	----------	----------	----------	----------	----------
March	9,468	123	3,336	3,459	11	5,998	----------	----------	----------	----------	----------	----------	----------
April	6,473	43	796	839	3,609	1,985	----------	40	----------	----------	----------	----------	----------
May	15,765	8,141	537	8,678	4,316	756	----------	2,015	----------	----------	----------	----------	----------
June	28,992	18,869	271	19,140	3,338	502	----------	5,226	696	----------	----------	----------	----------
July	29,961	8,072	145	8,217	1,092	569	----------	9,727	10,356	----------	----------	----------	----------
August	71,622	5,306	261	5,567	867	971	----------	38,413	25,804	----------	----------	----------	----------
September	76,073	1,771	64	1,835	364	2,126	----------	46,524	25,224	----------	----------	----------	----------
October	103,941	12,112	44	12,156	230	36,038	----------	27,723	27,794	----------	----------	----------	----------
November	72,345	23,615	18	23,633	1,691	25,688	----------	7,651	8,547	5,135	----------	----------	----------
December	53,056	12,146	86	12,232	732	12,392	----------	21,834	3,877	1,989	----------	----------	----------
Total	555,784	91,142	51,152	142,294	16,562	128,353	----------	159,153	102,298	7,124	----------	----------	----------
1935													
January	70,274	13,083	5,190	18,273	2,360	6,479	----------	36,487	6,137	537	1	----------	----------
February	51,671	5,553	4,386	9,939	2,687	5,397	----------	27,812	2,559	41	3,236	----------	----------
March	49,803	3,780	1,465	5,245	7,162	3,819	----------	30,083	529	----------	2,965	----------	----------
April	49,065	1,023	791	1,814	2,357	1,147	----------	39,819	----------	----------	3,928	----------	----------
May	35,583	16,043	780	16,823	3,074	2,877	----------	10,362	----------	----------	2,447	----------	----------
June	29,565	13,693	1,674	15,367	4,983	719	----------	5,972	----------	----------	2,524	----------	----------
July	19,391	4,020	327	4,347	1,476	896	----------	11,401	----------	----------	1,271	----------	----------
August	44,235	4,331	107	4,438	658	12,351	----------	23,999	----------	----------	342	2,447	----------
September	57,437	6,499	45	6,544	3,645	23,562	----------	21,913	----------	----------	185	1,588	----------
October	62,011	18,485	23	18,508	1,951	18,551	----------	17,899	----------	----------	3,680	1,138	284
November	63,963	13,188	119	13,307	2,374	27,642	----------	8,952	----------	----------	9,322	962	1,404
December	49,976	31,271	34	31,305	413	5,435	----------	3,174	----------	----------	5,660	3,248	741
Total	582,974	130,969	14,941	145,910	33,140	108,875	----------	237,873	9,225	578	35,561	9,383	2,429

Index numbers of gross income from farm production, prices received and prices paid by farmers, and ratio of gross income to prices paid and of prices received to prices paid, 1910–35
[Division of Statistical and Historical Research]

Year	Gross income (1910–14 = 100)	Prices received by farmers (August 1909–July 1914 = 100)	Prices paid by farmers (1910–14 = 100)	Ratio of gross income to prices paid (1910–14 = 100)	Ratio of prices received to prices paid (1910–14 = 100)
1910	98	102	98	100	104
1911	94	95	101	93	94
1912	100	100	100	100	100
1913	103	101	101	102	100
1914	104	101	100	104	101
1915	109	98	105	104	93
1916	132	118	124	106	95
1917	190	175	149	128	117
1918	223	202	176	127	115
1919	250	213	202	124	105
1920	201	211	201	100	105
1921	132	125	152	87	82
1922	147	132	149	99	89
1923	163	142	152	107	93
1924	168	143	152	111	94
1925	177	156	157	113	99
1926	170	145	155	110	94
1927	172	139	153	112	91
1928	174	149	155	112	96
1929	177	146	153	116	95
1930	140	126	145	97	87
1931	103	87	124	83	70
1932	79	65	107	74	61
1933	95	70	109	87	64
1934	108	90	123	88	73
1935	120	108	125	96	86

THE NEGRO AND THE REPUBLICAN PARTY—LEST WE FORGET

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my own remarks, and include therein certain political platform declarations and brief excerpts from the Lincoln-Douglas debates and from the speeches and writings of Abraham Lincoln.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ENGEL. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following: First, certain political platform declarations; second, brief excerpts from the Lincoln-Douglas debates and from the speeches and writings of Abraham Lincoln.

THE NEGRO AND THE REPUBLICAN PARTY—LEST WE FORGET

Mr. Speaker, nearly 30 years ago I had occasion to become acquainted in a business way with the American Negro of the North. For 3 years I came in almost daily contact with his home and political life. I have always admired the wonderful progress made by the Negro race since the Civil War. I was proud of the part the Republican Party took in bringing about his freedom and in making that progress possible. I had been somewhat of a student of the history of the colored race and the struggle for the freedom of that race. Naturally I was greatly interested when, on April 22, the gentleman from Illinois [Mr. MITCHELL] spoke on the floor of this House on "The Negro and the Democratic Party." When I listened to the eloquent way in which he presented his cause I almost forgot that I was a Republican. I was almost convinced that I had read history incorrectly. I walked once more to the corridors of this Capitol where hangs the picture of Abraham Lincoln surrounded by his Cabinet as he signed the emancipation proclamation. I wanted to make sure that it was not Jefferson Davis surrounded by a Confederate Cabinet who had signed that immortal document.

Had I read history correctly, and did Grant actually take Richmond, or did Lee take Washington? And when the gentleman from Illinois repeatedly referred to "those States in which the Negro is permitted to vote and where his vote is counted," I wondered whether he was actually referring to the Republican States of the North or whether the Democratic States of the South had had an awakening, had abolished the "grandfathers' clauses" and other disfranchising provisions in their constitutions and actually "permitted the Negro to vote and counted his vote."

During the short time that I have been a Member of this body, I have learned to know many of the splendid gentlemen who represent the Democratic States of the South. I

have learned to like them and have often expressed my personal admiration for their ability. I have no desire to revive old prejudices nor of reopening old wounds. However, when I thought of the work the gentleman from Illinois is doing, as a member of the Democratic National Committee, in attempting to bring 2,400,000 Republican Negro voters from Republican States into the ranks of the Democratic Party; when I remembered how the entire Democratic membership applauded the speech of the gentleman from Illinois; how that membership, including the majority leader, now Speaker, and every Member from the South rose to his feet in approval when he had finished, I was forced to the conclusion that the gentleman from Illinois spoke for the Democratic Party and its leadership. And when I again read that speech and noted the glaring errors and misstatements of historical facts I felt that justice to my party and to its past leaders demanded that those errors and misstatements be corrected. If in so correcting them I have opened anew old wounds, it is the Democratic Party and its leadership and not I who is responsible.

I was amazed at, shall I say, the lack of knowledge of the gentleman from Illinois as he attempted to give the history of the Negro and the Republican Party.

I represent a group of people—

He said—

who, during a period of 60 years, the only thing they got from the Republican Party were beautiful promises made by a platform that they knew was made to be broken. For more than 50 years—

He continued—

my people have been solidly registered in the Republican Party. It is only during the last 4 or 5 years that the Negroes have found the Democratic Party is a safe place to live and vote.

What a confession! The Democratic Party has been in existence for 136 years. For the first 132 of those 136 years, the Negroes, according to the gentleman from Illinois, have found the Democratic Party was unsafe to live in and vote for, and to quote again his exact words—

It is only during the last 4 or 5 years that the Negro has found that the Democratic Party is a safe place to live and vote.

For 136 years the Democratic Party has told the Negro he was not wanted. For 136 years that party has opposed every measure for the advancement of the Negro from fighting for the retention and extension of slavery to fighting against granting and refusing to grant the Negro the rights of citizenship guaranteed him by constitutional amendment. Amendments initiated, advocated, and adopted under and through the Republican Party and its leadership. May I be so presumptuous as to ask the gentleman from Illinois and the Democratic leadership what has brought about this sudden change? Why this sudden willingness to wear sackcloth and ashes? Why this eleventh-hour repentance for 136 years of oppression of the Negro by the Democratic Party?

Again quoting the gentleman from Illinois, he said:

During all this time we were told by the Republicans that we had been freed by the Republican Party; that Lincoln was elected to the Presidency of the United States for the purpose of liberating the slaves, and because that doctrine was preached to us year in and year out we developed with an almost solid Republican block of voters in this country.

Then he quotes, in part, the Republican platform of 1860, upon which Lincoln was elected to the Presidency, as alleged proof of the fact that the Republican Party did not free the slaves. I shall refer to this quotation later.

However, before we proceed further let us compare the record and history of the two parties as expressed by their platforms, including that part quoted by the gentleman from Illinois. Let us see which party is and has been the friend of the Negro race in America. An examination of these facts and history will show that out of the resentment of the North over the repeal of the Missouri Compromise, which permitted the extension of slavery, and out of the bitter opposition of the people of the North to slavery, was born the Republican Party.

During the early months of 1854 the Detroit Tribune began the publication of a series of articles advocating the organization of a new party to be composed of all elements opposed to slavery extension. Later a mass meeting was called to be held at Jackson, Mich., July 6, 1854, to be composed of all opponents of the extension of slavery, the call being worded as follows:

To the people of Michigan: A great wrong has been perpetuated. The slave power of this country has triumphed. Liberty is trampled underfoot. The Missouri Compromise, a solemn pact entered into by our fathers, has been violated and a vast territory dedicated to freedom has been opened to slavery—northern Senators and Representatives in the face of overwhelming public sentiment of the North, not daring to submit this great question to the people, have yielded to the seductions of Executive patronage and Judas-like betrayed the cause of liberty. The extension of slavery under the folds of the American flag is a stigma upon liberty.

In view, therefore, of the recent action of Congress upon this subject and the evident desire of the slave power to attempt still further aggression upon freedom, we invite all our fellow citizens without reference to former political associations who think the time has arrived for a union at the North to protect liberty from being overthrown and downtrodden, to assemble in mass convention on Thursday, the 6th day of July next at 4 o'clock p. m. at Jackson, there to take such measures as shall be thought best to concentrate the popular sentiment of this State against the aggression of the slave power.

The meeting was held on July 6, 1854, under the historic oaks at Jackson, Mich. There, after a debate, the following resolutions were passed:

The freemen of Michigan assembled in convention in pursuance of a spontaneous call emanating from various parts of the State to consider upon the measures which duty demands of us as citizens of a free State to take in reference to the late acts of Congress on the subject of slavery and its anticipated further extension do—

And then came the following resolutions:

Resolved, That the institution of slavery except in punishment of crime is a great moral, social, and political evil;

Resolved, That slavery is a violation of the right of man as man; that the law of nature, which is the law of liberty, gives to no man rights superior to those of another; that God and nature have secured to each individual an inalienable right of equality;

Resolved, That we earnestly recommend the calling of a general convention of the free States and such of the slave-holding States or portions thereof as may desire to be there represented with a view to the adoption of other more extended and effectual measures in resistance to the encroachment of slavery, and that a committee of five persons be appointed to cooperate with our friends in other States on this subject.

A resolution was then passed by which the new party was christened the "Republican Party."

In 1854, in one of the famous debates between Abraham Lincoln and Stephen A. Douglas, Mr. Douglas, referring to the Republican Party, said:

The Black Republican creed lays it down expressly that under no circumstances shall we acquire any more territory unless slavery is first prohibited in the country.

In that same speech he referred to the resolutions passed at the Rockford Republican convention held at Rockford, Ill., on August 13, 1854, from which he read as follows:

Resolved, That the continued and increasing aggressions of slavery in our country are destructive of the best rights of a free people, and that such aggregations cannot be successfully resisted without the united political action of all good men;

Resolved, That the citizens of the United States hold in their hands peaceful, constitutional, and efficient remedy against the encroachment of the slave power, the ballot box, and if that remedy is boldly and wisely applied, the principles of liberty and eternal justice will be established;

Resolved, That we accept this issue forced upon us by the slave power and in defense of freedom will cooperate and be known as Republicans, pledged to the accomplishment of the following purposes:

To repeal and entirely abrogate the fugitive slave law;

To resist slavery in those States in which it exists;

To prohibit the admission of any more slave States to the Union;

To exclude slavery from all the Territories over which the General Government has exclusive jurisdiction; and

To resist the acquisition of any more Territories unless the introduction of slavery therein forever shall have been prohibited.

Resolved, That we cordially invite persons of all former political parties whatever in favor of the object expressed in the above resolutions, to unite with us in carrying them into effect.

Practically the same platform was adopted in October 1854, at the first Republican State convention held at Springfield, Ill. This was the issue in the senatorial campaign in Illinois

in 1854 upon which Abraham Lincoln went down to defeat and Stephen A. Douglas was elected.

Now we come down to the first national Republican convention and the platform adopted by the convention in 1856, which reads in part as follows:

Resolved, That with our Republican fathers, we hold it to be a self-evident truth that all men are endowed with the inalienable rights of life, liberty, and the pursuit of happiness, and that the primary object and ulterior design of our Federal Government were to secure these rights to all persons within its exclusive jurisdiction; that as our republican fathers, when they had abolished slavery in all our national territory, ordained that no person should be deprived of life and property without due process of law, it becomes our duty to maintain this provision of the Constitution against all attempts to violate it for the purpose of establishing slavery in the United States, by positive legislation prohibiting its existence or extension therein; that we deny the authority of Congress, of a Territorial legislature, of any individual or association of individuals to give legal existence to slavery in any Territory of the United States while the present Constitution shall be maintained.

Resolved, That the Constitution confers upon Congress sovereign power over Territories of the United States for their government, and that in the exercise of this power it is both the right and the duty of Congress to prohibit in the Territories those "twin relics of barbarism—polygamy and slavery."

That was the position of the Republican Party in its first national platform of 1856. What did the Democratic platform of 1856 have to say with regard to the Negro and the issues involved? That platform read, in part, as follows:

1. *Resolved*, That Congress has no power under the Constitution to interfere with or control the domestic institutions of the several States and that such States are the sole and proper judges of everything appertaining to their own affairs not prohibited by the Constitution; that all efforts of the Abolitionists or others made to induce Congress to interfere with the question of slavery or to take incipient steps in relation thereto are calculated to lead to the most alarming and dangerous consequences and ought not to be countenanced by any friend of our political institutions.

3. That the Democratic Party will resist all attempts at renewing in Congress or out of it the agitation of the slavery question under whatever shape or color the attempt may be made.

John C. Fremont and the Republican Party went down to defeat on that platform in 1856.

Who, may I ask, was the friend of the Negro in that campaign?

Then comes the Republican convention of 1860, which nominated Abraham Lincoln, and the platform to which the gentleman from Illinois [Mr. MITCHELL] referred in his speech on April 22. On page 5887 of the CONGRESSIONAL RECORD he quotes the Republican platform of 1860, in part, as follows:

That the maintenance inviolate of the rights of the States, and especially the right of each State to order and control its own domestic institutions according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depends; and we denounce the lawless invasion by armed force of the soil of any State or Territory no matter under what pretext, as among the gravest of crimes.

And then the gentleman from Illinois continued as follows:

I say there is absolutely no truth in the statement that he (Lincoln) was elected to free the slaves. It might have taken the Negro a long time to find out the truth, but, my friends, the vote in Illinois last Tuesday by the Negroes tells the Republican Party that it no longer has that vote in its vest pocket.

Mr. Speaker, there is a phrase in the Bible which says, "There is no God", but when that phrase is taken in its entirety, it says, "The fool hath said in his heart 'There is no God.'" The gentleman from Illinois quoted correctly the Republican plank of 1860, but only in part. What was the history of that period? Why was that plank placed into that platform, and how did it read in its entirely? The fact was that the State of Kansas sought admission to the Union. The Republican Party in that platform condemned—

The attempt of the Democratic Party to force Kansas to adopt the Constitution without the vote of the people with the clause that legalized slavery.

Section 5 of that same platform continues as follows:

Resolved, That the present Democratic administration has far exceeded our worst apprehensions in its measureless subserviency to the expectations of a sectional interest, as especially evidenced in its desperate exertions to force the infamous Lecompton constitution upon the protesting people of Kansas.

The Lecompton constitution sanctioned slavery in the Territory, prohibited the passage of emancipation laws by the legislature, forbade amendments until after 1864, and provided that the constitution should not be submitted to popular vote but should be finally established by the approval of Congress and the admission of Kansas as a State of the Union. The plank in the Republican platform to which the gentleman from Illinois refers was a protest against an attempt by the Democratic Party to force down the throats of the people of Kansas a pro-slavery constitution, and when that constitution was finally submitted to a vote of the people on January 4, 1858, the vote stood 10,226 against the constitution and 162 for it.

Continuing with that same platform quoted by the gentleman from Illinois, we read:

Resolved, That the new dogma—that the Constitution of its own force carries slavery into any and/or all of the Territories of the United States—is a dangerous political heresy, at variance with the explicit provisions of that instrument itself, with contemporaneous expositions, and with legislative and judicial precedent; is revolutionary in its tendency and subversive of the peace and harmony of the country. We deny the authority of Congress, of a Territorial legislature, or of any individuals to give legal existence to slavery in any Territory of the United States.

SEC. 9. That we brand the recent reopening of the African slave trade, under cover of our national flag, aided by perversions of judicial power, as a crime against humanity and a burning shame to our country and age, and we call upon Congress to take prompt and efficient measures for the total and final suppression of that execrable traffic.

That was the position of the Republican Party as expressed in the platform upon which Abraham Lincoln was elected President in 1860. And what did the Democratic platform say in that campaign? What did the party with which the gentleman from Illinois asks 2,400,000 Negro voters to aline themselves have to say with regard to the question of slavery in that same campaign? Both the Douglas Democratic and Breckenridge Democratic conventions of 1860 adopted the same plank, which read as follows:

SEC. 6. *Resolved*, That the enactments of State legislatures to defeat the faithful execution of the fugitive slave law are hostile in character, subversive of the Constitution, and revolutionary in their effect.

The Democratic Party readopted, in effect, the same pro-slavery platform which was adopted in the convention of 1856 hereinbefore quoted. The Breckenridge Democratic Party platform said that when a Territory is admitted to statehood—

They stand on equal footing with the people of other States, and the State thus organized ought to be admitted into the Federal Union whether its constitution prohibits or recognizes the institution of slavery.

I want to ask the gentleman from Illinois, "Where did Abraham Lincoln and the Republican Party stand and where did the Democratic Party stand in 1860. Who was the friend of the Negro in that campaign?"

And then came 4 years of civil war between the North and the South, resulting in the emancipation proclamation and the freeing of 4,000,000 slaves, followed by the campaign of 1864. The Republican platform of that year read in part as follows:

Resolved, That as slavery was the cause and now constitutes the strength of the rebellion, and as it must be always and everywhere hostile to the principles of the Republican Government, justice and national safety demands its utter and complete extirpation from the soil of the Republic, and that while we uphold and maintain the acts and proclamations by which the Government in its own defense has aimed a death blow at this gigantic evil, we are in favor, furthermore, of such an amendment to the Constitution, to be made by the people in conformity with its provisions, as shall terminate and forever prohibit the existence of slavery within the limits of the jurisdiction of the United States.

The Democratic Party platform was silent and said nothing on the question of slavery. Abraham Lincoln, running on the Republican platform, defeated George B. McClellan, who ran on the Democratic platform, by a total of 2,330,552 to 1,835,985. Again let me ask you who was the friend of the Negro in that campaign.

In the convention of 1868, with Gen. U. S. Grant as a candidate, the Republican convention adopted the following resolution:

Resolved, That this convention declares itself in sympathy with all oppressed people struggling for their rights.

Grant defeated Horatio Seymour in that campaign on that platform by a vote of 3,012,833 to 2,703,249.

And then we come to the campaign of 1872 in which General Grant defeated Horace Greeley, who was the candidate of the Democratic Party. And what did the Republican platform of that campaign have to say about the Negro? It read in part as follows:

During 11 years of supremacy, the Republican Party has accepted with grand courage the solemn duties of the time. It suppressed a gigantic rebellion, emancipated four millions of slaves, decreed the equal citizenship of all and established universal suffrage.

Again, it read:

Neither the law nor its administration should admit any discrimination in respect of citizens by reason of race, creed, color, or previous condition of servitude.

Practically every Republican platform since the beginning of the Republican Party expressed itself in favor of the granting of full rights of citizenship to the Negro in all the States. The plank written into the Republican platform of 1908 under the leadership of Theodore Roosevelt was perhaps the most typical and reads in part as follows:

We demand equal justice for all men without regard to race or color. We declare once more and without reservation for enforcement in letter and spirit of the thirteenth, fourteenth, and fifteenth amendments to the Constitution which were designed for the protection and advancement of the Negro, and we condemn all devices that have for their real aim disfranchisement for reasons of color alone as unfair, un-American, and repugnant to the supreme law of the land.

If the Democratic Party and its present leadership is really sincere in its profession of friendship for the Negro; if that party is sincere in its repentance and is really wearing sackcloth and ashes; if it really expects to grant to the Negro the rights of citizenship to which he is justly entitled, rights guaranteed to him by the Constitution; if the present occupant of the White House really desires to walk in the footsteps of his illustrious eleventh cousin, Theodore Roosevelt, let that party and its leadership adopt that part of the Republican platform of 1908 which demands "equal justice for all without regard to race and color." I challenge them to place that plank in their 1936 platform. I challenge the gentleman from Illinois to introduce that plank in the coming Democratic convention, the plank which sets forth so clearly the rights of the American Negro granted him in the Republican States of the North and denied him for three-quarters of a century in the Democratic States of the South. Should he attempt to do so, I fear the boundless faith he expressed as having in the Democratic Party and its leadership would be shattered beyond repair. I fear the gentleman from Illinois would come back to the Republican Party repentant and himself wearing sackcloth and ashes for having deserted the party of his fathers.

Were it not for the fact that the gentleman from Illinois seems to question just what the position of Abraham Lincoln was on the question of the abolition of slavery, I would not attempt to quote President Lincoln, so well is his position known. Has the gentleman from Illinois forgotten the Emancipation Proclamation? Permit me to quote just one paragraph from that immortal document signed by the Great Emancipator:

And by virtue of the power and for the purpose aforesaid, I do order and declare that all persons held as slaves within designated States and parts of States are and henceforth shall be free; and that the Executive government of the United States, including the military and naval authorities thereof, will recognize and maintain the freedom of said persons.

This clause, written, signed, and issued by a Republican President, gave freedom to 4,000,000 slaves, anything said or implied by the gentleman from Illinois or his Democratic colleagues to the contrary notwithstanding. Time and again through the years Abraham Lincoln expressed his abhorrence of slavery and his fervent prayer that it be abolished. His position and that of the Republican Party was summarized and expressed on March 4, 1865, in his second inaugural address as follows:

"On the occasion," he said, "corresponding to this 4 years ago, all thoughts were anxiously diverted to an impending civil war. All dreaded it—all sought to avoid it. While the inaugural address was being delivered from this place, devoted altogether to saving the Union without war, insurgent agents were in the city seeking to destroy it without war. One-eighth of the whole population were colored slaves, not distributed generally throughout the Union but localized in the southern part of it. These slaves constituted a peculiar and powerful interest. All knew that this interest was somehow the cause of war. To strengthen, perpetuate, and extend this interest (slavery) was the object for which the insurgents would rend the Union even by war, while the Government claimed no right to do more than to restrict the territorial enlargement of it."

Referring to the war between the North and South, he said:

Both read the same Bible and pray to the same God and each invokes His aid against the other. It may seem strange that any man should dare to ask a just God's assistance in wringing their bread from the sweat of other men's faces.

In spite of these and a thousand other facts, the gentleman from Illinois questions the part Lincoln and the Republican Party took in freeing the slaves.

But let us now continue with his speech. Quoting a prominent Democratic leader, he says:

To begin with, I say to you that the Democratic Party doesn't owe the Negro a damn thing.

Then, according to the gentleman from Illinois, this Democratic oracle continues:

The Republican Party owes the Negro a hell of a lot and will not pay it.

The gentleman from Illinois, then speaking of the work he has been doing to bring the Negro voter into the ranks of the Democratic Party, says:

I find that in 23 States, where we expect to wage a campaign for Negro votes, where the Negro is permitted to vote, and where their votes are counted, we have more than 2,400,000 Negroes who can vote in this election.

Two million four hundred thousand Negroes who owe that right to vote and their very citizenship to the Republican Party. Let me ask the gentleman from Illinois, What about the 4,000,000 Negroes who live in the Democratic States of the South who are not permitted to vote; whose rights of citizenship are denied them, despite the provisions guaranteeing them those rights written into the Constitution by the Republican Party? The gentleman says the Democratic Party owes them nothing. I say the Democratic Party owes these Negroes the right to vote. The Democratic Party owes them the rights of citizenship; the right to serve on juries; the right of equal justice under the law; the right to protection against the lynching mob; and a thousand other rights guaranteed them by the Constitution and denied them by the Democratic Party for three-quarters of a century.

On September 15, 1858, at Jonesboro, Ill., Stephen A. Douglas, running on the Democratic platform, expressed the views of that party when he said:

Mr. Lincoln objects to that (Dred Scott) decision first and mainly because it deprives the Negro of the rights of citizenship. I am as much opposed to his reason for that objection as I am to the objection itself. I hold that a Negro is not and never ought to be a citizen of the United States. I hold that this Government was made on the white basis by white men for the benefit of white men and their posterity forever, and should be administered by white men and no others. I do not believe that the Almighty made the Negro capable of self-government.

When the gentleman from Illinois repeatedly referred in his speech to those States in which the Negro was permitted to vote he reminded us of those Democratic States in the South in which the Negro is not permitted to vote—where they still adhere to the doctrines of Stephen A. Douglas, their one-time Presidential candidate, when he said:

I do not believe that the Almighty made the Negro capable of self-government.

I know the Negro has suffered in the North, as well as in the South, under both Republican and Democratic administrations during this depression. I know he has been hungry. I know he has been without shelter. I know he has been

without proper food. I know he has lost his home. But in the Republican States of the North, at least, if he has lost his home during this depression, so has his white neighbor living by his side lost his home. If he has been hungry, so has his white neighbor been hungry. If he has been naked, so has his white neighbor been naked. If he has been without shelter, so has his white neighbor been without shelter. At least he has been given the same protection under the law, the same relief, the same food, and the same treatment that his white neighbor has been given in the Republican States of the North. Can the Democratic States of the South say as much to the 4,000,000 Negroes living in those States?

But let us analyze still further the speech of the gentleman from Illinois. Speaking of the antilynching bill, the gentleman from Illinois, pleading with great feeling, says:

> There is not a man in this House but who knows how strongly I oppose lynching and how deeply interested I am in the early passage of a bill which will make this crime punishable by a Federal law enacted by this Congress.

Permit me to remind the gentleman that the only time this legislation came before this House and was passed, it came upon the recommendation of a Republican President, Mr. Harding. And when it passed there were 221 of 234 Republicans and only 8 of 115 Democrats who voted for it. Permit me to remind him that this legislation was killed by the Democratic Members of the other body. Permit me to remind him that when the recent Costigan-Wagner antilynching bill came up at the last session of Congress in the other body, it was defeated by a filibuster conducted by Democratic Members. Permit me to remind the gentleman that of 33 bills introduced on this subject in this Congress, including one by the gentleman himself, not one has seen the light of day. Let me remind him that there are 315 Democrats and only 103 Republicans in the House, and 70 Democrats and only 23 Republicans in the Senate; that the Committee on the Judiciary, which has these bills under consideration, consists of 18 Democrats and 7 Republicans. If the Democratic Party is such a good friend of the Negro, why has it buried this legislation in which the Negro race is so deeply interested? You and you only have the power and vote to pass it.

But let us go on with the speech of the gentleman from Illinois. With matchless eloquence, the gentleman continued—

> I stand here and ask you, speaking to the Congress of the United States, will you not be considerate of the Negroes of this country, whether they live in Massachusetts or whether they live in my native State, the State of Alabama?

Just to what does the gentleman refer? He is asking for the Negro race the same consideration in the Democratic State of Alabama that that race is receiving and has received for years in the Republican State of Massachusetts. The gentleman condemns himself and the position he takes when he compares the attitude of the Republican States of the North with the attitude of the Democratic States of the South on the problems affecting his race. May I be so presumptuous as to ask whether the gentleman could have been elected on any ticket to any office in his native State of Alabama?

Again permit me to continue with that eloquent oration on the Negro and the Democratic Party. Quoting him, he says:

> As I read the platforms back in various years and see the beautiful promises that my Republican friends have made to my people and then led us, dumb and hopeless, and voted us and took the offices and went on and forgot us until they wanted us to vote again; and then see what the Democratic Party has done and how you have opened bureaus, how you have invited cooperation from all over this country to settle our questions amicably and with a larger degree of justice than we have had under the Republican Party, I say that you are our friends, and I hail you as our friends today.

And then with a faith in the Democratic Party that knows no bounds—the party which for 75 years has denied the Negro the rights to which the gentleman refers, he says:

> If it takes a century to do what I would like to do, I still believe that the time will come and I believe I will see the day when we will have the same rights in all of these States that are given all of the other citizens because we are loyal.

To what rights does the gentleman refer? Why, the rights of citizenship—the right to vote. To what States does he refer when he speaks of the violation of those rights? To the Republican States of the North? Oh, no. He refers to the oppression of the Negro in the Democratic States of the South; to Jim Crow cars, to the denial of the right of the Negro to vote and other rights written into the Constitution by the Republican Party, by Republican States of the North, and violated for three-quarters of a century by the Democratic States of the South. Then he quotes that splendid character of the Negro race, Booker T. Washington, as follows:

> The law of changeless justice binds the oppressor with the oppressed and as close as sin and suffering joined they march and fight abreast.

To whom did Mr. Washington refer? To the Republican States of the North or to the Democratic States of the South? Who are these oppressors—the people of the Republican North who have granted to the Negro every right enjoyed by the white race or the people of the Democratic South who have denied him those constitutional rights? To the Republican Party which wrote into the Constitution those amendments protecting the Negro or the Democratic Party of the South which has for three quarters of a century violated those rights? Who are the oppressed to whom Mr. Washington refers—the Negro of the Republican North or the Negro of the Democratic South? The gentleman says "the Negro is being led, dumb and hopeless, to the polls by the Republican Party.' He says the Negro vote has "been in the vest pocket of the Republican Party." If he is right when he says that the Republican Party has had the Negro vote in its vest pocket for 50 years and has led the Negro voter, dumb and hopeless, to the polls, then the South is right in denying the Negro the right to vote, for no people, black or white, who are led to the polls, dumb and hopeless, and whose votes are carried in anyone's vest pocket, are qualified to vote. I deny that statement. That statement is an insult to every Negro in the United States. The Negro voter cannot be purchased by jobs or political favors. He has not forgotten the history of the past.

If there be one of those 2,400,000 Negroes to which the gentleman refers in those Northern States, who has any desire to vote the Democratic ticket in the coming election, let him read the history of the past—not a part but all of the history of the Republican Party, his party, the party which gave freedom to his fathers. Let him compare the history and the record of that party with the history and record of the Democratic Party which is now trying to have him forget the past. If he is not then convinced, let him leave his home in the Republican States of the North. Let him travel through the Democratic States of the South. Let him attempt to exercise the same rights of citizenship in the South that he has exercised in the North. Let him attempt to cast a ballot in those Democratic States in which "the Negro is not permitted to vote or where his vote is not counted." Let him attempt to have a Negro serve on the jury which is trying him for a criminal offense. Let him stand in the dark cabins of his brethren in the South and watch the Negro mothers, fathers, and children cringe in deadly fear as the howling mob goes by with one of his race, rope in hand, meting out mob justice. Let him walk along the way the next morning and see the body of one of his race hanging from the limb of a tree, tongue protruding, and compare that with the justice of the Republican North. Let him walk over the battlefields where Republican blood of the North saturated the ground that he might be free.

Let him walk the pathway over which walked Republican Lincoln, Grant, Logan, Fremont, and others. If he is still unconvinced, let him come to the Nation's Capitol, and on the way stop at the other end of the Mall. Let him visit that shrine where sits in simple silent majesty the Great Emancipator. Let him think of Lincoln and the part he and the Republican Party took in that great war. Let him go over the history of that party once more, which owes its very existence to the problem of slavery, and which sprang from the burning desire of Lincoln, Grant, Logan, Fremont, and others, to wipe slavery from the face of the earth. Let him

compare that record with the record of the Democratic Party—the party which is now trying to induce him to forget the history of the past—the party which, after 130 years of oppression, is now trying to purchase his vote with taxpayers' money by a few paltry political jobs and favors. And before he leaves, let him read again those immortal words of Lincoln inscribed on the walls of that memorial to the Great Emancipator:

Fondly do we hope, fervently do we pray, that this scourge of war may speedily pass away. Yet if God wills that it continue until all the wealth piled by the bondman's 250 years of unrequited toil shall be sunk and until every drop of blood drawn with the lash shall be paid by another with the sword, as was said 3,000 years ago, so still must it be said, "The judgments of the Lord are true and righteous altogether."

Those words will sink as deeply into the grateful heart of that Negro as the lash, wielded by the slave driver of the Democratic slave-holding States of the South, sank into the back of his slave forefathers. When he reads those words, he will fall to his knees at the feet of the Great Emancipator. He will thank God for the Republican Party. He will thank God for Abraham Lincoln, the first Republican President. He will thank God for Grant, Logan, Fremont, McKinley, and Theodore Roosevelt and a thousand others, all Republicans. He will thank God he lives in the Republican State of the North—one of 2,400,000 Negroes who are permitted to vote, instead of living in the Democratic States of the South, one of 4,000,000 Negroes who are not permitted to vote. He will not sell his birthright for a mess of Democratic pottage nor will he be misled by false Democratic propaganda. He will learn as his fathers learned, that the Republican Party which made it possible for him to enjoy those rights is the only party that will guarantee and protect those rights. He will not desert that party in its time of need because that party did not desert him in his time of need. He will leave that shrine with the same loyalty toward the party of the Great Emancipator as his fathers had for the past three-quarters of a century.

DATE OF MEETING OF SEVENTY-FIFTH CONGRESS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 286, fixing the date of meeting of the Seventy-fifth Congress.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Senate Joint Resolution 286

Resolved, etc., That the Seventy-fifth Congress shall assemble at noon on Monday, the 4th day of January 1937.

Mr. O'CONNOR. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 1, line 4, strike out "Monday the 4th" and insert "Tuesday the 5th".

Mr. SNELL. Mr. Speaker, I would like to ask the gentleman from New York a question. As I understand, if we do not pass this resolution at the present time, then the Seventy-fifth Congress would have to meet on Sunday?

Mr. O'CONNOR. That is correct. I may say further that the so-called "lame duck" amendment fixed the 3d of January as the date of meeting, subject to any other provisions we may make by law. Early last year, I introduced a bill fixing the second Wednesday of January as the date of meeting. This resolution has been before the Committee on Election of President, Vice President, and Representatives in Congress. They were ready to have hearings and possibly report it out. Unless this or a similar resolution is adopted, the Seventy-fifth Congress will have to meet on Sunday. I introduced a resolution fixing Tuesday, the 5th day of January, as the date of meeting. In the meantime, however, the Senate has sent over a joint resolution fixing Monday the 4th day of January as the date. I think Tuesday is a better day. If there were an electoral contest that would be held on the 6th, the day after we meet. The 3d is too near New Year's, anyway, and should be changed.

This resolution provides only for the next session. After that I think we can work out some permanent law as to the date when the sessions shall meet.

Mr. SNELL. As I understand, this is a joint resolution?

Mr. O'CONNOR. Yes.

Mr. SNELL. It will take care of the situation, and has to be signed by the President?

Mr. O'CONNOR. Yes.

Mr. SNELL. It seems to me, under the circumstances, that it is perfectly proper for this resolution to pass at this time.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. RICH. It seems to me it is wise for the House to take action in reference to not meeting on Sunday, because it would not make any difference to the President whether we met on Sunday or not; and you want to take into consideration the fact that you will have a new President next year, Landon will be in the White House.

The SPEAKER. The question is on the amendment of the gentleman from New York.

The amendment was agreed to.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETURN OF BILL TO SENATE

The SPEAKER. The Chair lays before the House the following request from the Senate.

The Clerk read as follows:

IN THE SENATE OF THE UNITED STATES,
June 15, 1936.

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill S. 4740, "To provide a graduated scale of reduction in payments under section 8 of the Soil Conservation and the Domestic Allotment Act."

The SPEAKER. Without objection, the request will be granted.

There was no objection.

RULE FOR THE CONSIDERATION OF SUNDRY BILLS

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 529.

The Clerk read as follows:

House Resolution 529

Resolved, That upon the adoption of this resolution it shall be in order for the Committee on Immigration and Naturalization to call up for consideration, without the intervention of any point of order, the following bills and joint resolution:

S. 2912. An act to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes.

H. J. Res. 336. Joint resolution to clarify the provisions of section 4 of the act of May 24, 1934, with regard to period of residence required of an alien husband of a citizen of the United States as a prerequisite to naturalization.

H. R. 3472. A bill to amend section 23 of the Immigration Act of February 5, 1917 (39 Stat. 874).

H. R. 7221. A bill to authorize the shortening or termination of the stay in the United States of certain aliens not admitted for permanent residence, to authorize the deportation of certain aliens admitted for permanent residence, and for other purposes.

H. R. 12325. A bill to protect for American actors, vocal musicians, operatic singers, and orchestral conductors the artistic and earning opportunities in the United States, and for other purposes.

H. R. 5799. A bill to declare that a citizen of the United States who votes in a political election in a foreign state loses his citizenship.

H. R. 3023. A bill to provide for citizenship to persons born in the United States, who have not acquired any other nationality by personal affirmative act, but who have heretofore lost their United States citizenship through the naturalization of a parent under the laws of a foreign country, and for other purposes.

Each such bill and joint resolution, when called up, shall be considered in the House as in the Committee of the Whole. After general debate on each such bill, which shall continue not to exceed 30 minutes, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule.

Mr. O'CONNOR. Mr. Speaker, this is a rule for the consideration of seven immigration bills reported unanimously from the Committee on Immigration. We are informed, after thorough inquiry, that they are noncontroversial and

can be passed expeditiously, also that they were desired by the Bureau of Immigration and Naturalization.

Under the rule, 30 minutes is allowed for the consideration of each bill, but we trust they will be completed in much less than the 30 minutes.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. BLANTON. The gentleman from Alabama [Mr. STARNES] is a member of that committee and has done some splendid work on these matters. Is he in accord with this request?

Mr. O'CONNOR. I am so informed—on all these seven bills.

Mr. BLANTON. The gentleman from Alabama [Mr. STARNES] is in favor of all of them?

Mr. O'CONNOR. That is our information. We made that inquiry and were so informed.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. HARLAN] such time as he may desire.

Mr. HARLAN. Mr. Speaker, the gentleman from New York [Mr. FISH], yesterday, in addressing the House, made the statement that this administration had done nothing toward the collection of foreign debts. The fact of the matter is that this administration has done the only real constructive work toward the collection of foreign debts since they were incurred; and that is, it has opened the door to trade and allowed an opportunity for foreign countries to pay their debts as soon as their disturbed political situation at home will permit them to take any financial risks.

The passage of the Smoot-Hawley tariff in 1930 made the default in European debt payments as inevitable as the sequence of day and night. The tariff rates imposed by that bill made the importation of goods from the debtor nations practically impossible. These war debts are largely the result of goods and supplies which we sent to the debtor countries; they are not principally the result of a direct loan of money. Consequently, even if it were not undesirable from our own viewpoint to collect all the gold in the world, and impossible economically, the common sense of the situation tells us that we will have to accept payment in goods.

The Smoot-Hawley tariff shut off these goods, and during the following summer, while Congress was in recess, the last Republican President—and I use the term "last" advisedly—without the authority of this Congress, totally ignoring France, in an obvious effort to make himself a great world leader, illegally declared a moratorium on German debt payments. This was the leverage on which the debts were subsequently repudiated by France and all the other countries. It was the last Republican President, by approving an iniquitous tariff bill and by an illegal moratorium, that made these defaults inevitable.

This administration has made many strides toward the settlement of this question by reestablishing a spirit of good will in our foreign relations and by opening up the channels of trade through reciprocity. France, following the signing of the recent reciprocity treaty, expressed a hope that negotiations to settle these debts might be reopened, and it is through this Democratic policy, and not through the Republican high-tariff policy, that these debts will ultimately be paid. For the Republican platform to declare in one breath for the repeal of reciprocity and in the next breath to demand payment of the war debts is clear evidence of duplicity and an effort to obtain votes under false pretenses.

TWO YEARS OF RECIPROCITY

On June 12, 1934, President Roosevelt signed the Trade Agreement Act, which, in my estimation, will go down in history as one of the most constructive pieces of legislation of his first administration. After 2 years it may be well to take stock of the results. There has been so much said and written regarding the trade agreements that one is at a loss to distinguish fact from fiction, or propaganda from truth.

Let us review the immediate background leading up to the program; suggest the objectives to be attained; point out some of the principles involved, and indicate the progress already made toward the fulfillment of the purposes of this measure.

TRADE BARRIERS, DECLINE OF FOREIGN TRADE, AND TARIFF BARGAINING

At the time the President asked Congress for authority to negotiate reciprocal commercial agreements, trade impediments had increased in alarming numbers; new and more drastic methods of throttling commerce had been invoked throughout the world. Former tariff walls fade into comparative insignificance when contrasted with the barbed-wire entanglement presented by the new schemes and devices for trade restrictions imposed during the last decade. As a result of the growth of these impediments and the decline of purchasing power throughout the world, international commerce reached a serious impasse. The collapse of foreign trade unquestionably prolonged and intensified the depression. It follows that the present tariff program was an essential step in the recovery program. Expansion of foreign trade has often been a major factor in business recovery. This has been true of the present recovery. Although the quantity of world trade is still running at a point too near that reached in the worst phase of the depression, substantial improvement has been registered during the last 2 years, and there is every indication of continued gains for the future.

Other countries preceded us in negotiating reciprocal trade agreements to salvage something from the depression wreckage. The United States stood helplessly aside because the Executive did not have the authority to enter into such agreements, while American agriculture and industry were rapidly losing the places they had held in world trade. Realizing the emergency conditions, Congress granted the authority requested by the President, as an amendment to the Tariff Act of 1930, entitled "Promotion of foreign trade", more usually known as the Reciprocal Trade Agreements Act.

Under the new power granted the President, it is possible to deal with the tariff problem from a national viewpoint rather than from the standpoint of local interests and minority groups. The problem is now approached from the standpoint of the interests of the country as a whole.

We must, moreover, give due regard to our new position as a creditor nation. In spite of some recent implications to the contrary, we are still the greatest creditor nation of the world and probably shall be for some time. We cannot continue to act as if we were a debtor country. Foreign trade must be developed as a two-way traffic. One side of the street cannot be closed without interfering with the traffic of the other side.

Obviously, our exports cannot continue to make substantial headway unless imports are materially increased. Both need to be expanded; a balance should not be struck by drying up either side. We cannot indefinitely continue to balance our trade by enormous gold imports, as in 1934 and 1935. In the face of these facts, the urgency of our trade-agreements program is evident.

LIST OF COUNTRIES ON THE BARGAINING SCHEDULE

Listed below are 18 countries which indicated their desire to negotiate trade agreements shortly after the act was passed. Agreements have been concluded with 14 of these countries, or with all but Italy, Spain, Costa Rica, and Salvador. Ten of the agreements are in effect and two others will come into force on June 15 of this year.

It will be seen that the list includes some major commercial countries of the world, with their colonies representing five continents, North and South America, Europe, Asia, and Africa. We have concluded agreements with some of the main sources of noncompetitive products, as well as some of our best customers. The number of countries is nearly equally divided as between American and European.

A large proportion of the import trade with South and Central American countries, as well as that with Netherlands India, is in noncompetitive raw materials and foodstuffs not produced in the United States. Consequently, these products are largely on the free list. In such instances the United States could not offer more favorable conditions,

except by guaranteeing the present status during the life of the agreements. This has been done in a number of instances, but it is recognized that, while this cannot greatly increase the volume of trade, it is a very desirable stabilizing influence in a time when world conditions are so chaotic. Those countries have been willing to make substantial concessions to the United States for such guarantees.

Some of the European countries are highly industrialized, and normally most of these take a greater amount of American products than we take from them. Many articles produced even by industrialized countries are noncompetitive or only indirectly competitive with the products of American industries. But there is also a considerable range of diversified manufactures, more or less competitive in character, upon which concessions had to be made if substantial trade agreements were to be negotiated with European countries. But in all such cases a thorough analysis was made of the whole competitive situation and the probable repercussions upon the domestic industries. As was to be expected, however, some industries have objected before they were hurt.

The present status of the trade-agreements program follows.

Trade agreements calendar

Country	Public notice of intention to negotiate issued	Latest date for submitting written statements	Date for oral presentation of views
Costa Rica	Sept. 7, 1934	Oct. 15, 1934	Oct. 22, 1934
Salvador	do	do	Do.
Spain	Sept. 17, 1934	Nov. 5, 1934	Nov. 12, 1934
Italy	Jan. 16, 1935	Mar. 4, 1935	Mar. 11, 1935

TRADE AGREEMENTS SIGNED

Country	Signed	Effective
Cuba	Aug. 24, 1934	Sept. 3, 1934
Brazil	Feb. 2, 1935	Jan. 1, 1936
Belgium	Feb. 27, 1935	May 1, 1935
Haiti	Mar. 28, 1935	June 3, 1935
Sweden	May 25, 1935	Aug. 5, 1935
Colombia	Sept. 13, 1935	May 20, 1936
Canada	Nov. 15, 1935	Jan. 1, 1936
Honduras	Dec. 18, 1935	Mar. 2, 1936
The Netherlands, including Netherland India, Netherland Guiana, and Netherland West Indian Islands	Dec. 20, 1935	Feb. 1, 1936
Switzerland	Jan. 9, 1936	Feb. 15, 1936
Nicaragua	Mar. 11, 1936	[1]
Guatemala	Apr. 24, 1936	June 15, 1936
France and its colonies, dependencies, and protectorates other than Morocco	May 6, 1936	Do.
Finland	May 18, 1936	[1]

[1] 30 days from date of exchange of instruments of approval and ratification.

The foregoing countries, listed in the order of the bargaining schedule, constitute a fair balance between raw material and industrialized areas. The import trade of the countries with which the United States has concluded or announced agreements amounted to about 41 percent of the 1929 total and 45.5 percent of the 1934 total. Our domestic exports to these countries amounted to about 42 percent of the total in 1929, and in 1934 to about 39 percent of the total. Exploratory conversations are continually being carried on between the United States and foreign countries relative to further agreements.

Although the administration asked for quick action in the enactment of reciprocal trade agreements legislation, the President and other high officials knew that material and substantial gains through trade agreements could not be instantaneous. As regards the results to be expected and the attitude of other countries, the President said in his message to Congress March 2, 1934:

> I would emphasize that quick results are not to be expected. The successful building up of trade without injury to the American producers depends upon a cautious and gradual evolution of plans.
>
> The disposition of other countries to grant an improved place to American producers should be carefully sounded and considered; upon the attitude of each must somewhat depend our future course of action. With countries which are unwilling to abandon purely restrictive national programs, or to make concessions toward the reestablishment of international trade, no headway will be possible.

Administration spokesmen well knew the success of the program depended, to a considerable degree, upon other countries. Several countries not shown in the calendar have expressed a willingness to enter into agreements, but their final attitude and actions must be based on political as well as financial and economic considerations; "upon the attitude of each must somewhat depend our future course of action." Those factors, it is only fair to state, have slowed up our program in a number of instances. In appraising the success of the program these factors must constantly be borne in mind.

THE NECESSITY FOR CAREFUL PREPARATION OF AGREEMENTS AND PROCEDURE

The necessity for caution and care in making tariff agreements has been repeatedly expressed. The desire to build up trade without unbalancing legitimate domestic industries is uppermost in the minds of the negotiators; no action is recommended without a complete set of facts. It should be noted, however, that the pressure of selfish interests must not stand in the way of expediting the program at a reasonable pace.

The Department of State assumes the primary responsibility for negotiating the agreements. The ground work—collection and analyses of information for each and every reciprocal trade agreement—is laid, however, by an interdepartmental committee. It is a cooperative task of many departments and agencies of the Government; the members of these departments and agencies have spent many years in public service. The act itself requires the President to call upon the Tariff Commission, the Department of Agriculture, the Treasury Department, and the Department of Commerce, as well as other governmental agencies, for information. In addition, there has been set up a committee for reciprocity information to receive data from interested parties. This information is scrutinized by the interdepartmental committee so that every possible point of view is considered; no one refuses to consider any fact bearing upon the subject of tariffs and trade. It is futile for opponents to claim that domestic interests do not get a hearing. The views of all are invited before negotiations are undertaken.

The amount of detailed study of all the items of trade between the United States and each country on the bargaining schedule is enormous. Each item must be considered in the light of the importance to the economy of the country involved, the effects of any proposed reduction on other industries, the number of workers affected, and many other factors. The number of items finally included in each agreement is no measure of the work necessary in preparation for the final document. For example, more than 100 requests for reductions by Belgium were turned down after careful study. Many other items were considered and rejected before the receipt of the Belgian requests for concessions. It is thus seen that American interests are not placed on the "auction block", as has been claimed by some of those opposed to the program. This work is under the direct supervision of the Trade Agreements Committee, upon which is represented various governmental departments and agencies. Subcommittees dealing with separate countries, groups of commodities, and special subjects, such as quotas and exchange control, serve the Committee on Trade Agreements, which is the coordinating body for all the work on tariff bargaining.

TRADE AGREEMENTS UNDER THE MOST-FAVORED-NATION PRINCIPLE

The trade agreements are being negotiated in accordance with the unconditional most-favored-nation or equality-of-treatment principle. This is a well-recognized canon of local as well as of international law. Indeed, the act itself expressly states that any concessions made to foreign countries shall be extended to all nations on equal terms, except insofar as the President may decide to withhold the benefits of tariff reductions to countries which discriminate against our commerce or whose acts and policies tend to defeat the purposes of the act. It has been found that some countries do discriminate against the commerce of the United States.

These have been warned of their future position if they do not desist from discriminatory treatment. One country has already been denied such treatment. By this action, however, it should not be interpreted that the sponsors of the program consider the act a punitive measure.

A structure of world trade based upon the fullest possible application of the equality-of-treatment principle offers the greatest promise of an expansion of international commerce. This policy places all countries on a basis of equality, avoids discriminatory treatment and the retaliation to which such discriminatory treatment gives rise. By bargaining with items of trade of which the foreign country is the principal or an important supplier, the United States is able to safeguard its interests under most-favored-nation treatment. Some oppose the application of the unconditional most-favored-nation principle; they would require a strict and narrow quid pro quo for each concession granted. Those who take this position apparently forget that the benefits of a preferential agreement may easily be nullified by the foreign country granting still greater preferences to third countries. In order to secure equality of treatment for our commerce, we must grant equal treatment to all others, unless, indeed, they already discriminate against us. It is for this reason that the Trade Agreements Act provides for the generalization of concessions. The nonpartisan Tariff Commission very wisely said in its report on reciprocity in 1919:

> Whatever the relative advantages and whatever the difference in net results, "preference", "reciprocity", and conditional most-favored-nation treatment necessitate frequent and repeated special negotiations, constant bargaining, inevitable delays, actual inequality of treatment; they are essentially indivualistic practices, while a uniform and sincere acceptance of the unconditional principle would result in the automatic and immediate generalization of all and whatever concessions any State agrees to make to any other.

Emphasis should be placed on the fact that in each trade agreement the concessions which we grant are made on those commodities for which the country in question is the principal or an important supplier. The concessions are of major significance, obviously, only to the country which is the leading supplier. As pointed out by the Tariff Commission, bargaining with every country furnishing a small part of the imports would require constant and continuous bargaining; there would be no stability in business in such a regime.

The United States stands ready to grant unconditional most-favored-nation treatment to all countries which in return accord us like treatment. There is, however, no justification for the extension of concessions to countries which flagrantly discriminate against us. Moreover, the general commercial and financial policies of certain countries may in special cases be of such a character that the essential purposes of the trade agreements act would be violated by extending to such countries the concessions which we make.

On the other hand, it is of the utmost importance for American trade that we do not overthrow the most-favored-nation principle. If we refuse to extend the benefits of the concessions made in our trade agreements we should have to denounce the unconditional most-favored-nation treaties and Executive agreements which we now have with some 30 or 40 countries. Moreover, even countries with which we do not have such arrangements in most cases accord us most-favored-nation treatment with respect to customs duties. Were we to denounce the arrangements which we have and refuse to extend concessions the great benefits which now flow to our commerce from most-favored-nation arrangements, whether formally embodied in treaties and Executive agreements or merely granted in practice, would be lost. If we refuse to extend concessions to countries with a double tariff system they in turn have every right to deny us the benefits of their lower rates. Moreover, countries with a one-column tariff could impose penalty duties against our exports. For this reason it would be a serious matter for our export trade should this country depart from the general most-favored-nation principle.

With respect to the newer forms of trade restrictions, such as exchange control, quota systems, clearing arrangements, import-control boards, and the like, this country recognizes full well the difficulties which many countries face. In negotiating with foreign countries with respect to the application of the most-favored-nation treatment to these newer forms of trade control, this Government wishes to be flexible and reasonable in its demands and to go no further than necessary to secure fair treatment for our own commerce, such treatment to be based in general upon the position of our trade in a representative period prior to the inauguration of these control measures. That position was taken in the agreement recently concluded with France.

In our domestic commercial dealings we do not think it at all strange that the price of bread to the millionaire is the same as that to the wage earner. We have long been on a one-price-for-everybody system. There are those who think it should be otherwise, but a multiple price system gives no end of trouble to the merchant as well as to the purchaser. Through most of our history our tariff has been a one tariff for all; in effect we have said to foreign countries: "We have a one-price or one-tariff system; each country must pay that price or tariff if it wishes to get its merchandise into the United States." The equality of treatment practiced in trade agreements is just this.

RESULTS OF THE PROGRAM

Much has been said relative to the gains in imports effected by trade agreements. When one takes the time to analyze the figures presented by the opponents of the program, one usually finds that the data applies to the trade of 1935, when only four agreements were in effect during any part of the year. Furthermore, many items of increased imports are frequently mentioned which have not been involved in any trade agreement. About 90 percent of the import statistics heretofore appearing in the record and elsewhere have had no relation to trade agreements.

It may be of interest to give some provisional statistical results, free from partisan bias, of the actual increase in trade since some of the agreements went into effect. I present herewith a short table which summarizes the gains in trade with countries with which agreements have been in force long enough to indicate the trend of trade.

In connection with this table, I wish to point out that there was an increase in total trade between the United States and every country listed. The gain in trade between the United States and Cuba in 1935 over 1934 (the agreement with Cuba was in effect for the last 4 months of 1934) was $47,000,000, or about 10 percent of the total gain in foreign trade between the 2 years. Of course, there are those who will say that because the imports increased in a greater volume than the exports, the United States loses in the agreement. There was no intention of balancing the trade between the United States and Cuba in negotiating this agreement. Normally, we have imported from 50 to 75 percent more from Cuba than we exported to that country; obviously in a fair agreement the increase of imports would be greater than the increase of exports. There is, however, no desire to attribute all of the gains in trade directly to the lowering of barriers through the agreement. The improvement in general business conditions brought about by other factors has had some influence. Similarly, the gains in trade with Belgium for the first year of the agreement showed substantial increases, being about $27,000,000 over the previous year. I might go on and show the gains with all the countries, but periods in which the other agreements have been in effect are, of course, shorter, and the gains are somewhat in proportion to the volume of trade and the length of time in which the agreements have been in force.

So much has been said relative to agriculture and trade agreements that a word might be said here relative to trade gains in agricultural exports. The agricultural exports to these countries during the first quarter of 1936, according

to the Department of Agriculture, increased about 15 percent above the farm exports for the same quarter of last year. This compares with an increase of only 5 percent in agricultural exports to the countries with which we have no agreements. This would seem to be strong statistical evidence that the program has been of specific benefit to agriculture. I do not have the time to go into further details as to the benefits to particular producers or sections of the country. Those interested in such benefits may readily obtain details from the proper official sources.

United States exports to and imports from countries with which trade agreements have been in force long enough to indicate the trend of trade

[Thousands of dollars]

	Exports to—			Imports from [1]—			Total gain
	1934 and/or 1935 (before agreement)	1935 and/or 1936 (after agreement)	Export gain	1934 and/or 1935 (before agreement)	1935 and/or 1936 (after agreement)	Import gain	
Cuba (calendar years 1934-35) [2]	$44,771	$59,194	$14,423	$78,761	$111,501	$32,740	$47,163
Belgium (12 months, May to April, inclusive) [3]	48,524	59,906	11,382	28,932	45,294	16,362	27,744
Haiti (11 months, June to April, inclusive) [3]	2,713	3,250	537	1,046	1,192	146	683
Sweden (9 months, August to April, inclusive) [3]	27,313	31,175	3,862	26,244	34,171	7,927	11,789
Canada (4 months, January to April, inclusive) [3]	100,296	111,177	10,881	81,245	100,956	19,711	30,592
Brazil (4 months, January to April, inclusive) [3]	15,234	15,977	743	33,594	36,862	3,268	4,011
Netherlands and colonies (February, March, April) [3]	18,370	18,850	480	25,630	30,138	4,508	4,988

[1] General imports for months before Jan. 1, 1934, imports for consumption after.
[2] Agreement with Cuba in force for 4 months of 1934.
[3] Figures for April are preliminary and subject to correction.

Source: Monthly Summaries of Foreign Commerce of the United States, Department of Commerce.

There is no desire by the administration to claim too much for this program. A healthy beginning has been made. In addition, there are some intangible results of this movement toward a more liberal foreign trade policy that are well worth mentioning. For a few moments I wish to direct your attention to that phase of the program. The support of the world was well summarized by the Honorable Francis B. Sayre in his bulletin American Must Act, as follows:

A significant and profoundly encouraging collateral result of the American program is the favorable attention which it has attracted in other nations. A large number of countries other than those named above have indicated an interest in negotiating reciprocal trade agreements with the United States.

At the Seventh Conference of American States held at Montevideo in 1933, representatives of 20 American nations unanimously endorsed the economic proposal presented by the Secretary of State of the United States. Today the basic principles of this proposal are being put into concrete operation through the American trade-agreements program.

At the Paris Congress of the International Chamber of Commerce, held in June 1935, representatives of important business groups and chambers of commerce in many countries passed a resolution "that all appropriate methods be utilized as fully as possible for the mitigation of existing barriers to trade", and "that bilateral trade agreements with the strict observance of the unconditional most-favored-nation clause be negotiated as rapidly as possible."

Signal progress was made toward general endorsement of the basic principles upon which the American trade-recovery program is based when the assembled representatives of over 50 nations at the September meeting of the Assembly of the League of Nations unanimously adopted a report recommending that recovery of international trade should be sought through the means of "bilateral agreements having as their objective the application of a more liberal policy * * * based upon the principle of the most-favored-nation clause." These nations expressed the same fundamental conviction upon which the American program is based, namely, that the "removal of the impediments to the exchange of goods * * * is indispensable if economic recovery * * * is to be developed."

WORLD LEADERSHIP IN NEW WORLD COMMERCIAL POLICY

This country has determined its policy in international economic relations and has proclaimed a program of action necessary to attain that objective. It is true that very powerful influences, both within and without the administration, are strenuously working to push and pull the Nation in opposite economic directions.

There is presented the well-known division between self-containment, with regimentation on an ever-increasing scale, on the one hand, and on the other a liberal commercial policy designed to restore international trade to a high level, stabilize the foreign exchanges, and to reconstitute the normal functioning of the international price system, thereby restoring freedom of enterprise and equality of opportunity in international commerce.

The ultrahigh tariff and extreme nationalistic groups, with their powerful lobbyists, swarm through the corridors of public buildings in Washington and demand discriminating trade policies and practices designed not merely to exclude foreign imports but to give preferential position in foreign markets for our producers, thereby discrediting on every hand a broad and liberal commercial policy based on the principle of equality of trade rights.

The opponents of a liberal commercial policy would have every nation continue its desperate struggle over the next few years to restore domestic prosperity, while at the same time intensifying the existing network of trade-destroying restrictions and practices. The proponents of a liberal commercial policy, on the other hand, would work steadily over the next 2 or 3 years to cut through these trade restrictions and open the way toward an expansion of world trade as an aid to domestic recovery, thereby combining domestic measures with international measures designed to rehabilitate a full measure of domestic and world prosperity.

The next 12 months will determine whether the policy of economic isolation and narrow quid pro quo bargaining based on preferential advantages or the broad principle of unconditional most-favored-nation treatment shall prevail.

In some parts of the world the continuing forces of the depression, of world-wide currency derangement, and lack of equilibrium in international prices are driving on toward an increasing number of trade restrictions, quotas, exchange regulations, governmental control boards, and preferential discriminatory arrangements in spite of the above-noted progress. A continued vigorous effort must be made to stem this tide. Our country is freer than any other to lead the way and offer a comprehensive program for the rehabilitation of international trade.

The State Department, in conjunction with the interdepartmental commercial policy and trade agreements committees, comprising the ablest experts of the various divisions of the Government concerned with foreign trade, is working with all possible speed to restore the normal processes of international commerce and finance. Numerous reciprocity agreements have been concluded; others are under negotiation. The number of countries that have expressed willingness and desire to enter into these negotiations is gratifying and encouraging. More and more sections of the American public are beginning to realize the value of the two-way flow of trade. It is the hope and expectation of the administration that in the mutual concessions to be made with each and every country on the bargaining schedule, the revival of world trade will be facilitated and gradually the benefits will be apparent to all. One country cannot accomplish the task alone. By example and frequent appeals the United States seeks to move toward a more liberal commercial policy. Our rank, however, as a great Nation, our youth and energy, our wealth and resources, our relative freedom from the restrictive policies which world conditions have imposed upon many countries place upon this Nation the responsibility of leadership. The adoption of the Trade Agreements Act indicates that we have assumed and asserted that responsibility.

Mr. O'CONNOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

REPATRIATION OF NATIVE-BORN AMERICAN WOMEN

Mr. DICKSTEIN. Mr. Speaker, I call up the bill (S. 2912) to repatriate native-born women who have heretofore lost

their citizenship by marriage to an alien, and for other purposes.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DICKSTEIN. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this bill, reported from the Committee on Immigration, applies to native-born American women, who through operation of the Cable Act lost their citizenship because of their marriages to aliens and who since such marriages either have lost their husbands or been divorced and who now desire to regain American citizenship.

It allows them to be repatriated. This bill provides a short form of naturalization allowing native-born American women, who have lost their citizenship through marriage to an alient, to take the oath of allegiance to the United States and thereby be repatriated.

This bill has the endorsement of all patriotic organizations and veterans' organizations. It has been reported by our committee unanimously, and in my opinion, is for the best interest of the American women.

Mr. TAYLOR of Tennessee. Mr. Speaker, the committee gave a good deal of consideration to this proposal, and, personally, I have no special objection to it, except the amendment that was added to the bill by the House committee conferring a certain discretion on the Labor Department. I think that amendment should be eliminated because ample provision is embodied in the bill to take care of its enforcement. I think with that one objection the bill is entirely satisfactory to me.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I yield to the gentleman from New York.

Mr. DICKSTEIN. This bill has already passed the Senate. It came before the committee, and the committee has unanimously reported it with the amendment referred to.

Mr. TAYLOR of Tennessee. Does the gentleman think that amendment is necessary?

Mr. DICKSTEIN. Does the gentleman object to the amendment?

Mr. TAYLOR of Tennessee. Yes; I do object to the amendment.

Mr. DICKSTEIN. I am willing to offer a motion to strike out the amendment in order to expedite the matter.

Mr. TAYLOR of Tennessee. With that amendment eliminated, it is entirely satisfactory to me.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, this is a bill that has come to us from the Senate, being sponsored over there by Senator JOHNSON.

As my colleague, the gentleman from Tennessee, has stated, the House committee has added an amendment to this bill, which is embodied in section 2. As the gentleman from Tennessee [Mr. TAYLOR] stated, we have no opposition on this side so far as I know, and I am not speaking for everybody, just for those who have made a study of this matter here at this table. We will not oppose the bill if section 2, as proposed by the House committee, is stricken. I understand the chairman of the Immigration Committee has agreed to this.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from New York.

Mr. DICKSTEIN. Section 2 of this bill simply authorizes the Naturalization Bureau to make rules and regulations. Does the gentleman desire to strike out that paragraph?

Mr. JENKINS of Ohio. Yes; we want that stricken out. It is not necessary, because this bill only includes certain people within a law that is already on the statute books. It includes a certain class of people that were inadvertently omitted. If we include those people, they will come within the same regulations as the others, and the purposes will have been accomplished. By adding this section we are adding something that is superfluous, and my proof of that is the fact that had it not been superfluous it would have been in the other bill. We, on this side, are afraid it might lead to unnecessary complications; consequently, this section should be stricken out.

Mr. DICKSTEIN. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, it seems to me that section 2 as inserted by the committee is essential to the carrying out of the purposes and intent of this proposed law. I do not want to jeopardize the purpose of the bill by striking out this section, if it in any way affects the very thing we are trying to do for these native-born American women.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. If that had been essential, the Senate would have included it, and the bill would have passed the Senate with that section in it. However, this amendment has been placed in the bill by the gentleman's committee; consequently, in view of all these things it is not necessary.

Mr. DICKSTEIN. Mr. Speaker, I consent to strike out that section as proposed by the amendment offered by the gentleman from Ohio [Mr. JENKINS].

The SPEAKER pro tempore (Mr. MCCORMACK). The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That hereafter a woman, being a native-born citizen, who has or is believed to have lost her United States citizenship solely by reason of her marriage prior to September 22, 1922, to an alien, and whose marital relation with such alien has or shall have terminated, shall be deemed to be a citizen of the United States to the same extent as though her marriage to said alien had taken place on or after September 22, 1922: *Provided, however*, That no such woman shall have or claim any rights as a citizen of the United States until she shall have duly taken the oath of allegiance as prescribed in section 4 of the act approved June 29, 1906 (34 Stat. 596; U. S. C., title 8, sec. 381), at any place within or under the jurisdiction of the United States before either a court of record of general jurisdiction or a United States commissioner or, outside of the jurisdiction of the United States, before a secretary of embassy or legation or a consular officer as prescribed in section 1750 of the Revised Statutes of the United States (U. S. C., title 22, sec. 131); and such officer before whom such oath of allegiance shall be taken shall make entry thereof in the records of his office or in the minutes of the court, as the case may be, and shall deliver to such person taking such oath, upon demand, a certified copy of the proceedings had, including a copy of the oath administered, under the seal of his office or of such court, at a cost not exceeding $1, which shall be evidence of the facts stated therein before any court of record or judicial tribunal and in any department of the United States.

With the following committee amendments:

On page 1, line 6, strike out "relation" and insert "status."

Page 2, line 7, strike out "either a court of record of general jurisdiction or a United States commissioner" and insert "a court exercising naturalization jurisdiction thereunder."

Page 2, line 15, strike out "minutes" and insert "naturalization records."

The committee amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the further committee amendment.

The Clerk read as follows:

After line 22, on page 2, insert:

"SEC. 2. The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe rules, regulations, and forms used to carry out the purposes of this act."

The committee amendment was rejected.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERIOD OF RESIDENCE REQUIRED OF AN ALIEN HUSBAND OF A CITIZEN OF THE UNITED STATES

Mr. DICKSTEIN. Mr. Speaker, I call up H. J. Res. 336 to clarify the provisions of section 4 of the act of May 24, 1934.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. DICKSTEIN. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this bill simply puts the American husband and American wife on an equal footing. In 1934 there was passed a law permitting an alien husband who married an American woman the right to become a citizen within 3

years. The same privilege was granted to an alien woman who married an American and she could accordingly become naturalized within 3 years. In other words, under the old law alien husbands would have had to stay here 5 years before they could become citizens, while the alien wives could be naturalized after only 1 year of residence.

So, in 1934 we equalized the opportunities under the law and this bill simply equalizes opportunities with respect to marriages that took place prior to the enactment of the act of May 24, 1934. So, if a marriage took place between a native-born American woman and an alien, or vice versa, they would be eligible for naturalization at the present time after 3 years' residence.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield for a question?

Mr. DICKSTEIN. Yes.

Mr. JENKINS of Ohio. So far as I am concerned, I do not believe there is any opposition to the bill on this side, but I should like to ask the gentleman whether or not it would be well to amend the bill at page 2, line 12, and in lieu of a 5-year period of residence insert the word "legal" and require a 5-year period of legal residence?

Mr. DICKSTEIN. The representatives of the Departments of State and Labor and the experts on this question have come before the committee and have recommended this language as the proper language. I have no special interest in any particular language just so long as it will do the thing we are trying to accomplish.

Mr. JENKINS of Ohio. I should like to have the word "legal" inserted, because it would then place the burden of offering proof if there were any short-comings with respect to residence.

Mr. DICKSTEIN. If the gentleman will offer such an amendment, I shall be pleased to accept it.

The SPEAKER pro tempore (Mr. MCCORMACK). The Clerk will read the bill for amendment.

The Clerk read as follows:

Resolved, etc., That section 4 of the act of May 24, 1934 (48 Stat. 797), entitled "An act to amend the law relative to citizenship and naturalization, and for other purposes", is amended to read as follows:

"SEC. 4. Section 2 of the act entitled 'An act relative to the naturalization and citizenship of married women', approved September 22, 1922, is amended to read as follows:

"'SEC. 2. That an alien who marries a citizen of the United States, after the passage of this act, as here amended, or an alien whose husband or wife is naturalized after the passage of this act, as here amended, or an alien husband who on or after May 31, 1931, shall have married a citizen of the United States, shall not become a citizen of the United States by reason of such marriage or naturalization; but, if eligible to citizenship, he or she may be naturalized upon full and complete compliance with all requirements of the naturalization laws, with the following exceptions:

"'(a) No declaration of intention shall be required;

"'(b) In lieu of the 5-year period of residence within the United States and the 1-year period of residence within the State or Territory where the naturalization court is held, he or she shall have resided continuously in the United States, Hawaii, Alaska, or Puerto Rico for at least 3 years immediately preceding the filing of the petition.'"

Mr. JENKINS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Jenkins: On page 2, line 12, after the word "of" insert the word "legal."

In line 13, after the word "of" insert the word "legal."

Mr. DICKSTEIN. Mr. Speaker, I agree to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SUPPORT AND RELIEF OF ALIENS

Mr. DICKSTEIN. Mr. Speaker, I call up the bill (H. R. 3472) to amend section 23 of the Immigration Act of February 5, 1917 (39 Stat. 874).

The first reading of the bill was dispensed with.

Mr. DICKSTEIN. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this is a bill that also comes from the committee unanimously.

This bill constitutes a step in the right direction. Under the present immigration law the Secretary of Labor, when he finds an alien stranded here, may send him back to his native land to stay, but this is true only for a period of 3 years after entry.

We have a number of aliens who find themselves stranded here and who are on the relief rolls in this country, who want to go back to their native lands, but there is no authority in the law giving the Secretary of Labor the right to send them back because they have been here more than 3 years. This bill gives the Secretary power to repatriate all of these aliens on relief rolls who seek to return to their native lands, but who have not the funds. The amount required for relief for one month and a half will send them back to their native lands and keep them there.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. MARCANTONIO. In other words, this bill applies only to such aliens as want to go back and there is nothing in the bill which compels aliens on relief to return to their native land?

Mr. DICKSTEIN. No. Benefits under this bill are only available upon voluntary application from the aliens seeking to get back to their native lands.

Mr. TAYLOR of Tennessee. Mr. Speaker, I am in hearty accord with the statement of the chairman of the committee that this is very salutary legislation. The more of these dependent aliens we can get out of the country at a minimum cost the better for the country.

This bill also provides that aliens thus deported shall not be eligible for reentry into the United States.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, I am taking this time primarily to ask a question of the chairman of the committee.

I believe this bill will meet with the hearty approval of very many people. There are many people who believe that when an alien becomes a public charge and is on relief there ought to be sufficient license not only to enter into a contract with him to go back, but to send him back arbitrarily whether he wants to go or not. However, such a provision is not in this bill.

When the bill was first drawn the limit was raised from 3 years to 5 years and then the 5 years was stricken out and the bill now provides for no limitation whatever. While I am not suspecting anybody on the committee or anywhere else, it does look a little suspicious to me for this reason. There may be a lot of people in this country who can easily get on relief if they want to, and they will get on relief for the sole purpose of getting back to their own country.

Somebody on the committee should have gone into that and perhaps the committee did go into that, but you can see that that will open the door to a great many for a trip back home on the part of somebody not on relief, but who can easily get on relief. There ought to be some limitation.

Mr. TAYLOR of Tennessee. The bill provides specifically that they cannot return to the United States after they have once been returned in this way to their native country.

Mr. JENKINS of Ohio. The gentleman can see my point is a good point, notwithstanding that. Let me give you a specific case. Suppose here are some aged people who have nothing in their own right at all. They are living with their relatives, who are taking care of them. They are not on relief. Suppose they come along and they say, "Here is a good chance for us to go back to our native land, and we want to go back there and never come back to this country. We will go on relief and go back." That may be captious on my part, but at the same time this thing is not intended for that. This bill is intended for people genuinely stranded, who want to go back to the country from which they came.

Mr. DICKSTEIN. This has been the law from 1917. It has not been abused. It has been carried out to 100 percent of enforcement, but the present law simply fixes 3 years to repatriate. We are removing that statute of limitation of

3 years and giving open power to the Secretary to take these people and repatriate them to their native land.

The SPEAKER pro tempore. The time of the gentleman has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That so much of section 23 of the act of February 5, 1917, as reads as follows: "and shall have authority to enter into contract for the support and relief of such aliens as may fall into distress or need public aid, and to remove to their native land, at any time within 3 years after entry, at the expense of the appropriations for the enforcement of this act", is amended to read as follows: "and shall have authority to enter into contract for the support and relief of such aliens as may fall into distress or need public aid, and to remove to their native country, or the country from whence they came, or to the country of which they are citizens or subjects, at any time within 5 years after entry, at the expense of the appropriations for the enforcement of this act, such as fall into distress or need public aid from causes arising subsequent to their entry and are desirous of being so removed, but any person thus removed shall forever be ineligible for readmission except upon the approval of the Secretary of State and the Secretary of Labor;".

With the following committee amendment:

Page 2, line 4, strike out "within 5 years."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CALL OF THE HOUSE

Mr. BOILEAU. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Wisconsin makes the point of order that there is no quorum present. Evidently there is not a quorum present.

Mr. DICKSTEIN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 125]

Andrews	DeRouen	Kennedy, Md.	Sadowski
Ayers	Dies	Kleberg	Sanders, La.
Berlin	Dirksen	Kvale	Sauthoff
Bland	Ditter	Lanham	Schuetz
Boehne	Dobbins	Larrabee	Scrugham
Bolton	Doutrich	Lee, Okla.	Sears
Brennan	Drewry	Lewis, Md.	Secrest
Brewster	Duffey, Ohio	McClellan	Seger
Brooks	Dunn, Miss.	McFarlane	Somers, N. Y.
Buck	Eagle	McSwain	Stewart
Buckler, Minn.	Eicher	Maloney	Sullivan
Bulwinkle	Englebright	Martin, Mass.	Sumners, Tex.
Burnham	Ferguson	Maverick	Taylor, Colo.
Cannon, Wis.	Fernandez	Monaghan	Thurston
Cary	Fiesinger	Montague	Tolan
Chapman	Ford, Calif.	Montet	Utterback
Claiborne	Frey	Nelson	Wallgren
Collins	Gasque	Nichols	Weaver
Corning	Gassaway	O'Connell	Wilson, La.
Cox	Green	Parks	Withrow
Creal	Hamlin	Parsons	Wood
Crosby	Higgins, Conn.	Rayburn	Woodrum
Crowe	Hoeppel	Reed, N. Y.	Zimmerman
Darden	Hollister	Risk	Zioncheck
Darrow	Hook	Robsion, Ky.	
Dear	Imhoff	Romjue	
Deen	Kee	Ryan	

The SPEAKER pro tempore. Three hundred and thirteen Members have answered to their names, a quorum.

Mr. O'CONNOR. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

DEPORTATION OF ALIENS PROMOTING CERTAIN PROPAGANDA

Mr. DICKSTEIN. Mr. Speaker, I call up the bill (H. R. 7221) to authorize the shortening or termination of the stay in the United States of certain aliens not admitted for permanent residence, to authorize the deportation of certain aliens admitted for permanent residence, and for other purposes, and ask unanimous consent to dispense with the first reading of the bill.

The SPEAKER pro tempore. The gentleman from New York calls up the bill, H. R. 7221, and asks unanimous consent that the first reading be dispensed with. Is there objection?

Mr. BOILEAU. Mr. Speaker, I object.

The SPEAKER pro tempore. The Clerk will read the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That under general authority granted by the act of July 1, 1932 (47 Stat. 524; U. S. C., Supp. VII, title 8, sec. 215), the Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall by regulation provide for the shortening or the termination of the lawful stay in the United States of every alien not admitted for permanent residence who while in the United States engages in the promotion or dissemination of propaganda instigated from foreign sources or who while in the United States engages in political activities.

SEC. 2. The Secretary of Labor is hereby authorized and directed to institute deportation proceedings against any alien in the United States who while in the United States engages in the promotion or dissemination of propaganda instigated from foreign sources or who while in the United States engages in unlawful political activities instigated from foreign sources.

SEC. 3. (a) The words "propaganda instigated from foreign sources" when used in this act shall only mean—

Any systematic effort, which is directed or supported from known sources outside the territory and jurisdiction of the United States and which is intended to gain, within the United States, favorable public opinion and support for (1) the adoption in the United States of any opinion, or of any course of action, or of any governmental policy, which is inconsistent with the principles of the Constitution or laws of the United States, or (2) the extension from any foreign country to United States of the application of any religious or racial prejudices and intolerances in official and private life and in business affairs.

(b) The words "unlawful political activities instigated from foreign sources" when used in this act shall only mean—

Any activities, identified with official policies of any foreign governmental agency or political party, which are directed or supported from a headquarters located in territory outside the jurisdiction of the United States and which seek to influence political action and thought, within the United States, favorably toward (1) the establishment, by unlawful means or other subversive methods if necessary, in the United States of any principle or policy of government, prevailing in the country wherein is located the foreign headquarters, which is inconsistent with the principles of the Constitution of the United States, or (2) the application in the United States of any policy of government, prevailing in the country wherein is located the foreign headquarters, which, by the advocacy of any religious or racial prejudices or intolerances, tends to foment political acrimony and business animosity in the United States.

The SPEAKER pro tempore. The gentleman from New York is recognized for 15 minutes and the gentleman from Tennessee for 15 minutes.

Mr. DICKSTEIN. Mr. Speaker, I yield myself 5 minutes and ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, this bill comes to you unanimously from the Committee on Immigration. It will do a great deal for America and the American people. The bill follows one recommendation by the committee of the Seventy-third Congress that investigated un-American, foreign, and subversive propaganda. In one of its recommendations, it strongly recommended the enactment of legislation as proposed here by this bill. It found there were innumerable foreign visitors, hundreds of them, who come to our shore under the guise of being our friends. Some come here under the guise of visitors, and some come here for the purpose of business. When they get to the port of Ellis Island, their time to stay in the country is fixed at 3, 4, 5, or 6 months, or even a year.

After they enter this country we find that almost all of them are here more or less in the role of foreign spies to spread un-American propaganda, in violation of the decencies of every peaceful nation.

Under the present law, there is no way by which we can tell these so-called visitors to stop bringing in and flooding this country with propaganda, whether it be nazi, fascisti, communistic, or any other propaganda. The bill permits the Secretary of Labor, upon proof that any alien who came here under the guise of a visitor is in fact an alien propagandist engaged in spreading un-American misinformation, to send him back to his native land.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield at this point?

Mr. DICKSTEIN. I refuse to yield now.

Mr. O'MALLEY. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. DICKSTEIN. Oh, do not do that. I will yield to the gentleman later after I make my statement.

Mr. O'MALLEY. Mr. Speaker, I withdraw the point if the gentleman will yield to me.

Mr. DICKSTEIN. I shall yield to the gentleman later but let me finish my statement.

We are going to amend the law so that, if a man or woman is found who came here as an alien from the other side to spread subversive propaganda which is against the best interests of this country, the Department shall be in a position to tell that alien politely to go home to his native land.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield first to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Is it the purpose of this bill to confine visitors to this country in the remarks or any lectures they make?

Mr. DICKSTEIN. No.

Mr. O'MALLEY. Would not this bill do that?

Mr. DICKSTEIN. It would not.

Mr. O'MALLEY. Suppose somebody said that a lecture of some visitor from France or Germany or any other country was propaganda, would not this bill cause the Department of Labor to deport him?

Mr. DICKSTEIN. If the gentleman will read page 3 he will find it simply says "any activities, identified with official policies of any foreign governmental agency or political party", of a foreign government.

Mr. O'MALLEY. Who is going to judge what is identified with a foreign government? Who is to be the judge of that?

Mr. DICKSTEIN. The fact of the matter is that the person we are seeking to send back home very often comes from a government who is paying him and subsidizing him to spread this un-American literature amongst our American institutions. It must be definitely established that he is coming here representing a foreign government.

Mr. O'MALLEY. And who will establish that? The Department of Labor?

Mr. DICKSTEIN. The Department of Labor and the Department of State.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. MARCANTONIO. I want to call the gentleman's attention to section 2 of this bill. Is it not a fact that section 2 does not deal with temporary visitors, but it deals with aliens who are permanently admitted to the United States? Is that not correct?

Mr. DICKSTEIN. The language speaks for itself. I am not going to take up time in explaining it now.

Mr. O'MALLEY. The gentleman is the author of the bill, and he should be able to give us an opinion.

Mr. DICKSTEIN. The gentleman can read the English language as well as I can. He can see what it means.

Mr. O'MALLEY. I am asking whether it deals with aliens permanently admitted into the United States.

Mr. DICKSTEIN. It means just exactly what it says.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. DICKSTEIN] has expired.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I am in hearty accord with the provisions of this legislation. However, I recognize that it may be subject to one or two minor amendments. Of course, the purpose of this legislation, in my opinion, is very meritorious. The object of it is to prevent visitors to this country, who come here as our guests, from abusing the courtesy and hospitality of this country when they get here. We have noticed in the press during the past year or two where recognized Communists have come to this country. Of course, they were not recognized as such when admitted, but after coming here they proceeded to abuse the hospitality of this country by preaching and spreading the doctrine of communism and other propaganda subversive to our institutions.

Mr. SCHNEIDER of Wisconsin. Will the gentleman yield?

Mr. TAYLOR of Tennessee. I am sorry I cannot yield because I do not have time. I must yield to others.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, I asked the chairman of the committee, who is the author of this bill, as to the meaning of section 2. He declined to answer that question. I submit section 2 to every Member of this House. It states:

> The Secretary of Labor is hereby authorized and directed to institute deportation proceedings against any alien in the United States who while in the United States engages in the promotion or dissemination of propaganda instigated from foreign sources or who while in the United States engages in unlawful political activities instigated from foreign sources.

I submit that that section applies not only to aliens who are admitted for the purpose of a temporary visit, but that section applies to every alien now residing in the United States.

As to section 2 I wish the chairman of this committee had read his immigration law, and as chairman of the Committee on Immigration he should know the immigration law; he would have found that in section 155, title VIII of the United States Code, Annotated, there is a provision which provides for the deportation of any alien who is openly advocating the overthrow of the Government of the United States by force and violence. That is actually the law now. That is actually on the statute books. Aliens are being deported under that provision, section 155, title VIII, United States Code, Annotated, already in existence.

Now, inasmuch as you have already provided in 1917 and again in 1922 for the deportation of aliens who are seeking to overthrow the Government of the United States by force and violence, why do you need section 2? It seems to me that section 2 goes beyond the class of people who seek to overthrow the Government by force and violence. It tends to deport those people who are advocating views which may be contrary to the views held by the Liberty League, the Hearsts, and other reactionaries in this country.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. CONNERY. The gentleman says "an alien residing here permanently." If a person becomes a citizen he is not an alien and he cannot be deported.

Mr. MARCANTONIO. That is true.

Mr. CONNERY. Any person here who puts out this subversive propaganda against the United States should be deported, should he not?

Mr. MARCANTONIO. That is not the point. The point is, first, an alien must reside here 5 years before he may become a citizen; second, there is already on the statute books section 155, title VIII, which provides that any person who advocates the overthrow of the Government by force and violence is to be summarily deported.

That provision is mandatory, and you can check up on me by calling up the Department of Labor. This section goes beyond the advocacy of the overthrow of government by violence. Anything can be interpreted by a Secretary of Labor to mean unlawful political activity. Today you may have a liberal Commissioner of Immigration; tomorrow you may have a reactionary Commissioner of Immigration; and you are putting power in his hands which goes beyond the mere prevention of the advocacy of the overthrow of government by violence. If you want to deport people because they are engaging in the dissemination of subversive propaganda you can do it under title VIII, section 155.

Mr. CONNERY. That cannot be done. The only people who can be deported under that section are anarchists. No person can be thrown out under that section, for instance, for spreading German Nazi propaganda.

Mr. MARCANTONIO. It can be done, as I have said, because the law is clear and has been repeatedly used. You can call up the Commissioner of Immigration now and check up. This very day people are being deported for allegedly advocating the overthrow of the Government by violence. Since you have covered that, why do you need this? You are going beyond subversive influence; you are attempting to deport people who tomorrow will be advocating views which a Secretary of Labor might construe to be unlawful political activity. This is the beginning of the reactionary laws against the civil liberties of our people. This bill is the worst piece of alien baiting I have ever seen. It goes to the very heart of our Bill of Rights. Adopt it and you have scored another victory for Black Legion reaction.

The ambiguous language in this bill is similar to the general and ambiguous language which was put in the alien and sedition laws by the Federalist Party years ago in this country, and it was those alien and sedition laws which wiped out the Federalist Party. I hope this Congress will not repeat the error.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I am thoroughly in accord with the bill now under consideration. It seems to me if people coming here from foreign countries do not agree with our form of government, they ought to go back without any invitation, but if they will not, we ought to send them back. I think the bill does not go far enough and propose, therefore, to offer an amendment which will provide also for the deportation of criminal aliens. Many of us have tried for some time to obtain adequate laws for the deportation of criminal aliens from this country. The language of the amendment which I shall offer is the language that was included in and approved by the Immigration Committee in the Kerr bill and is taken bodily from that bill. It was one of the provisions of the bill. That bill never went through, because it had in it many other features which many Members thought let down the bars on immigration. There has never been any objection, so far as I know, to the deportation of criminal aliens. That is all I seek to do by this amendment, and the language of the amendment is identical with the language taken from the Kerr bill approved by the Immigration Committee.

Mr. Speaker, I yield back the balance of my time.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MILLARD].

Mr. MILLARD. Mr. Speaker, I shall not require 5 minutes. All I want to say is that I am heartily in favor of this bill as a member of the Committee on Immigration and Naturalization.

It is quite apparent from some of the statements that have been made that the Members who made them have not read the bill and do not understand it. The purpose of this bill is to terminate the temporary stay of and deport certain aliens found to be promoting and disseminating certain propaganda instigated from foreign sources.

Mr. MARCANTONIO. Will the gentleman read section 2.

Mr. MILLARD. I am coming to that in a minute.

The Special Committee on Un-American Activities, which was appointed pursuant to House Resolution 198 of the Seventy-third Congress, filed its report to the House (H. Rept. 153, 74th Cong., 1st sess.) under date of February 15, 1935.

In that report the Special Committee on Un-American Activities recommended, in part—

> That Congress should enact a statute conferring upon the Secretary of Labor authority to shorten or terminate the stay in this country of any visitor admitted here under temporary visa, whenever, in the judgment of the Secretary, such visitor shall engage in the promotion or dissemination of propaganda or engage in political activity in the United States.

The public hearings held before the Special Committee on Un-American Activities, the printed record of which were available to your committee, together with the full report of that special committee, indicate very clearly the need for a new statute as is proposed by this pending bill.

Notwithstanding existing provisions of law, it developed during the progress of the comprehensive investigation by the Special Committee on Un-American Activities that the promotion of the dissemination in the United States by aliens of subversive propaganda instigated from foreign sources was not solely deemed sufficient grounds for the Immigration and Naturalization Service to initiate procedure under the immigration acts to remove aliens engaged in those questionable activities, whether those aliens were here on temporary status or on permanent residence status.

Your committee is convinced that, especially at this time, Americanism is the only "ism" we should encourage among citizens and residents of the United States. There is not now any reason why our immigration laws should not be corrected so that deportation would follow activities by any alien desiring to spread in the United States any kind of alien doctrine or philosophy inconsistent with our constitutional plan of government or racial or religious intolerance proposals which endeavor to aline Americans against Americans for internal discord in the United States.

While this measure is not retroactive with respect to aliens who have heretofore engaged in propaganda activities, the continuance of their propaganda activities after the enactment of this act will subject them to the penalties contained herein. Also the enactment of this measure now will serve notice to all persons abroad who may contemplate coming here to carry on propaganda that their activities here will subject them to removal proceedings.

I think this is a good bill, although, as the gentleman from Tennessee [Mr. TAYLOR] suggested, it may need amendment. Subdivision 2 of section 3, I think, should be amended, but in the main this bill should be passed, and passed at once.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MILLARD. I yield.

Mr. RICH. Speaking of section 2 of the bill, is there any reason why an alien who is spreading unlawful or illegal propaganda should not be banished?

Mr. MILLARD. He should be.

Mr. RICH. I think section 2 in this bill is a good section.

Mr. MARCANTONIO. Mr. Speaker, if the gentleman will yield, can anybody give us a definition of unlawful propaganda?

Mr. RICH. Any propaganda that advocates the overthrow of our Constitution and our form of government.

Mr. MARCANTONIO. The gentleman in his zeal forgets all about the constitutional guarantee of freedom of speech.

Mr. CONNERY. Mr. Speaker, the gentleman from New York [Mr. MARCANTONIO] seems unduly exercised about section 2. Section 3 reads as follows:

> SEC. 3. (a) The words "propaganda instigated from foreign sources" when used in this act shall only mean—
>
> Any systematic effort, which is directed or supported from known sources outside the territory and jurisdiction of the United States and which is intended to gain, within the United States, favorable public opinion and support for (1) the adoption in the United States of any opinion, or of any course of action, or of any governmental policy, which is inconsistent with the principles of the Constitution or laws of the United States, or (2) the extension from any foreign country to United States of the application of any religious or racial prejudices and intolerances in official and private life and in business affairs.

In other words, the worries of the gentleman from New York about a strike and as to whether they could deport somebody who was taking part in a strike, it seems to me, are wholly unwarranted for the reason those connected with it have to be influenced by foreign propaganda, or it has to be shown that some foreign government is attempting to influence people who are connected with that strike.

I have known every Secretary of Labor with the exception of Mr. Wilson, including Secretaries of Labor Davis, Doak, and Miss Perkins. I have never known any of them who would step into a strike and try to deport anybody on that account.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from New York.

Mr. MARCANTONIO. How about the San Francisco strike? The gentleman knows that in the bitterness of a strike serious charges are made against individuals engaged in the strike. Once those charges are made, the burden of proof under the immigration law falls on the alien and not on the Government.

Mr. CONNERY. It falls on the Government.

Mr. MARCANTONIO. No. The burden is on the alien. The law is clear on that point. An alien has the burden, under the law, to prove his right to enter or remain in the United States. This is unfair, but it is the law.

The SPEAKER pro tempore. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That under general authority granted by the act of July 1, 1932 (47 Stat. 524; U. S. C., Supp. VII, title 8, sec. 215), the Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall by regulation provide for the shortening or the termination of the lawful stay in the United States of every alien not admitted for permanent residence who while in the United States engages in the promotion or dissemination of propaganda instigated from foreign sources or who while in the United States engages in political activities.

Mr. JENKINS of Ohio. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment by Mr. JENKINS of Ohio: Page 2, line 4, after the word "in" and before the word "political", insert "unlawful."

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. The Secretary of Labor is hereby authorized and directed to institute deportation proceedings against any alien in the United States who while in the United States engages in the promotion or dissemination of propaganda instigated from foreign sources or who while in the United States engages in unlawful political activities instigated from foreign sources.

Mr. BOILEAU. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. BOILEAU: Page 2, line 8, after the word "engages", strike out the rest of line 8 and all of line 9 and the words "States engages" in line 10.

Mr. BOILEAU. Mr. Speaker, I want to say in the beginning that my opposition to this bill is not because I want any foreigners to come to this country and advocate communism. I am constitutionally and fundamentally opposed to communism, and I do not believe there is a Member of this House who is more opposed to that philosophy of government than I am.

I know it is the intention of the members of the committee to curb the teaching of communism in this country by foreigners who may come here for this express purpose. To that extent, I am in sympathy with the members of the committee, but I respectfully submit to the Members of the House, that this committee has gone further than they should to accomplish this purpose.

The language that my motion would strike from section 2, goes further than any member of this committee really wants to go. I call attention again to the fact that my amendment strikes out the language in lines 8, 9, and 10, as follows:

In the promotion or dissemination of propaganda instigated from foreign sources or who while in the United States engages.

So that my amendment still leaves in the section the prohibition against any alien, while in the United States, engaging in unlawful political activities instigated from a foregn source. My amendment leaves that part in, but strikes out the other language which seems to me to be clearly objectionable.

Under the provisions of that paragraph, Einstein could be deported for teaching the theory of relativity, because it had not been previously thought of in this country. He could be deported on the ground he was spreading propaganda in this country that was directed from a foreign source. If Pasteur had come to this country years ago and disseminated information along certain medical lines, he could have been deported for no other reason than the fact he was teaching something along scientific lines that Americans had not previously thought of.

The language should not be in this bill, and I submit to the good judgment of the House that it should be stricken out.

Mr. CONNERY. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Massachusetts.

Mr. CONNERY. There is nothing in the theory of relativity or the pasteurization of milk that interferes with the Constitution of the United States.

Mr. BOILEAU. All right. I will refer to something very near and dear to my friend. John Jones, a law-abiding alien who had lived in this country for 25 years and who had supported the N. R. A. and A. A. A., could be deported because he had advocated something inconsistent with the Constitution of the United States.

This language is very clear. Read subsection (a) of section 3 where it attempts to define the language. Down here in line 19, in defining the meaning of this language, the bill states "which is inconsistent with the principles of the Constitution or laws of the United States", and Franklin D. Roosevelt, the President of the United States, advocated the N. R. A. and the A. A. A., which are contrary to the Constitution. I am not finding fault with him. I voted for those acts myself because I thought they were right. However, if I had happened to be an alien and this bill had been law, they could have deported me, and had Franklin D. Roosevelt been an alien they could have deported him, and the fact that I was doing what I thought was best for my country would not have made any difference.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. SCHULTE. The gentleman made the statement that under this bill if he had been an alien and had advocated the N. R. A. he could have been deported. I call his attention to the language here that says, "engaged in unlawful political activities instigated from foreign sources."

Mr. BOILEAU. I do not yield any further. I want to call the gentleman's attention to the fact that the language I am referring to is—

Who while in the United States engaged in the promotion or dissemination of propaganda instigated from foreign sources.

Mr. SCHULTE. That is right.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BOILEAU. I want to clarify this matter for the benefit of the gentleman from Indiana. The gentleman is a member of the committee and I do not suppose I can give him any information, but I am sure he is in error, because in section 2 there are two separate and distinct provisions. One states that—

The Secretary of Labor is hereby authorized and directed to institute deportation proceedings against any alien in the United States who, while in the United States, engages in the promotion or dissemination of propaganda instigated from foreign sources.

Mr. SCHULTE. Read on.

Mr. BOILEAU. That is the end of that particular provision. Then it states—

Or who, while in the United States, engages in unlawful political activities instigated from foreign sources.

Then subparagraphs (a) and (b) of section 3 attempt to define these two expressions as used in section 2, and I submit that the definition contained in paragraph (a) of section 3 clearly makes it a deportable offense for a person to advocate anything that is inconsistent with the Constitution or the laws of the United States. It does not say "attempting to overthrow our Government", but advocating any principle that is inconsistent with the Constitution of the United States or the laws of the United States.

Now, the N. R. A. and the A. A. A., the Supreme Court has said, are inconsistent with the Constitution of the United States, and you and I know that the people who advocated these laws were not undesirable aliens, they were good, American citizens, and I submit to you that aliens who were here at that time and who advocated them would have been subject to deportation as provided here, subject, of course, to the limitation that it must have been started from a foreign source, but I submit to you that the principle involved is the same whether it was thought of first here or in some foreign country. I submit that the language I have referred to should be stricken out and I propose at the proper time to offer another amendment to strike out subparagraph (a) of section 3 so we will leave in the bill the provision that makes it unlawful for a person coming here from a foreign land to engage in unlawful political activities instigated from foreign sources.

Mr. SCHULTE. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. SCHULTE. No one questions the gentleman's Americanism or his love for this country, but is the gentleman in sympathy with the principles of the bill?

Mr. BOILEAU. I submit that my amendments are perfecting amendments. My amendments will do what you claim this bill should do, and remove the objectionable features that may be used for the purpose of oppressing decent aliens in this country.

I submit that this country is too big to pass such legislation as this, which would put a club over the heads of good, law-abiding aliens in this country.

Mr. SCHULTE. This bill does not put a club in the hands of anyone and refers to those engaged in unlawful political activities instigated from foreign sources.

Mr. BOILEAU. My amendment leaves that language in the bill and takes out the other provision in the section.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. O'MALLEY. As an illustration of what might happen under this proposed law if the language were interpreted as I interpret it, some alien in this country who was written a letter by his brother to support the N. R. A. could be held for deportation under this bill under the language—

Engaged in the promotion or dissemination of propaganda instigated from foreign sources.

Mr. BOILEAU. I thank my colleague for that contribution, because that could happen and I am sure we do not want to do that. When you consider this bill and use your sober judgment I am sure you will not vote for this measure unless these amendments are adopted.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, no law-abiding American need fear anything from the language in this bill. It is not directed against law-abiding Americans.

Mr. BOILEAU. Did I understand the gentleman to say that no law-abiding citizen should object to this language?

Mr. BLANTON. I said and repeat that no law-abiding American need fear anything whatever from the language in this bill.

Mr. BOILEAU. I misunderstood the gentleman.

Mr. BLANTON. It is not directed against law-abiding Americans; it is directed against Communists who get their orders from a Russian Government across the waters to destroy organized government and organized constitutions. This is all this bill seeks to reach.

Mr. SCOTT. Mr. Speaker, will the gentleman yield just a minute?

Mr. BLANTON. No; I do not yield to the gentleman.

I am not concerned about taking such good care of the Communists who get their orders and money from Russia. I am concerned about America. I am concerned about Americans. I am concerned about the welfare and interests of American girls and boys who grow up in the United States. You are going to find me on this floor fighting every subversive influence that comes into the Nation. I am fighting it now, keeping it out of our schools here, in spite of every "red" in Washington [applause], in spite of every "red" newspaper in Washington. [Laughter and applause.] There are five of them here. We have got enough of it.

I have been chairman of a subcommittee that was asked to appropriate $78,660 annually to help put communism into the schools every year. My subcommittee has gone into the subject exhaustively. There are 63 citizens' organizations here which elected a committee to look after their school interests, and to keep communism out, and appointed a man as chairman of it, Judge George E. Sullivan, to keep subversive teachings out of our local schools. This federation of 63 citizens' associations appointed Hon. George E. Sullivan, a splendid gentleman of Washington, as their chairman.

He came to me and said on behalf of the committees, the mothers, and fathers in these 63 different citizens' organizations who pay the salaries of teachers in the schools here, "We want you to submit these questions to the teachers in Washington and find out whether they are Communists." [Applause.]

Mr. O'MALLEY. Will the gentleman yield?

Mr. BLANTON. Not just now. These fathers and mothers who pay the salaries of these 3,167 officers and teachers had a right to appeal to us. This District is controlled by Congress. When they appealed to us through the chairman of that committee, Hon. George E. Sullivan, who submitted the kind of questions they wanted asked, these mothers and fathers of Washington, I felt that they had the right to ask them. So I sent the questionnaires.

Mr. O'MALLEY. Mr. Speaker, a point of order.

Mr. BLANTON. There have been some "reds" around here who did not like it.

Mr. O'MALLEY. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state the point of order.

Mr. O'MALLEY. The gentleman is not confining himself to the amendment.

Mr. BLANTON. Oh, yes, I am. The question of this language in this bill reaches communism here in Washington. This whole bill before us deals with communism. It was communism in schools that this questionnaire dealt with that I sent to the 3,169 officers and teachers on the part of the fathers and mothers of Washington. There is nothing to the gentleman's point of order.

The SPEAKER pro tempore (Mr. McCORMACK). The Chair is prepared to rule. The Chair overrules the point of order.

Mr. BLANTON. And because I properly exercised my right as chairman of the subcommittee that handles the District appropriation bill, and all appropriations for the officers and teachers of the Washington schools, and all of the expenses paid to the Board of Education here in Washington, and responded to the appeal of the fathers and mothers of Washington, made through their delegated authority, Judge George E. Sullivan, and sent questionnaires to the 3,169 officers and teachers to elicit facts that were pertinent and material to the requested appropriation of $78,660 which was still before my subcommittee undecided, a certain Representative from Illinois, without giving me any warning, without notifying me of his intention, and at a time when I was busy with my coconferees of the House in conference with Senate conferees, trying to agree upon 87 Senate amendments to an annual appropriation bill, presented a resolution in the House, and was having it read at the Clerk's desk, when friends telephoned me about it.

I am glad that it will appear in the RECORD, and that it will show the questionnaire that I sent to the 3,169 officers and teachers, for I want every father and mother in the counties of Alexander, Franklin, Jackson, Perry, Pulaski, Randolph, Union, and Williamson, in the State of Illinois, to turn to page 9947 of the RECORD and read said questionnaire, and read said resolution, and then determine whether I was treated fairly and justly, and whether there is any question that the fathers and mothers of Washington did not have the right to ask, and whether they approve of the

author of said resolution going before the Board of Education and advising teachers not to give such information, but to ignore such request.

I want the readers of this RECORD to remember that as soon as said resolution was read, the Speaker promptly ruled that it was out of order, and that he sustained a point of order against it. I want the readers of this RECORD to remember that the Speaker held that said resolution in no way reflected upon me. If it had been a reflection upon me, it would have given me a personal privilege, under the rules of the House.

A little bunch of "reds" in the schools—and there are just a few of them—and a little bunch of "reds" that circulate around here on Capitol hill, whom we all know, are not going to stop me one minute in my fight against communism. I will be here a long time after they are gone and forgotten, every last one of them.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Not just now. I want these "red" newspapers in Washington to remember that this morning when I was in conference with the Senate managers trying to agree upon a bill—and we did, a bill, a complete agreement on 87 Senate amendments—in my absence, without saying a word to me about it, a resolution incited by them was taken up here that they knew was not in order, so that the "red" newspapers could attack me; but it will not do them any good. We are going to run the "reds" out of the schools of Washington. [Laughter and applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. DICKSTEIN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I do not want any of my friends to think that I am out for an alien campaign. As a matter of fact, in my 14 years in this House I have been advocating laws to safeguard decent, lawful, and proper alien admissions to the United States, and to insure the union of families. I hope to appeal to this House within the next few days to stay the deportation of a number of lawful aliens in this country, who have committed no crime, while the Congress is preparing some law to assure these decent people here proper, humane relief. I have nothing against anybody, but I will fight just as much as you will to protect this country from subversive poison that enters our shores, either by way of smuggling or by other forms.

Mr. Speaker, if you want something constructive in legislation, do not amend this bill, whether it be on this side of the House or on that side. This committee has given study to this bill for almost 2 years. We are not trying to hurt anybody.

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield for a question?

Mr. DICKSTEIN. Yes; I yield briefly.

Mr. GRAY of Pennsylvania. Suppose a European medical association had a member who made some great medical discoveries and he came to this country to lecture on that——

Mr. DICKSTEIN. It would not have anything to do with this.

Mr. GRAY of Pennsylvania. Yes, it would. The gentleman from Wisconsin is correct in his interpretation of the language of this bill.

Mr. DICKSTEIN. I will answer the gentleman if he will be patient for a moment. Section 2 states:

> The Secretary of Labor is hereby authorized and directed to institute deportation proceedings against any alien in the United States who while in the United States engages in the promotion or dissemination of propaganda instigated from foreign sources or who while in the United States engages in unlawful political activities instigated from foreign sources.

Under section 3 (a) we give you a definition of what that actually means for the purposes of this act:

> SEC. 3. (a) The words "propaganda instigated from foreign sources" when used in this act shall only mean—
>
> Any systematic effort, which is directed or supported from known sources outside the territory and jurisdiction of the United States—

In other words, this man to whom the gentleman refers can come and teach and talk, and no one is going to deprive him of free speech or free press, but when we can show that he represents an invisible or foreign government which seeks by its own act to enter this country for the purpose of spreading from foreign headquarters unrest in our labor movement or in any other domestic movement, whether it is fascism, nazi-ism, or any other "ism", I say to you we ought to say that we have the right to tell them to go back home.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman.

Mr. CONNERY. The gentleman seems exercised about a man coming over here and lecturing, say, on a medical proposition. The bill says:

> Any systematic effort, which is directed or supported from known sources outside the territory * * * which is intended to gain, within the United States, favorable public opinion and support for (1) the adoption in the United States of any opinion, or of any course of action, or of any governmental policy, which is inconsistent with the principles of the Constitution or laws of the United States.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. O'MALLEY. Mr. Speaker, I rise in opposition to the pro-forma amendment. Like my colleague [Mr. BOILEAU], I am afraid of the broadness of this bill, because I fear it may put a weapon into the hands of some people with which to persecute decent, law-abiding aliens, who may or may not express some opinion to arouse the ire of some bureaucrat. We have had a great deal of political persecution of people who did not agree with the opinions of some of those who may hold important positions. I, myself, have been a victim of some of this political persecution, as have my friends and family. We have seen instances where even the income-tax laws have been used to harass and persecute those who did not agree with certain political opinions. I do not want to see this Congress pass a bill so broad that it might serve as a weapon of intimidation and political control in the hands of any officials who may be in office today or in the future.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I cannot yield now. I propose at the proper time to offer an amendment inserting the word "unlawful" before the word "propaganda." That should clarify this unnecessary law a little bit and give protection to innocent persons who might incur the ill will of those in power.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I shall in a minute. I think that my amendment may clear up some doubts about and restrict the abuses possible under this section, but I still feel it is too broad as now written. We do not need section 2 the way it is written to prevent any unlawful activities and the spread of unlawful propaganda as our laws now stand. As I gather the wording of section 3, it seems to me that anybody who might advocate anything in this country that is contrary to established opinion or to governmental policy could be deported at the will and direction of a Secretary of Labor. When I had the discussion with my colleague from Wisconsin [Mr. BOILEAU] I told him that I believed that a brother of a man in this country awaiting his citizenship papers could have written to his brother alien in this country and asked him to support the N. R. A., and that when the N. R. A. was declared unconstitutional somebody in the Labor Department, if this bill had been the law, could have had that man deported for advocating a governmental policy that was unconstitutional.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. Yes.

Mr. BOILEAU. The mere insertion of the word "unlawful" would not be sufficient, because section 3 (a) attempts to define what is propaganda, and you would have to change that section or knock it out. I submit that rather than confuse the issue we should strike this language out in section 2 and strike out all of section 3 (a).

Mr. O'MALLEY. We have to get at one thing at a time in this House. I am not like the gentleman from Texas,

I have always felt that this continuous advertising of communism and Communists has done more to make their ranks grow in this country than anything else. I know that when I was a boy and was told I should not read a book, I tried to get that book and take it up into the attic or behind the woodpile and read it, and when the papers and the Halls of Congress are today full of talk about communism in the schools it is natural that the juvenile mind will want to investigate communism or any other "ism" that is being given all kinds of unnecessary free advertising by some 100 percenters. If those who want and speak about communism would give one-half their time and energy toward eliminating poverty, providing jobs for every man wanting work, communism as a doctrine would disappear.

Mr. CONNERY. But in the case the gentleman speaks of, of an alien writing about the N. R. A., the language of the bill is "any systematic effort." If the individual merely talked about the N. R. A. he would not come under this.

Mr. O'MALLEY. But who is to judge what is "systematic efforts"? Is it to be some bureaucrat in the Department of Labor who speaks when the strings are pulled, or should we rely on the intelligence of our people to tell right from wrong? I am one who believes that our people are too intelligent to need any guardians to tell them what to read, hear, or believe. I will never subscribe to the dictatorship theory of trying to legislate thought or opinion out of existence. That precious guarantee of free speech gives us always the right to refute and defeat false doctrines by truth and fact. To throw a man in jail because his beliefs do not agree with ours, whether he be American or alien, is to hark back to the days of witch burning, inquisition, and feudal tyranny. Provide work, homes, health, and independence for our people, and we will not need to waste their time with laws such as these.

The SPEAKER pro tempore. The time of the gentleman has expired. All time has expired on this amendment.

Mr. JENKINS of Ohio. Mr. Speaker, I offer the following amendment which I send to the desk:

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio to the amendment offered by Mr. BOILEAU: Page 2, line 8, strike out all after the word "engages" and all of line 9 and the first two words in line 10; strike out the period in line 11 and add "or engages in any activities which encourage the violation of any law or which seek to overthrow the Government and nullify the Constitution"; strike out all of section 3.

Mr. DICKSTEIN. Mr. Speaker, I move that all debate on this question and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. JENKINS of Ohio. Mr. Speaker, I believe that the amendment which I am about to offer will cure this whole situation. My amendment includes the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU], and takes out section 3, which seems to be obnoxious. At the same time, it does everything that section 3 really should do.

As modified by my amendment, section 2 will read as follows:

That the Secretary of Labor is hereby authorized and directed to institute deportation proceedings—

Against whom? Against any alien who engages in any unlawful political activity instigated from foreign sources. This will be enough, so far as that is concerned, and I think will satisfy everybody interested in this proposition.

Then it goes on further to provide—

Or against any alien who engages in any activities which encourage the violation of any law.

In other words, any alien who seeks to set himself up as an advocate of the violation of any particular law or who goes further and seeks to overthrow the Government. I leave out the words "by force and violence", for they are in another statute. Who seeks to overthrow the Government, how? By unlawful activity or any kind of propaganda, whatever it may be, to nullify the Constitution. I think this answers every question and satisfies everybody.

In addition, my amendment goes further, and strikes out all of section 3.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. CONNERY. Has the gentleman included the words "United States" in his amendment?

Mr. JENKINS of Ohio. No; I will accept that modification.

Mr. KRAMER. The gentleman accepts that?

Mr. JENKINS of Ohio. Yes; both as to the United States Government and the United States Constitution.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. CHRISTIANSON. Why does the gentleman leave out the words "by force and violence"?

Mr. JENKINS of Ohio. That is already the law. The law now provides that, but does not provide against unlawful political activities and against unlawful propaganda.

Mr. CHRISTIANSON. I think the gentleman might just as well strike out the third and final clause of his amendment.

Mr. JENKINS of Ohio. What does the gentleman mean?

Mr. CHRISTIANSON. It is already covered by existing statute.

Mr. JENKINS of Ohio. I did not include the words "by force and violence" because that is included in existing law, but existing law does not protect against the spreading of propaganda advocating the overthrow of government.

Mr. CHRISTIANSON. Under the gentleman's interpretation of his own amendment, I doubt if George Bernard Shaw could deliver his lectures in the United States.

Mr. JENKINS of Ohio. My amendment does not seek to interfere with men like him.

Mr. CHRISTIANSON. I do not think we want to make ourselves ridiculous.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. O'MALLEY. If the gentleman words his amendment to make it unlawful to advocate the overthrow of the Government, but does not include the phrase "by force and violence", he will make it a criminal offense to advocate or spread any propaganda in favor of a change of government through orderly processes. That would be excluded.

Mr. JENKINS of Ohio. No; that would not be considered unlawful, because the Constitution gives that right. The Constitution may be amended through orderly processes. The Constitution itself contains that very provision.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. BOILEAU. Does not the gentleman believe his language goes too far; that, as my colleague from Wisconsin suggests, it goes so far as to make criminal any attempt to advocate a constitutional amendment? Would not a man advocating a constitutional amendment subject himself to the penalties of this bill, if the gentleman's amendment is adopted?

Mr. JENKINS of Ohio. I do not think it could be so interpreted at all. All I am trying to do is to straighten this tangle out and get along.

Mr. O'MALLEY. I think the gentleman's amendment goes too far, and that under it anybody who advocates a change in our present form of government would subject themselves to penalties.

Mr. JENKINS of Ohio. I do not agree with the gentleman at all.

Mr. O'MALLEY. What does the gentleman mean by overthrow of government?

Mr. JENKINS of Ohio. I am trying to reach the spreading of unlawful subversive propaganda.

Mr. O'MALLEY. What is overthrow of government? Is it change by election, change by amendment of the Constitution, or what?

Mr. JENKINS of Ohio. That is a very difficult thing to determine. Whereas the present statute would deal with

those who seek to overthrow the Government by force and violence this would reach those aliens who, inspired by influences from foreign sources, seek to engage in unlawful political activity.

Mr. O'MALLEY. Does not the gentleman believe this would reach also the man who advocated a change of government by constitutional amendment?

Mr. JENKINS of Ohio. No; I think he is excluded. It is not aimed at any lawful change in the form of government at all.

Mr. CAVICCHIA. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. CAVICCHIA. I think the gentleman prepared this amendment with malice aforethought because he would exile the Democrats who are now in power, for they have been accused in the last 4 years of trying to overthrow the Constitution. I urge the gentleman to include as well the words "by force and violence" in his amendment.

Mr. JENKINS of Ohio. The gentleman's facetiousness is understood by all of us and is duly appreciated.

[Here the gavel fell.]

Mr. DICKSTEIN and Mr. CELLER rose.

The SPEAKER pro tempore. If there is no objection, inasmuch as several Members are seeking recognition, the Chair will recognize the gentleman from New York for 2 minutes only in order to be able to recognize some of the others.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, it seems to me the amendment proposed by the gentleman from Ohio would take the very heart out of this proposed legislation in that it would make it a local proposition, whereas the committee is attempting to stop agents of foreign governments who come to this country for one purpose, but who do something else, which is contrary to the best interests of our country. This amendment changes the whole purpose, not only of section 2 but the following section, in which the committee makes its legislative definitions.

It seems to me if you want something that will help the particular department of the Government involved to stop this flow of propaganda whether it be from the Nazis from left or right or in between, we have to take the bull by the horns and call a spade a spade. What is the use of kidding about it with language? This committee has studied the matter for 2 years. It has had the best experts appear before it, and I am willing to take the opinion of men in the various departments who know the subject than to take an amendment which is offered here on the spur of the moment during debate on the floor and argued for a minute or a minute and a half.

[Here the gavel fell.]

Mr. CHRISTIANSON. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I believe the amendment offered by the gentleman from Ohio [Mr. JENKINS] improves the bill, and if it is adopted I shall vote for this measure. However, I should like to see incorporated in the amendment the words "by force or violence." No one, and certainly not an alien who is here by sufferance, should advocate modification of our institutions by revolution. But proposing changes in the social and economic order by peaceful and democratic means must be distinguished from advocacy of force. While it may be argued persuasively that it is not within the province of visitors to chart the course this Nation should follow, the fact that it is difficult and sometimes impossible to draw the line between a general discussion of problems affecting the world as a whole and specific proposals as to how those problems should be met here should cause us to move slowly in placing restrictions upon the liberty of speech of visitors from abroad when in the exercise of that liberty they keep within due bounds.

Some of the statements made by Mr. George Bernard Shaw during his last visit to this country might have been construed to be within the prohibitions of this bill. Regardless of what you and I may have thought of those statements—personally I regarded them as juvenile twiddle—we should have made ourselves the laughing stock of the world if we had undertaken to make them the ground for deportation.

From the days of the alien and sedition laws to the present time, we have burned our fingers every time we have tampered with the right of free speech. England is the most successful democracy in the world, and it is significant that it is the one country in which it is almost impossible to get into jail by talking too much. The English people believe in letting every agitator have a soap box, knowing that the best way to answer a fool is to give him a chance to expose his folly.

It is said that an American visitor in London, hearing a speaker utter seditious sentiments in Hyde Park, approached a "bobby" and asked him why he did not arrest the offender.

The officer replied, "The only person I could arrest would be somebody interfering with his right to talk."

The Hyde Parks of England are the safety valves of her democracy. So long as the steam blows off there is no explosion. We in the United States have much to learn from the mother country. Certainly we shall do better in following her than in adopting the repressive policies of Germany, Italy, and Russia. We shall do better, too, if we follow our own tradition, which is the tradition of liberty. We tread on dangerous ground when we undertake to curtail, one by one, the rights guaranteed by the Constitution of the United States. [Applause.]

In this connection let me speak briefly of that un-American piece of legislation known as the "red rider." I am frank to say that I do not want teachers, in Washington or elsewhere, to advocate communism in the schools any more than I would want them to advocate capitalism, or the New Deal, or even Republicanism. It is the function of the public schools to teach children not what to think, but how to think. But to hedge teachers about with restrictions that make it prudent for them to skip the chapters on Russia, in history and geography, is so absurd and so unreasonable that it would make one laugh if it did not also make one want to cry.

I am an uncompromising individualist, and as such have no sympathy with communism, fascism, or any other system or philosophy that would subordinate the individual to a totalitarian state. And it is principally because I am an individualist that I am opposed to the so-called "red rider."

The "red rider" is too much like a Russian ukase to be tolerated in America. It belongs to an order of society such as the Communists would like to establish in the United States but is alien to a country in which freedom of thought and expression have always been taken for granted.

I am opposed to the "red rider" because the very fact that it is on the statute books serves to obliterate a distinction which all who believe in the American system should want to keep clear—the distinction between the brutal suppression that is necessary for the very existence of a communistic society and the freedom of opinion which exists only in democratic states.

If we in America undertake to quarantine people against ideas, we shall only succeed in giving respectability to the devices by which dictators in other lands keep their subjects in intellectual handcuffs. We shall make oppression under a Stalin seem less objectionable, and whatever liberty there is in the United States—or should I say, "in the District of Columbia"?—relatively less desirable and less worth fighting to preserve.

I am opposed to the "red rider" because it gives Communists too much to squawk about. Those gentlemen like to play the role of martyr. They are never so happy, or so well paid, as when it can be made to appear that they are persecuted. For one, I should like to have them seem to be what most of them are—bourgeois who are prosperously engaged in just another kind of racket; orators orating for the very dollars they pretend to despise; writers collecting capitalistic royalties for writing books against capitalism. Certainly we should not keep alive a law that makes communism seem more defensible than it is.

While this bill is under consideration I want to refer briefly also to some activities of which newspapers have in-

formed us during the last 2 days. Those activities remind me of an incident that is said to have happened in the life of a certain Dukhobor in Canada. You know, the Dukhobors have certain ideas that to most people seem peculiar. Once in a while they get the notion that they have a divine right to disrobe and to convert the whole community into a nudist colony. One day the particular Dukhobor of whom I speak came into one of the frontier villages of the Canadian Northwest dressed in his birthday clothes.

It became the responsibility of the policeman who represented constituted order in the community to arrest him; but, unfortunately, the Dukhobor was lithe and young, whereas the policeman was a middle-aged man. A middle-aged man is a fellow who has quit growing at both ends but keeps on growing in the middle. The policeman was encumbered with a big overcoat, a heavy helmet, and a club. It soon became apparent that thus weighted down he could not overtake the Dukhobor; so he discarded his club—he did not feel the need of it. Then he dispensed with his helmet and peeled off his overcoat. I shall not embarrass you by giving every detail of the story, for it is sufficient to say that when the policeman finally captured the Dukhobor one could not tell which was the Dukhobor and which was the policeman. [Laughter and applause.]

So I feel that when our distinguished colleague from Texas and others begin to strip off one by one those rights which have been vouchsafed to us in the fundamental law of the land in their effort to defeat propaganda that is supposed to have entered this country from Russia they may only be hastening the time when it will be impossible for the world to tell which is Russia and which is America. To that thought I desire to call your attention. I feel that I should not be doing my full duty if I did not take the floor today to utter this solemn warning. [Applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, one can readily see how far one will go if he has a sort of communistic mania when we contemplate what the gentleman from Texas has said today and what he did recently when he sent that letter to the members of the District school system. He went so far as to ask whether or not the teachers believed in God. He went so far as to ask what books they read and whether the books influenced them. It is but one step further to ask what your religion is, whether you are a Catholic, a Protestant, or a Jew. He might next ask whether they read Shakespeare or whether they read the Greek philosophers and to answer whether or not those philosophies have influenced them. I advise each to answer that it is none of his business. If perchance some statement of a philosopher might be in contradistinction to one or more of the principles of our Government and the individual believes in same, the gentleman from Texas would have the person very likely ostracized and banished from our school system. And so it is with this bill. While I am in sympathy with the amendment that has just been offered, my objection goes to the entire bill, because as the previous gentleman has so eloquently stated, it is difficult to determine where to stop. We whittle away one by one all the fine elements of our Bill of Rights that Jefferson gave us, and who you might remember when the Constitution was adopted insisted upon not finally accepting, as far as he was concerned, unless and until the Bill of Rights was included therein. This bill strikes at free speech, the right of petition, and other cherished guaranties of the Bill of Rights, which embraces, by the bye, citizens as well as aliens.

The gentleman who has just preceded me has well stated that if George Bernard Shaw under certain conditions would want to come over here, and lecture on forms of government, he might be banished and excluded. That would hold good for the very distinguished author who died only a few days ago, Gilbert Chesterton, because of his pronouncements, some of which might not jibe with our Constitution.

What under the sun is the Constitution? All the recent decisions of any importance have been the result of divided opinions. Four distinguished jurists say the Constitution is thus-and-so and five others say, "No; it is something else." Who is to tell us what the Constitution really is? I would ask you to pause before you pass a bill of this character.

It is coersive bills of this character that breed discontent. They bring about the very evils sought to be prevented. You cannot cork up emotions. You cannot bottle up opinion. Something bursts if you do. George the Third tried it to his sorrow. Our foundling fathers refused to have plasters over their mouths. They rebelled against regimentation of their thoughts and opinions. The sponsors of the bill are forgetful of our Revolution and why it was fought.

The Czars of Russia tried these sort of bills. Communism is the result.

The Kaiser likewise tried to browbeat. Nazi-ism is the sequel. Fascism was born of force and restriction of free speech and thought.

Hyde Park, London, is the greatest place to let off steam. It is a saving grace of England. Let these wild agitators get it off their chest. It will relieve them and the country as well.

Will anyone please tell me what the last words of the bill mean?—

> The application in the United States of any policy of government prevailing in the country wherein is located the foreign headquarters, which, by the advocacy of any religious or racial prejudice or intolerance, tends to foment political acrimony and business animosity in the United States.

What a jumble of words! What confusion of thought!

Mr. BLANTON. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

> Mr. BLANTON moves to strike out the enacting clause.

Mr. BLANTON. Mr. Speaker, I am for this bill, and am not in favor of striking out its enacting clause, but under the parliamentary situation this is the only motion I can make to get the floor, hence it is pro forma, as it is absolutely necessary to enable me to have an opportunity to answer the gentleman from Minnesota, who without foundation made an attack on me a moment ago.

What is there unreasonable about pertinent questions that could and should be asked under this bill after it is passed and is being enforced? How are you going to determine whether people are violating it or not? It will be necessary for a check-up to be made on them. Would the gentleman from Minnesota criticize anyone for seeing that the law is enforced after we pass it? If not, then why did he criticize me when I responded to the appeal of the fathers and mothers of Washington in their efforts to see that the law against communism is enforced?

On the 1st day of July 1935 a law went into effect here in Washington, that was passed by Congress by the unanimous vote of the House of Representatives and by the unanimous vote of the United States Senate, which prevents any officer or teacher connected with the public schools of Washington from indoctrinating communism in the public schools.

There are 3,169 officers and teachers in the Washington public schools. Most of them are splendid men and women, patriotic and sincere. But there are some, so your subcommittee was constrained upon ample evidence to believe, who are seeking to communize the schools here.

Through their duly accredited representative the fathers and mothers of 63 different citizens' associations in Washington appealed to me, as chairman of our subcommittee, to send a questionnaire to all teachers and officers to ascertain, if possible, which of them believed in communism, or such doctrines of communism as disbelief in God and disbelief in all forms of religion, as these parents furnished the money that paid the salaries of these teachers and officers, and they felt that they had the right to know such facts about their own employees.

The Constitution places the control of the District of Columbia and the schools here, so far as laws are concerned, in Congress, and my subcommittee was the accredited committee of Congress that passes upon all school appropriations; hence, when these fathers and mothers appealed to

me as chairman, through their accredited representative, George E. Sullivan, I felt that they had the inherent right to do so. How are you going to determine whether a party is a Communist, acting under instructions from Russia, except by finding out the facts?

As I said a moment ago, when Mr. George E. Sullivan came before our committee, we had been asked by the Board of Education to appropriate $78,660 for so-called "character education", which we learned was being used to put communism in the schools. Mr. Sullivan came before us, and we asked him these questions:

Mr. BLANTON. Mr. Sullivan, do you appear in a representative capacity?

Mr. SULLIVAN. I do. I appear for the Federation of Citizens' Associations as chairman of their special committee on eliminating antipatriotic and other subversive matter from the District of Columbia public schools.

Mr. BLANTON. You are the duly authorized representative of the Federated Citizens' Associations of the District of Columbia?

Mr. SULLIVAN. I am.

Mr. BLANTON. How many associations are federated in your organization?

Mr. SULLIVAN. There are between 60 and 65 different organizations, each of which has two delegates to the assembly of the federation, which is our deliberative body.

Mr. BLANTON. And you are their authorized representative?

Mr. SULLIVAN. I am.

Mr. BLANTON. They have delegated to you, these sixty-odd associations, the authority to act for them at this meeting?

Mr. SULLIVAN. That is correct.

Mr. BLANTON. And you appear for them?

Mr. SULLIVAN. I do.

Mr. BLANTON. And you speak for them?

Mr. SULLIVAN. I do.

Mr. BLANTON. And with authority from them?

Mr. SULLIVAN. Yes.

This was his authority, and you will find every one of these questions and answers in our hearing before he ever testified.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. No; I will not, right now, not after what the gentleman said. Whenever a gentleman so far forgets himself that he can make an attack on his colleague with no grounds whatever for it, I cannot yield to him.

When Mr. Sullivan came to my office he stated that—

Practically all of the 3,169 officers and employees of the schools are splendid men and women, but there are a few "reds" among them, just like you will find among all audiences around here, and they are trying to use subversive methods on the pupils, and we want you to submit a questionnaire to them.

What is there wrong in asking them whether or not they are Communists? This is one of the questions. Have not the fathers and mothers here the right to ask that question? Certainly they have.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield for one question?

Mr. BLANTON. No; I cannot yield, Mr. Speaker.

One of the first beliefs of a Communist is that there is no God. Another is to break down religion of all kinds and to destroy churches.

These 63 citizens' organizations, through their representative, Judge George E. Sullivan, said, "Ask them if they believe there is a God", and ask them if they believe in some form of religion—not any particular form of religion but any form. We did not ask them whether they were Jew or Gentile, Catholic or Protestant, Buddhist or Mohammedan, we merely, on behalf of the mothers and fathers who pay their salaries, asked them if they believed in some form of religion.

Oh, the gentleman from Minnesota does not like that. He says that is improper. Well, a lot of people back home, I hope, in his district will not think it improper.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BLANTON. I cannot yield. I will leave it to them.

I know that in my office I have a stack of letters numbering more than a thousand from some of the best fathers and mothers in Washington saying, "Mr. BLANTON, we are behind your committee in stamping this communism out of the schools", and we are going to stamp it out in spite of the gentleman from Minnesota. He is not going to stop us. We are not going to be stopped by any specially prepared resolution, which the Speaker of the House promptly rules is improper and out of order. We are going on with this fight.

The "reds" have not yet succeeded in repealing the law against indoctrinating communism in the schools. It is still the law. It has been the law since last July. It will be the law next July. And it will be the law July of next year.

I am glad, Mr. Speaker, that the questionnaire that was sent to the 3,169 officers and teachers of the schools here has been put in the RECORD today. I want it preserved. I want all of the fathers and mothers in Hennepin County in the great State of Minnesota to read that questionnaire, and determine in their own minds whether such questions are improper. Let them determine whether they would want teachers to be teaching their children, if such teachers are Communists, and if they do not believe there is a God, and if they do not believe in some form of religion.

The SPEAKER pro tempore. The question is on the preferential motion of the gentleman from Texas to strike out the enacting clause.

Mr. BLANTON. Mr. Speaker, I do not insist on the motion.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent to withdraw the motion. Is there objection?

Mr. O'MALLEY and Mr. MARCANTONIO objected.

The SPEAKER pro tempore. The question is on the preferential motion of the gentleman from Texas.

Mr. BOILEAU. Mr. Speaker, I demand the yeas and nays on the motion of the gentleman from Texas.

Mr. CONNERY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNERY. Has any time been used in opposition to the motion of the gentleman from Texas?

The SPEAKER pro tempore. Does the gentleman seek recognition in opposition to the motion? If so, the gentleman is recognized for 5 minutes.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Massachusetts yield to the gentleman from New York for a parliamentary inquiry?

Mr. CONNERY. Yes.

Mr. MARCANTONIO. What is before the House? Is the question on the motion to strike out the enacting clause?

The SPEAKER pro tempore. That is correct.

Mr. CONNERY. Mr. Speaker, we have had a great deal of discussion about this amendment offered by the gentleman from Ohio and by the gentleman from Wisconsin, and if given opportunity, I shall offer an amendment, on page 2, line 18, after the words "United States", to insert the words "by force or violence", and I think that may cover everything in which we are interested. Some of us agree that this goes too far as it stands now, but that the words "by force or violence" will cover the entire situation.

Mr. JENKINS of Ohio. I had made up my mind at the proper time to ask that my amendment be so amended as to include those words, and I shall do that at the proper time.

Mr. CONNERY. I might say to the gentleman that I think the Chairman feels that the rest of his amendment after the period on page 2, after the words "foreign sources", will localize the situation, and takes away from the bill what they intended to do in preventing aliens coming here and advocating communistic, fascist, or nazi propositions which would overthrow the Government. I ask the gentleman if he would read his amendment now just as it is.

Mr. JENKINS of Ohio. My intention is that the first part of section 2 remain as it is, and apply to aliens who are here who scatter this propaganda of foreign sources, and then the balance of the amendment applies to any alien in this country who seeks to overthrow the Government.

Mr. CONNERY. Has the gentleman "force or violence" in his amendment?

Mr. JENKINS of Ohio. No; but I agree to put it in.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. O'MALLEY. I tried to get an opportunity to ask the distinguished gentleman from Texas [Mr. BLANTON] if he believes there are any "reds" in the Democratic administration, when that administration made possible the recognition of Russia, and I thought perhaps the gentleman could inform me how that recognition of Russia came about?

Mr. BLANTON. It did not come about with my consent. I would end the recognition now if I could. It was a great mistake. We may regret it very much. I hope there are not many "reds" in the Democratic Party, and I will say to my friend that I am as good a Democrat as there is on this floor, and I am in favor of kicking out all "reds" from the Democratic Party. I shall work hard to help get them out.

Mr. O'MALLEY. Was the gentleman in favor of the recognition of Russia?

Mr. BLANTON. No. Certainly not. I am now in favor of withdrawing all recognition.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired. All time has expired. The question is on the motion of the gentleman from Texas to strike out the enacting clause.

The question was taken; and on a division (demanded by Mr. BOILEAU and Mr. O'MALLEY) there were—ayes 23, noes 147.

Mr. O'MALLEY. Mr. Speaker, I object to the vote upon the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and forty-six Members present, a quorum.

So the motion was rejected.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio.

Mr. JENKINS of Ohio. Mr. Speaker, in view of the eloquent speech made by the distinguished gentleman from Minnesota [Mr. CHRISTIANSON], I should like to accept the words "by force or violence." May I do that at this time?

The SPEAKER pro tempore. The gentleman may by unanimous consent. The gentleman from Ohio asks unanimous consent to incorporate in his amendment the words "by force or violence." Is there objection?

There was no objection.

The SPEAKER pro tempore. Without objection, the Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment by Mr. JENKINS of Ohio to the amendment offered by Mr. BOILEAU: On page 2, strike out, in line 8, all after the word "engages" and all of line 9 and the first two words in line 10; strike out the period at the end of line 11 and add "or engages in any activities which encourage the violation of any law or which seeks by force or violence to overthrow the Government or nullify the Constitution"; strike out all of section 3.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. DICKSTEIN) there were—ayes 62, noes 73.

So the amendment was rejected.

The SPEAKER pro tempore. The question now recurs on the amendment offered by the gentleman from Wisconsin, which, without objection, the Clerk will again report.

The Clerk again reported the Boileau amendment.

The SPEAKER pro tempore. The question is on agreeing to the amendment offered by the gentleman from Wisconsin.

The question was taken—and on a division (demanded by Mr. BOILEAU) there were—ayes 51, noes 99.

So the amendment was rejected.

Mr. O'MALLEY. Mr. Speaker, I offer an amendment.

Mr. LAMNECK. Mr. Speaker, I offer a preferential motion.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. LAMNECK] offers a preferential motion, which the Clerk will report.

The Clerk read as follows:

Mr. LAMNECK moves that the bill be laid on the table.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Ohio.

The question was taken, and on a division (demanded by Mr. MARCANTONIO) there were ayes 21 and noes 118.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and forty-seven Members are present, a quorum.

So the motion was rejected.

Mr. O'MALLEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'MALLEY: Page 2, line 8, after the word "of", insert the word "unlawful"

Mr. DICKSTEIN. There is no objection to that, Mr. Speaker.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. O'MALLEY].

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. (a) The words "propaganda instigated from foreign sources" when used in this act shall only mean—

Any systematic effort, which is directed or supported from known sources outside the territory and jurisdiction of the United States and which is intended to gain, within the United States, favorable public opinion and support for (1) the adoption in the United States of any opinion, or of any course of action, or of any governmental policy, which is inconsistent with the principles of the Constitution or laws of the United States, or (2) the extension from any foreign country to United States of the application of any religious or racial prejudices and intolerances in official and private life and in business affairs.

(b) The words "unlawful political activities instigated from foreign sources" when used in this act shall only mean—

Any activities, identified with official policies of any foreign governmental agency or political party, which are directed or supported from a headquarters located in territory outside the jurisdiction of the United States and which seek to influence political action and thought, within the United States, favorably toward (1) the establishment, by unlawful means or other subversive methods if necessary, in the United States of any principal or policy of government, prevailing in the country wherein is located the foreign headquarters, which is inconsistent with the principles of the Constitution of the United States, or (2) the application in the United States of any policy of government, prevailing in the country wherein is located the foreign headquarters, which, by the advocacy of any religious or racial prejudices or intolerances, tends to foment political acrimony and business animosity in the United States.

Mr. GRAY of Pennsylvania. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GRAY of Pennsylvania. Mr. Speaker, if this law had been in force 3 weeks ago when a certain——

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. GRAY of Pennsylvania. I am stating it. If this law had been in force 3 weeks ago, at the time of a certain convention that was held in Cleveland——

Mr. DICKSTEIN. Mr. Speaker, I make the point of order that the gentleman is not stating a parliamentary inquiry.

The SPEAKER pro tempore. The Chair does not recognize that as a parliamentary inquiry.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. O'MALLEY. It was my impression that in order to clarify the language of section 3, in accordance with my amendment in section 2, that the word "unlawful" should be put in there also. I ask unanimous consent that in line 12, section 3, the word "unlawful" be inserted before the word "propaganda."

The SPEAKER pro tempore. The Chair does not recognize that as a parliamentary inquiry. Of course, the Chair, under the present status, does not recognize the gentleman for a unanimous-consent request for that purpose. The Chair will undertake to recognize the gentleman at the proper time to offer his amendment.

Mr. TAYLOR of Tennessee. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of Tennessee: In line 20, page 2, strike out the words "inconsistent with" and insert the words "subversive of"; likewise, on page 3, line 13, strike out "inconsistent with" and substitute the words "subversive of."

Mr. DICKSTEIN. Mr. Speaker, the committee has no objection to this amendment.

The SPEAKER pro tempore. Without objection, the amendment will be agreed to.

There was no objection.

The amendment was agreed to.

Mr. SCOTT. Mr. Speaker, I move to strike out the last word.

The SPEAKER pro tempore. The Chair will not recognize the gentleman at this time if there is any Member who has an amendment to offer to this section.

Mr. O'MALLEY. Mr. Speaker, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. O'MALLEY: Page 2, line 12, after the word "words", insert the word "unlawful."

Mr. O'MALLEY. Mr. Speaker, I am simply trying to clarify section 3 to make it correspond with the wording of section 2 as amended by my amendment adding the word "unlawful." I hope the amendment is acceptable to the committee. If the chairman of the committee will assure me it is acceptable I will not consume any more time.

Mr. DICKSTEIN. We have already placed the word "unlawful" on page 2, line 8, and I suppose in order to be consistent we should put it in here.

Mr. O'MALLEY. That is it exactly.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. I shall be glad to yield.

Mr. CONNERY. Is it my understanding that the word "unlawful", in section 3, now declares what the meaning of "unlawful propaganda" will be?

Mr. O'MALLEY. Yes.

I yield back the balance of my time, Mr. Speaker.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

Mr. BOILEAU. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendments offered by Mr. BOILEAU: Page 2, line 12, after the figure, strike out all of subsection (a), beginning in line 12 and ending in line 24.

Mr. BOILEAU. Mr. Speaker, it seems to me that this language in subsection 3 (a) is entirely unnecessary. As I understand it, my colleague from Wisconsin [Mr. O'MALLEY] offered an amendment, which was accepted, in line 12 by which he inserted the word "unlawful" before the word "propaganda." Is that true?

Mr. O'MALLEY. That is correct. It was also in the preceding section, in line 8, so that it is in both places.

Mr. BOILEAU. I did not understand the amendment was offered before in line 8. I thought the amendment offered was in line 4; but in either event, this change of the word "unlawful" does not meet the entire problem. Especially is this true if the word "unlawful" is not inserted in section 2.

May I propound a parliamentary inquiry, Mr. Speaker?

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOILEAU. Was any amendment adopted which inserted the word "unlawful" in section 2?

The SPEAKER pro tempore. An amendment was adopted inserting the word "unlawful" after the word "of" in line 8 and before the word "propaganda."

Mr. BOILEAU. Mr. Speaker, in my opinion, the mere insertion of the word "unlawful" does not actually change the meaning of the section at all, because in the definition at the beginning of section 3 it is stated "unlawful propaganda instigated from foreign sources when used in this act shall only mean", and then the definition is given; so the insertion of the word "unlawful" does not alter the definition at all, because the same definition that applied to the phrase without the word "unlawful" is made to apply to it with the word "unlawful."

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. O'MALLEY. The gentleman must bear in mind that we must take what we can get; and by the inclusion of the word "unlawful" the Department of Labor at least will promulgate regulations, and any alien who is persecuted or harassed unfairly can seek recourse to the courts, and the courts may be able to decide what is lawful and what is unlawful under the Constitution.

Mr. BOILEAU. I submit that even with the word "unlawful" in it the section is just as bad as it was before. I think the same objections that were raised against the bill before still apply.

I believe we should vote to strike out this paragraph because, in my judgment, it is un-American and undemocratic. It is contrary to the fundamental principles of our Government that people cannot come here from foreign lands without the fear of having some bureaucrat subjecting him to deportation because he may say something in good faith and without any thought of undermining or effort to undermine our Government, which might be construed by such bureaucrat as advocating something inconsistent with our Constitution.

Even we Members of the House have demonstrated in the past that we do not always know what is or is not constitutional. The President of the United States apparently is not always sure what is or is not in violation of the Constitution. If we are going to submit some poor, ignorant immigrant to deportation because he happens to follow the example of the leadership of this House and the President of the United States in advocating certain philosophies of government, then it seems to me we are a far cry and a long way from the America which was established here as a refuge from political oppression. This, in my mind, is a direct attack against freedom of speech.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, to accept this amendment would be practically to destroy the purpose of this bill. We specifically define the very language which the gentlemen complain about and which they fear may cause unjust deportation. You do not have to worry about aliens being deported if they are lawfully in this country and are behaving themselves. We are after those aliens who are not friends of this country but who come here in the pay of foreign governments to spread un-American doctrines.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. FLETCHER. Under section 2 of the bill, could they not have deported George Bernard Shaw for the rather satirical remarks he made when he was here?

Mr. DICKSTEIN. Yes; but George Bernard Shaw was speaking for himself. We are dealing here with those individuals who are engaged by foreign governments for pay to do what was done during the World War—to come here and spread these un-American doctrines and movements. This bill would not have any application to the incident to which the gentleman referred.

Mr. FLETCHER. We maintain a system of exchange professorships where American professors exchange their professorships with foreign professors. If this bill were enacted would it not be possible for some fellow who has a phobia along these lines, one of these patriotic paranoiacs to kick out very good, intelligent professors, like Einstein, for instance?

Mr. DICKSTEIN. It is not the intention to kick out a laborer, a professor, or anybody else. I reiterate my previous statement that what this committee is aiming at and the evil we are trying to root out, is to prevent an alien who comes to our shores under the guise of a visitor, but is found in fact to represent secretly a foreign government for the dissemination of propaganda which is against the best interests of our country. That is all there is to this bill. It has nothing to do with the deportation of aliens generally.

It simply gives us the right to terminate the stay of an alien who comes here on a 1-year permit and who uses the hospitality of this country to spread these subversive doctrines. Instead of having to smell that and stomach it for a year we can deport him.

Mr. Speaker, we want to do like they do in other countries. Let an alien go into Germany and say "boo" about Hitler and he will be shot. Let an alien go into England and breathe wrong and he will be called before the Department of Secret Service. An alien cannot go into any European country and do what the foreign propagandists are doing over here and get away with it.

Mr. BOILEAU. Does the gentleman want to make this Government the same kind as they have over there?

Mr. DICKSTEIN. Mr. Speaker, I do not yield to the gentleman.

[Here the gavel fell.]

Mr. MARCANTONIO. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the gentleman from New York [Mr. DICKSTEIN], the author of this bill, made a very elucidating remark. He states what we want to do by means of this law is what they are doing in other countries. He specifically mentioned Germany. I hope he will not revise his remarks but will leave his original statement, because it reveals the real intent behind this bill. I for one am opposed to repeating in this country what they are doing in Germany. I for one am ever opposed to having this country conform its form of government to that of Germany. I for one am ever opposed to destroying the Bill of Rights as guaranteed under our Constitution in order to imitate Germany. The gentleman from New York has revealed by his remark just what the intent of his law is.

The Hearsts, Liberty Leaguers, Tories, Bourbons, and all other reactionaries have launched their campaign of suppression against the civil liberties of the American people.

The first attack is aimed at the alien. During this period of unemployment the alien is an easy target. The native American and the naturalized in many instances has been made to feel that his unemployment is due to the fact that some alien is occupying his job. Unfortunately a great majority of the unemployed workers have become easy and ready victims of this silly propaganda. Therefore, the suppressionists find great support in their program of deporting aliens.

Mind you, however, they are not interested in deporting the docile alien who is willing to work for starvation wages. They are not interested in deporting aliens who are willing to work under conditions such as exist in many of our public-work project colonies, where the worker at the end of the month owes more money to the commissary than he actually receives in wages. They are not interested in deporting aliens who are willing to work as scabs, strikebreakers, industrial ammunition, and agricultural peons. The alien who organizes, the alien who protests, the alien who joins his fellow worker in trying to better their living conditions is the alien whom they are seeking to deport.

It is the old, old story over again. Prior to 1920, when the industrialists were ever hungry for cheap labor, we find, for instance, the American Manufacturers Association severely opposed to restrictive immigration. This was only natural. They found alien labor cheap and submissive. However, this cheap alien labor refused to be cheap labor for long. This submissive alien laborer refused to remain submissive for long. He began to organize, to strike, and to protest for better working conditions. He was impelled by human desire to better his standard of living and that of his children. This alien laborer was able to beat the sweatshops of New York City to a standstill. It was the pioneer spirit of the alien who brought the torch of unionism among the textile workers of New England. Labor leaders may come and go, but the two outstanding martyrs of the labor movement will always be two aliens, Niccola Sacco and Bartolemeo Vanzetti.

Alien labor on the whole was no longer docile, and no longer submissive, and no longer willing to be exploited. Consequently, this type of alien labor was no longer desirable to the exploiter of labor. In 1922, the American Manufacturers Association and all of the industrialists insisted on closing America's door to immigration, and in 1936 the suppressionists seek to deport the alien whose conduct becomes inconsistent with the best interests of the exploiter of labor.

The depression paved the way for this program of deportation. People were made to believe that fewer aliens in America would make more jobs for Americans. Hence any form of deportation can very easily receive the approbation of a great portion of the American people, especially among the unemployed. Here the suppressionists find very fertile territory for their scheme.

This bill, therefore, is the first shot fired in this campaign against the progressive alien. It is in line with the program of labor exploiters and reactionaries in general. It is aimed at the militant alien in the United States. It seeks to terrorize the militant worker. It plays into the hands of the lowest labor exploiter. You want this bill to fight subversivism? In fact, you are aiding the real subversives. Those who would destroy our Bill of Rights are the real subversives. The reactionaries are trying to set up a dictatorship. Pass this bill and you help to destroy the Bill of Rights. Destroy the Bill of Rights and you are doing the work for these reactionaries.

Mr. Speaker, I say this bill is not only un-American but it is subversive. [Applause.]

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I move that all debate on this amendment now close.

The motion was agreed to.

The SPEAKER. The question is on the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU], which, without objection, the Clerk will again report.

There was no objection.

The Clerk read the Boileau amendment.

The amendment was rejected.

Mr. SCOTT. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Amendment by Mr. SCOTT: Strike out the enacting clause.

Mr. SCOTT. Mr. Speaker, this bill, as I view it, reads a good deal like some of the more inflammatory of the Hearst editorials, and it is an additional reason for my opposition to the bill. I concur heartily with the gentleman from Wisconsin [Mr. BOILEAU] in his view of the bill.

Now, Mr. Speaker, I personally consider myself just as good and loyal an American citizen as any Member in this House or in the country, and a little better than some that I might mention, so far as loyalty to our form of government is concerned.

The bill under consideration is brought in here under the guise of an attack on communism. That has always been popular. I recognize that fact. It is especially popular in the House, and it will always find its supporters. I would support a bill of that kind, too, if I tnought the bill was going to eliminate the possibility of any Communists from a foreign country creating a communistic form of government in the United States. If this bill sought to accomplish that purpose, I would be for it; but I think it goes much too far in its provisions. I consider it dangerous to the Bill of Rights.

In the argument on this bill this afternoon the proponents have shouted, "Communism; communism; communism."

I think that in place of spending all of our time here attacking the possibility of the spread of communism in the United States and the establishment of a communistic governmem we should give a little of our attention likewise to the possibility of the establishment of a Fascist or a Nazi form of government in the United States by use of force and violence; we would, I believe, be giving our attention to a much more serious problem. I am not as much afraid of the Communists in this country as I am afraid of the Fascists in this country.

The gentleman from Texas [Mr. BLANTON] is always shouting about "reds." We have been told about the "red" newspapers, about the "red" sympathizers, the "red" Members of this House, and the "red" individuals on the Hill. I have no idea to whom he refers. What is a "red"? If there are any

"reds" here, so, too, are there Fascists on the Hill. This has been very definitely proven by some of the things that have happened recently.

The Fascists have a mouthpiece in the Hearst papers of the District. There are those who might be called the Fascist leaders on Capitol Hill, who attempt, by threats and intimidation, to keep down any criticism that might be leveled against the action of any committee or the chairman of any committee or any subcommittee of this House. Attempts have been made to break down any opposition by deliberately using Fascist methods that would put the recipient of a letter in such fear that he would not dare open his head in reprisal. This very thing has happened. The president of this federation of associated citizens, mentioned by the gentleman from Texas, has said that he did not believe that the federation dare do anything about that letter, because at the present time the District of Columbia appropriation bill is in conference and nobody wanted to arouse the ire of the chairman of that subcommittee, because he might do something else to the District.

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield.

Mr. GRAY of Pennsylvania. I should like to get the reaction of the gentleman from California on this point. Under the wording of this bill, if a member of the English or French Parliament came to America and advocated the restoration of the N. R. A., could he not be deported under this language?

Mr. SCOTT. That is the way I interpret the bill. I also think when the eminent Japanese Christian Kagawa was over here recently speaking on the subject of cooperatives and attempting to establish in the United States a feeling in favor of the establishment of such cooperatives, he was doing something that might tend to arouse some reactionary businessmen and stir them up over the possibilities of his particular proposal. Under my interpretation of this bill, I believe he could be deported.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield.

Mr. O'MALLEY. I wish to express my agreement with the statement of the gentleman that we have to be more afraid in this country of a Fascist dictatorship today than we have to be afraid of communism.

Mr. SCOTT. Right.

And, now, Mr. Speaker, unlike the recent motion that was offered to strike out the enacting clause, I mean this, and I ask for a vote on the motion. Let this bill be returned to the committee for revision.

The SPEAKER. The question is on the motion of the gentleman from California to strike out the enacting clause.

The question was taken; and the motion was rejected.

Mr. SMITH of Virginia. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: Page 3, line 19, add a new section, as follows:

"SEC. 4. That an alien who entered the United States either from a foreign country or an insular possession, either before or after the passage of this act, shall be deported in the manner provided in sections 19 and 20 of the Immigration Act of February 5, 1917 (39 Stat. 889, 890; U. S. C., title 8, secs. 155, 156), at any time if he—

"(1) Has been convicted of violation of any narcotic law of any State, Territory, insular possession, or the District of Columbia: *Provided*, That this clause shall not apply to an alien who proves that he was an addict and was neither a dealer in nor a peddler of narcotics or their derivatives; or

"(2) Has been convicted in the United States within 5 years of the institution of deportation proceedings against him of a felony or any other crime involving moral turpitude (even if the alien was not sentenced to imprisonment); or

"(3) Knowingly and for gain encouraged, induced, assisted, or aided anyone to enter the United States in violation of law, or on more than one occasion knowingly encouraged, induced, assisted, or aided anyone to enter the United States in violation of law; or

"(4) Has been convicted in the United States within 5 years of the institution of deportation proceedings against him of the crime of possessing or carrying any concealed or dangerous weapon (even if the alien was not sentenced to imprisonment).

"The Secretary of Labor may specifically designate persons holding supervisory positions in the Immigration and Naturalization Service to issue warrants for the arrest of aliens believed to be subject to deportation under this or any other statute: *Provided*, That no person shall act under a warrant issued by himself.

"Any employee of the Immigration and Naturalization Service shall have power to detain for investigation any alien who he has reason to believe is subject to deportation under this or any other statute. Any alien so detained shall be immediately brought before an immigrant inspector designated for that purpose by the Secretary of Labor and shall not be held in custody for more than 24 hours thereafter unless prior to the expiration of that time a warrant for his arrest is issued.

"The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act.

"The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws (including sec. 19 of the Immigration Act of Feb. 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155)), and shall be enforced as part of such laws."

Mr. DICKSTEIN. Mr. Speaker, I reserve a point of order against the amendment in order to give the gentleman an opportunity to be heard.

Mr. SMITH of Virginia. Mr. Speaker, this is a matter of some importance to all the Members, and I think it will be profitable, whether you agree with me or not, to let me have your attention for the 5 minutes I have.

This is the amendment for the deportation of criminal aliens, which I referred to in general debate this morning. You probably did not hear the amendment read, owing to the confusion in the Hall, and I may say that this amendment is not my language. This amendment is a provision for the deportation of criminal aliens from this country which was taken bodily from the Kerr bill reported by the Committee on Immigration. So if there is any trouble with the language of this bill, it has at least been given thorough and complete study by the Committee on Immigration and came out of that committee with its approval.

It provides nothing but the things which the Kerr bill provided for getting rid of criminal aliens who have been infesting this country for years. You may ask any Member of this House whether he favors the deportation of criminal aliens, and he would tell you, "Yes, he is very much in favor of it"; but every time we undertake to do it it has either got to be hooked up with some bill which lets a whole lot of people into this country who have no business here, or it has got to be subject to a point of order. I wish to test the good faith of the chairman and the membership of the Committee on Immigration. This is not my language. This is their language. They said that the deportation of criminal aliens is a thing much to be desired. They wrote it into law. I have adopted their words. I understand there is to be a point of order made upon it. I ask the gentleman, in all good faith, in all good confidence, not to make a point of order on this amendment, which he says is most desirable, and which he has told this House repeatedly he is trying to get through and enacted into law.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Yes.

Mr. MARCANTONIO. Is it not a fact the sections, as offered in the gentleman's amendment, are only part of the general law which contains other provisions?

Mr. SMITH of Virginia. Certainly they are only a part. Certainly it is only a portion of the other bill, and the only reason they let it go out in the other bill was because there were features in the Kerr bill that they knew would open the bars to a certain extent. I am undertaking to close up the bars on criminal aliens, and it affects no other class or kind of people. I appeal to the Immigration Committee, and especially to the chairman of that committee, to show his good faith on this subject of the deportation of criminal aliens, and not to make the point of order which he has reserved. [Applause.]

The SPEAKER pro tempore. Does the gentleman from New York insist upon his point of order?

Mr. DICKSTEIN. I do.

The SPEAKER pro tempore. The Chair will hear the gentleman on the point of order.

Mr. DICKSTEIN. Mr. Speaker, the amendment is not germane to the bill in question. Secondly, it covers certain laws and sections and amends laws going back to 1916, 1917, 1918, 1924, 1926, 1930, and 1932. We could not possibly, by any means of calculation, even assuming we desire these amendments, in good conscience and properly and in fairness to the departments and the Government, write into this bill almost a new immigration act. The Committee on Immigration not only provided for the deportation of criminal aliens, but also it has provided relief for deserving aliens who technically may not be by right in the United States, because they had not paid a head tax of $8 several years ago.

The SPEAKER pro tempore. The Chair is prepared to rule. Does the gentleman from Virginia desire to address the Chair on the point of order?

Mr. SMITH of Virginia. Mr. Speaker, under section 2 of the bill under consideration, the Secretary of Labor shall be authorized and directed to institute deportation proceedings against certain persons engaged in unlawful practices. My amendment goes a step further on the same subject of deportation and provides that those people who have already violated the law and have been convicted shall be subjected to deportation just as much as those people who, while they advocate unlawful things, have never been convicted. It seems to me that so far as the question of germaneness is concerned, the purpose of this bill under section 2 and the purpose of section 4 which I have offered are identically the same—for the deportation of criminal aliens. Section 2 of the present bill provides for the deportation of those criminal aliens who never have been convicted of the crime for which they are being deported. My amendment provides for the deportation of those people and only those who have been convicted. It seems to me that the two questions are on all fours, and that my amendment is germane to the bill.

The SPEAKER pro tempore. The Chair is prepared to rule. The amendment offered by the gentleman from Virginia [Mr. SMITH], in the opinion of the Chair, affects an entirely different class of aliens than those covered by the bill pending before the House. Section 2 confines itself to the discrimination of unlawful propaganda instituted from foreign sources or relates to any person—

who while in the United States engages • • • in unlawful political activities instigated from foreign sources.

The amendment offered by the gentleman from Virginia relates to entirely different classes than the class covered by the pending bill.

There are precedents for the decision of the Chair. Cannon's Precedents, page 602, section 3046:

To a bill regulating entry of aliens into the United States, an amendment providing like restriction on admission of anarchists, Bolsheviks, and others was held not to be germane.

The Chair is of opinion that the principle underlying the ruling referred to is applicable to the present question. For these reasons the Chair sustains the point of order.

Mr. SMITH of Virginia. Mr. Speaker, I have a great deal of respect for the opinion of the Chair, but in the hope that the House may not agree with the Chair, I respectfully appeal from the decision of the Chair.

The SPEAKER pro tempore. The question is, Shall the decision of the Chair stand as the judgment of the House?

The question was taken and the decision of the Chair stood as the judgment of the House.

Mr. TAYLOR of Tennessee. Mr. Speaker, I offer an amendment. In line 11, page 3, the word "principle" is misspelled.

The SPEAKER pro tempore. Without objection the spelling of the word "principle" in line 11 on page 3 will be corrected.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I move the previous question.

Mr. O'MALLEY. Mr. Speaker, a point of order.

Mr. BOILEAU. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman from Wisconsin will state the point of order.

Mr. BOILEAU. Mr. Speaker, the point of order is that the gentleman from New York is out of order in moving the previous question. We have a right to offer amendments. Under the rule adopted for the consideration of this bill we have a right to offer amendments, and I rise for the purpose of offering an amendment.

The SPEAKER pro tempore. The Chair overrules the point of order because the motion made by the gentleman from New York [Mr. DICKSTEIN] is in order and is of higher privilege. The only way for Members to be able to offer amendments is to vote down the previous question.

Mr. BOILEAU. A parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOILEAU. Is it not proper at this time to offer amendments without the privilege of debating them?

The SPEAKER pro tempore. The Chair is of the opinion that the previous question must be voted down before any amendment can be offered. The question is, Shall the previous question be ordered?

The question was taken; and on a division (demanded by Mr. O'MALLEY) there were ayes 137 and noes 31.

So the previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. O'MALLEY) there were ayes 172 and noes 22.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that there is not a quorum present. I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and twenty-three Members are present, a quorum.

So the bill was passed.

The SPEAKER pro tempore. The gentleman from New York [Mr. DICKSTEIN] is recognized.

RECIPROCAL IMMIGRATION RESTRICTIONS UPON CERTAIN ALIENS SEEKING ENTRY AS ACTORS, VOCAL MUSICIANS, ETC.

Mr. DICKSTEIN. Mr. Speaker, I call up the bill (H. R. 12325) to protect for American actors, vocal musicians, operatic singers, and orchestral conductors the artistic and earning opportunities in the United States, and for other purposes.

The Clerk read the title of the bill.

Mr. DICKSTEIN. Mr. Speaker, by direction of the committee, I offer a substitute in lieu of the bill.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Mr. DICKSTEIN, by direction of the Committee on Immigration and Naturalization, submits the following committee amendment to the bill H. R. 12325: Strike out all after the enacting clause and in lieu thereof insert the following:

That, notwithstanding any other provision of the immigration law to the contrary, no alien actor, vocal musician, operatic singer, solo dancer, solo instrumentalist, or orchestral conductor shall hereafter be admitted to the United States, whether seeking entry for temporary stay or for permanent residence, unless prior to issuance of visa the Secretary of Labor has received an application for permission to enter for professional engagements and such permission has been granted to the alien, prior to his embarkation from foreign territory, by the Secretary of Labor pursuant to provisions hereinafter stated in this act.

SEC. 2. The number of otherwise admissible alien actors, vocal musicians, operatic singers, solo dancers, solo instrumentalists, and orchestral conductors admissible to the United States under this act from any foreign country during any calendar year shall hereafter be limited to the number of American actors, vocal musicians, operatic singers, solo dancers, solo instrumentalists, and orchestral conductors, of similar qualifications, which the government of such foreign country has, upon application, granted permission to enter such foreign country for professional engagements during the same calendar year.

SEC. 3. Notwithstanding the limitations as prescribed by section 2 herein, the Secretary of Labor may authorize the admission for temporary stay for professional engagements during specified periods of time of any alien actor, vocal musician, operatic singer, solo dancer, solo instrumentalists, or orchestral conductor, subject to

the provisions of this act, if otherwise found admisible as a nonimmigrant under the immigration laws, upon application made to and approved by the Secretary of Labor prior to the alien's departure from any foreign country upon a finding by the Secretary of Labor, after a full hearing and investigation, that an artist, having qualifications similar to those of the alien seeking admission under this section, cannot be found in the United States among unemployed citizens or lawful permanent resident aliens.

SEC. 4. Notwithstanding the limitations as prescribed by section 2 herein, the Secretary of Labor may authorize the admission for permanent residence for professional engagements or career of any alien actor, vocal musician, operatic singer, solo dancer, solo instrumentalist, or orchestral conductor, subject to provisions of this act, if otherwise found admissible as an immigrant under the immigration laws, upon application to and approval by the Secretary of Labor after a full hearing and investigation prior to the alien's departure from any foreign country upon a finding by the Secretary of Labor that the permanent admission of such alien artist would not immediately displace, or prevent employment of, a citizen or lawful permanent resident alien having similar professional qualifications to those possessed by the alien seeking admission under this section.

SEC. 5. The question of availability in the United States of citizens or lawful permanent resident aliens who are actors, vocal musicians, operatic singers, solo dancers, solo instrumentalists, or orchestral conductors, and who are unemployed or subject to displacement by admission of alien artists under this act, shall be determined by the Secretary of Labor, who is directed to seek the cooperation and counsel of reputable American organizations and associations of actors, vocal musicians, operatic singers, solo dancers, solo instrumentalists, or orchestral conductors, before making such determination.

SEC. 6. The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act; but all rules and regulations insofar as they relate to the administration of this act by consular officers abroad, shall be prescribed by the Secretary of State, on the recommendation of the Secretary of Labor. This act, and rules and regulations issued pursuant thereto, are in addition to and not in substitution for the existing immigration laws and shall be enforced as part of such laws, rules, and regulations.

Mr. DICKSTEIN (interrupting the reading of the substitute). Mr. Speaker, I ask unanimous consent to dispense with further reading of the substitute.

Mr. CELLER. Mr. Speaker, to that I object.

(The Clerk concluded reading the substitute.)

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, this is a bill which, if passed, will protect American actors and artists in this country. At the present time none of our artists or actors can enter any foreign country to do any work under contract without first getting a labor permit, and then they are permitted only a short stay.

On the other hand, we are on the receiving side. We are receiving in this country thousands of actors in Hollywood. They are going there in flocks. Some are not actors at all, but they get a contract from somebody in the United States and the American consul is compelled to give them a visa because they do not come under the contract-labor provision; in other words, the consul is compelled to issue visas to a lot of "hams" just because they come from European countries. Some producers like their foreign names in preference to American names, American art, and American artists.

Today, Mr. Speaker, 15,000 American actors are on relief under P. W. A.; they are acting on public money. The producers in this country are not interested in American art.

In this bill we simply ask that before any person from abroad is brought into this country to perform, he or she must apply, or the producer in Hollywood must apply, to the Department of Labor and prove to the Department that they cannot obtain people in this country to do the same work; in other words, give the Americans a break first, and if they cannot find Americans, then they can bring the foreigners in.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. SISSON. Had this bill been the law some time ago would it not have kept out, for example, that famous group of English players known as the Ben Greet Players, who came here from England to play Shakespeare?

Mr. DICKSTEIN. We are not going after people possessing distinguished merit.

Mr. SISSON. What is the difference between a distinguished actor and a "ham" actor?

Mr. DICKSTEIN. That will be determined by their standing in their art.

Mr. SISSON. I do not believe the Department of Labor or any other department would be able to draw the line between what is distinguished and what is not distinguished in the realm of art.

Mr. DICKSTEIN. This bill, as I say, is designed to protect American actors and artists.

[Here the gavel fell.]

Mr. TAYLOR of Tennessee rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Tennessee rise?

Mr. TAYLOR of Tennessee. Mr. Speaker, I rise to use the time allotted me for general debate under the rule.

The SPEAKER pro tempore. The Chair understood that the amendment stage had been reached. An amendment was offered by the gentleman from New York and he was recognized for 5 minutes on the amendment.

Mr. CELLER. Mr. Speaker, all time has not been consumed.

Mr. TAYLOR of Tennessee. We have had no time whatever.

The SPEAKER pro tempore. The gentleman can be recognized under the 5-minute rule.

Mr. CELLER. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CELLER. Under the rule on each of these bills 30 minutes was allowed for debate, to be equally divided and controlled by the chairman of the committee and the ranking minority Member.

The SPEAKER pro tempore. An amendment has been offered and is now pending.

Mr. CELLER. The chairman of the committee rose and asked for time.

The SPEAKER pro tempore. But he offered an amendment which has been read and is now pending.

Mr. CELLER. A parliamentary inquiry, Mr. Speaker. Is not this a substitute amendment?

The SPEAKER pro tempore. The gentleman is correct.

Mr. CELLER. Even if a substitute amendment were read, that would not rob the chairman of the committee and the ranking minority member of the time allowed them under the rule.

The SPEAKER pro tempore. The gentleman did not yield time to anyone. The gentleman from New York offered an amendment. The Clerk read the amendment and time, under the rule, had expired.

Mr. CELLER. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CELLER. At what point was it incumbent upon the chairman of the committee to claim his time?

The SPEAKER pro tempore. After the Clerk reported the bill.

Mr. O'MALLEY. Mr. Speaker, I make the point of no quorum. We are not going to have this bill railroaded.

The SPEAKER pro tempore. The Chair will state to the gentleman from Wisconsin that Members can obtain the floor under the 5-minute rule.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. O'MALLEY. If the chairman of the Immigration Committee did not take any of his time, and there were 15 minutes allotted to the minority side, how did the chairman of the Immigration Committee get time?

The SPEAKER pro tempore. He offered an amendment and spoke under the 5-minute rule.

Mr. O'MALLEY. The chairman of the Immigration Committee offered an amendment?

The SPEAKER pro tempore. He offered a substitute amendment.

Mr. O'MALLEY. What amendment was that? May we have the amendment read again?

Mr. DICKSTEIN. Mr. Speaker, I offered an amendment to the original bill by direction of the Committee on Immigration.

The SPEAKER pro tempore. And the amendment was reported.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry. I should like to get acquainted with the procedure.

The SPEAKER pro tempore. The gentleman will state it.

Mr. O'MALLEY. Did the gentleman ask unanimous consent to offer his substitute, or by what procedure did he get the substitute amendment before the House?

The SPEAKER pro tempore. The gentleman offered his amendment as a matter of right.

Mr. O'MALLEY. As an amendment?

The SPEAKER pro tempore. As an amendment; as a matter of right.

Mr. O'MALLEY. I understood the gentleman to say he offered a substitute.

The SPEAKER pro tempore. He offered a substitute amendment by direction of the committee.

Mr. O'MALLEY. By direction of the committee?

The SPEAKER pro tempore. Yes. He offered a substitute amendment to the bill.

Mr. CONNERY. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I want to ask the chairman of the Immigration Committee a question. Is my understanding correct that the American Federation of Musicians, of which Mr. Webber is the president, were opposed to the musicians being included in this bill at all?

Mr. DICKSTEIN. That is why the committee amendment is now offered in substitution of the original bill.

Mr. CONNERY. Is my understanding correct that Mr. Webber, president of the American Federation of Musicians, or the Musicians' Union, is in favor of this substitute?

Mr. DICKSTEIN. This eliminates the musicians completely.

Mr. CONNERY. Are they in favor of it?

Mr. DICKSTEIN. There is no question about that, because it eliminates them entirely. They stated they did not want to be included in this bill.

Mr. CONNERY. Did Mr. Webber appear before the committee?

Mr. DICKSTEIN. Counsel appeared, and there was an agreement, which is the reason for the introduction of another bill. We are now offering the substitute bill.

Mr. CONNERY. Is that satisfactory to them?

Mr. DICKSTEIN. It is satisfactory to everybody.

Mr. MEAD. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from New York.

Mr. MEAD. It occurs to me if the musicians' union saw fit to be eliminated from the provisions of this bill, we ought to make inquiry as to the attitude of other organizations and associations who are still included in the bill. If it is advantageous for one group to escape the penalties included in the bill, what about the other groups that are left in the bill? Has the gentleman any information about that matter?

Mr. CONNERY. No. I know one of the reasons the musicians are against it is because employers bring famous conductors over here from Europe, who take half pay to come to the United States and do American conductors out of their jobs. The foreign conductors will work cheaper than the American conductors, and the same situation is true with the musicians. I know of the instance of a conductor, one of the leading conductors of the United States, Ray Kavanaugh, who was Earl Carroll's leader in many New York hits, who was not allowed to appear in Europe because the union over there refused to allow him to work in Europe. It seems to me we may be opening the door pretty wide. I do not know about the actors, but that is the position of the musicians.

Mr. MEAD. Has the gentleman any figures with reference to the number of American stars employed in European countries as against the number of European stars employed in this country?

Mr. CONNERY. I have not the figures, but I can say there are hundreds of European stars working in the United States and very few American stars working in Europe. They take better care in keeping American actors out than we do in keeping foreign actors from the United States. The gentleman from Kansas [Mr. HOUSTON], who was a very distinguished actor on the stage before he came to Congress, will tell you that the English actors alone drove many American actors off the stage in New York.

Mr. HOUSTON. Yes. That was some years ago. At that time, when American actors were commanding a salary of $400 to $800 a week, English actors came over here in hordes to work for $150 a week. Does this bill prohibit the importation of foreign actors? Are the motion-picture producers against it?

Mr. CONNERY. Yes; they are all against it.

Mr. SCHULTE. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Indiana.

Mr. SCHULTE. May I say to the gentleman from Massachusetts that the musicians' organizations wish to be exempt from this particular bill owing to the fact they believe they are secure enough under the other act? That is the reason this bill was completely changed.

Mr. CONNERY. How does that apply to the actors in general? I understand there are very few who can come into the United States today, but that under this reciprocal proposition they say "We will let you send in 10 if you will let us send 10 to Europe."

[Here the gavel fell.]

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

Mr. CELLER. Mr. Speaker, reserving the right to object, will the Speaker recognize me following the gentleman from Massachusetts [Mr. CONNERY]?

The SPEAKER pro tempore. The Chair will be fair.

Is there objection to the request of the gentleman from Massachusetts [Mr. CONNERY]?

There was no objection.

Mr. CONNERY. The question I wanted answered is whether this is really going to protect the American actor or open the door by allowing the Secretary of Labor to let in some more actors from Europe.

Mr. SCHULTE. Only to the extent there is reciprocity provided for in the bill. In other words, the bill allows as many American actors to go into foreign countries as we allow foreign actors to come in here. It seems that in the past the practice has been that they have flooded this country with actors because we did not have this particular provision.

Mr. CONNERY. And we did not send any of them over there.

Mr. SCHULTE. Yes.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. O'MALLEY. Does the gentleman think that under this bill we can get crooners shipped over to Europe?

Mr. CONNERY. Well, I like crooners myself. I like Rudy Vallee, Bing Crosby, and the rest of them. I think they are artists in their line.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from New York.

Mr. MEAD. This bill, as I understand it, means a complete disbarment of the ordinary actor, oftentimes referred to as the "ham" actor.

Mr. CONNERY. I do not like to have any actor referred to as "ham." [Laughter.]

Mr. MEAD. But it permits the entry into this country of those who are in the category of stars or artists, and therefore such men as Representative HOUSTON and Representative SCHULTE and the distinguished Representative from Massachusetts would not be barred or discriminated against under the provisions of this measure.

Mr. CONNERY. I thank my good friend from New York for putting us in that category. [Laughter and applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Speaker, I rise in opposition to the pro-forma amendment.

I think the Members should know what they are voting on and I may say that this bill has not been explained by anybody but, in a word, it seeks to apply a sort of tariff barrier just as previous administrations sought to keep out foreign importations by setting up tariff walls. We now seek to apply tariff walls to personalities and artists, just as though these artists or these musicians or these actors were just so many sacks of potatoes, or just so many ears of corn.

The minute you put up a tariff wall, or a tariff quota, against British, or German, or French personalities, opera singers, solo dancers, or whatever you may call them, they are going to retaliate, and they are going to build a higher tariff wall of art and talent, if I may use those terms; just a little bit higher than yours, and then you are going to respond with a still higher wall, and then you are going to put all art in a strait jacket. I do not think you want to do this, but you will do it under the provisions of this substitute.

What was the first bill? The first bill was the bill on which we have a report and it provided that actors or artists could come over to this country if they were of distinguished merit and ability. This is stricken from the bill and makes the bill far worse.

If you are going to apply this quota system involved in this bill to actors and artists, why not apply it to bricklayers and machinists and other laborers? This is the first time in the history of all immigration statutes that you seek to apply a sort of tariff or quota to artists.

What is the evil that this bill seeks to repeal? There is no invasion to the American stage by foreign actors. When I testified before the Immigration Committee on February 5 I stated that there were 31 plays running in New York. Of these, there are only seven in which one or more British or Canadian actors or actresses were employed. They were Call It a Day, Pride and Justice, Ethan Frome, Libel, Victoria Regina, Jubilee, and Lady Precious Stream. In those 7 productions there were less than 20 British or Canadians out of probably more than 500 actors and actresses, all told. Let us take the play Call It a Day. It contains several prominent British actors in the cast—Gladys Cooper, Phillip Merivale, and Lawrence Grossmith. It is a play about English family life. Take these British actors out of the cast and replace them with Americans endeavoring to portray purely English life and manners and the play would be a dismal failure. Libel concerns an English courthouse with decidedly English barristers, judge, and jury. It is as utterly British as Cheshire cheese. American actors would be decidedly miscast.

Films like Mutiny on the Bounty, Captain Blood, and Calvacade contain many British in the cast, but those films made more money for the American producers in the British Empire than in America—thus giving employment to thousands and thousands of Americans. Last year the play Wind and Rain was produced in New York. It dealt with students at Edinburgh University. The effect of the play depended altogether on the presentation of the atmosphere of a Scotch boarding house. Most of the actors producing that atmosphere were not of distinguished merit or ability. They would have been barred by this bill. The effectiveness of this play would have been destroyed, because it was a play of atmosphere, not of plot. Journey's End was a play concerning British tommies in the trenches. It was a drama essentially of British character. The passage of this bill would have made proper presentation of Journey's End impossible.

Mr. CURLEY. Mr. Speaker, will the gentleman yield?

Mr. CELLER. Yes.

Mr. CURLEY. Is not the point made by the gentleman carefully taken care of in section 2?

Mr. CELLER. I know section 2 and I know what the gentleman is going to say—that if you cannot find such an artist here you can bring a foreign artist in—but who is to determine that? Somebody in the Labor Department?

Tremendous pressure will be brought to bear upon those in the bureaus to show you that people in this country who want to take that part or lead that band are perfectly capable of doing so—just as good as a foreigner—and thereby refusal of the visa of a man or woman wanted over here will be brought about.

Other countries aid the drama and music and the art of music. They subsidize productions and musicians. They put actors and dramatists on pensions. They appoint poet laureates. We, on the other hand, tax admissions and pass restrictive measures of the type of the instant bill. No proper explanation was given of this bill. In a word, it seeks to set up something in the nature of tariff barriers on the importation of alien actors, musicians, singers, dancers, instrumentalists, and orchestral conductors. It limits the admissions of such artists into the United States to a number of similar American artists that are admitted into any other country.

In effect, it says to all countries, "We are going to erect tariff barriers against art and artists." It is offered in the hope that foreign nations will quail and become frightened. We tried this idea of "stand and deliver" in tariff legislation years ago. We held, as it were, a tariff pistol at the head of other nations. What happened? They did not give a tinker's damn about our threats. They retaliated by pointing a pistol at us. They erected tariff walls higher than ours. We responded by erecting walls yet higher. Now we are applying the same principle to art and artists. Why limit these walls to actors and instrumentalists, and so forth? Why single them out? Why not apply the so-called quota system to others?

By this bill we say to England, "We will let in 100 British actors if you take in 100 American actors." Why just limit this to actors and artists? Why not extend it to bricklayers, mechanics, corset makers, doctors, nurses?

Under this bill Arturo Toscanini could be kept out of our country if the Italian quota of orchestra leaders or artists were filled. Lawrence Tibbetts could be kept out of England by the same token—if England followed our example and adopted a similar measure—if the American quota for singers were filled.

Of course, the proponents will answer that section 3 of the bill would permit the Secretary of Labor to authorize the admission into this country of unique and unusual artists, after an investigation which would show that similar artists could not be found in the United States. Under this, the cry will always be raised that an artist here in the United States is just as good as the desired foreign artist. Extreme pressure will be brought to bear upon the Secretary of Labor. As a result, a Toscanini would be kept out of America and a Tibbett would be kept out of England.

Let us beware of these tariff-artist walls. We are trying to break down these commodity tariff walls by reciprocal treaties. We have at last come to our senses as to commodities. Shall we start building instead artist-tariff-wall Frankensteins?

You cannot treat artists in quotas as so many sacks of potatoes or bales of cotton. No two actors or artists are alike. They are personalities and are wanted for particular roles, for particular parts, for particular functions. You cannot substitute one solo instrumentalist for another—a violinist for an oboe player, or a harpist for a tuba player, or a bandmaster for a concertmaster. Next we would be trading a George Arliss for two American tap dancers. We would give a Katharine Cornell for three Swiss yodlers, or a Charles Laughton for a couple of ham jugglers. Finally, we would let George Bernard Shaw come into this country in return for a dozen "pulp magazine" writers à la Laura Jean Libby.

If this bill had been enacted some years ago, I question whether or not Charles Chaplin, Lynn Fontaine, Marie Dressler—who unfortunately is now dead—Lionel Barrymore, Leslie Howard—to name but a few—would have been admitted. At the time of their entrance they were merely persons. Now they are personalities. The quotas could have then been filled. What a loss that would have been to the American drama and the American screen.

Cavalcade, a very famous motion picture, was a pageant of English history. Several English artists were brought over to play in it. Their presence made the picture a success. Their parts could not have been played by Americans. The success of that movie meant the employment of thousands of American supernumeraries—ushers, scene shifters, musicians, carpenters, painters, designers, dressmakers, tailors, laborers, and extras. The same might be said concerning the pictures Mutiny on the Bounty, Tale of Two Cities, and Captain Blood.

A former Assistant Secretary of Commerce, in a radio address, said:

There is a growing conviction among foreign merchants that our films are the subtlest but most effective type of advertising for American goods.

The auxiliary services rendered by the American motion-picture industry to world trade are too well known to require extended description. It has been proved beyond question that our motion pictures, bringing to other peoples an idea of the comforts and conveniences of American life, help to sell countless other kinds of American merchandise, thereby stimulating our entire foreign trade and commerce.

I was curious to know the British attitude toward our American actors. I herewith set forth correspondence between the British Actors' Equity Association and the British Ministry of Labor. The attitude of the British Ministry of Labor shows free admission of American artists and entertainers.

BRITISH ACTORS' EQUITY ASSOCIATION,
Holborn, London, E. C. 1, March 11, 1936.

HENRY MOSKOWITZ, Esq.,
Executive Adviser, The League of New York Theaters,
1501 Broadway, New York City.

DEAR MR. MOSKOWITZ: I enclose herewith the particulars you request in your letter of the 20th February.

As I anticipate that you may be using this as evidence before Congress, I thought it necessary to obtain the information from H. M. Government, and also to have it authenticated by the appropriate department.

Yours sincerely,

ALFRED M. WALL,
Hon. General Secretary.

MINISTRY OF LABOUR,
3, Richmond Terrace, Whitehall,
London, S. W. 1, March 10, 1936.

A. R. 3095/1936

DEAR MR. WALL: Enquiry has been made into the questions affecting the admission of American actors into Great Britain, about which you sent me on March 2 a copy of a letter addressed to you by the League of New York Theaters.

I am afraid it is not possible to give you at short notice a list of American actors now working in this country, but the request from New York will perhaps be sufficiently met by a statement of the recent issues and refusals of permission to American actors. It will probably be of interest, both to your association and to your New York correspondent, to have a comprehensive statement covering the various separate groups of artists and entertainers, and such a statement in respect of the year 1935 is enclosed. The statement shows that the total number of applications during that year was 914, and that only 11 of these were refused; the figures for theatrical artists are 103 applications and 2 refusals. Notes as to the reason for refusal are given at the foot of the statement.

These figures confirm that the Ministry's general policy to issue freely permits for foreign artists and entertainers is being maintained.

The statement does not include any reference to American bands, to which special considerations apply. It is the Department's present policy not to issue permits in respect of American bands, for the reason that under regulations passed a short time ago, British bands were debarred from taking engagements in the United States. It is felt that so long as this attitude is maintained, the issue of permits for American bands to take engagements here would not be justified. We are quite ready to reconsider this attitude as soon as we have evidence that the United States authorities are equally willing to reverse their policy in respect of British bands. (The reference is only to bands of the light entertainment type; it does not apply to orchestras such as the New York Philharmonic which would, of course, be admitted without question.)

There is no objection to your sending a copy of this letter and of the enclosed statement to the League of New York Theaters if you so desire.

Yours sincerely,

R. E. GOMME.

A. M. WALL, Esq.,
Hon. Gen. Secretary, British Actors' Equity Association.

[Enclosure]

Statement of applications in 1935 for permission for United States actors, artists, and entertainers

Type of employment	Number of permits issued by Ministry of Labour	Number of cases of permission given by home office to United States nationals already in the country	Number of refusals
Legitimate stage	93	6	[1] 2
Variety and cabaret	625	6	[2] 2
Concert vocalists	16	1	
Concert instrumentalists	40	2	
Film artists	36	6	
Circus artists	13		
Boxers and wrestlers	39	2	
Miscellaneous	15	1	[3] 7
Total	879	24	11

[1] Two applications for permission for American students to theatrical engagements (unpaid in 1 case and at a low rate of salary in the other) that could readily be filled by British subjects.

[2] (*a*) Variety artist working on the minimum rate who had already completed 6 months' employment here; (*b*) application for permission for variety artist by an unregistered agency.

[3] This item includes 4 professional dancing instructors and 3 ice-hockey players.

Under these circumstances, what is the need of this bill?

Mr. DICKSTEIN. Mr. Speaker, I want to say a word to correct the gentleman from New York [Mr. CELLER] that under the present law no bricklayer or laborer can enter the country because the law prohibits them from doing so, but the present law does not prohibit the flock of alien so-called actors from all sections of the world coming here. As a matter of fact, every producer and every moving-picture operator has scouts throughout the European countries to look for talent. They bring them in by the boatload, you might say, upon the theory that they are going to develop foreign art, without giving the American artists a similar opportunity. This is going to stop the number that has been coming in, and I hope that no amendment will be made to this bill.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. HOUSTON. Is it not a fact that during recent years there has not been much of an incentive for American actors to draw them into foreign countries?

Mr. DICKSTEIN. They would not let them come in.

Mr. HOUSTON. And even here Americans could not get a job.

Mr. DICKSTEIN. There are 15,000 on relief now under the P. W. A.

Mr. HOUSTON. But American actors would have an opportunity to get work, if you put in this quota.

Mr. DICKSTEIN. Yes.

The SPEAKER pro tempore. The question is on the amendment of the gentleman from New York as a substitute for the bill.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill as amended.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider laid on the table.

CONDITIONS OF LABOR UNDER CONTRACT WITH UNITED STATES GOVERNMENT

Mr. GREENWOOD. Mr. Speaker, I call up House Resolution 549, which I send to the desk and ask to have read.

The Clerk read as follows:

HOUSE RESOLUTION 549

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3055, a bill to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of

the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. GREENWOOD. Mr. Speaker, I yield the gentleman from Pennsylvania [Mr. RANSLEY] 30 minutes.

Mr. O'CONNOR. Mr. Speaker, I offer the following amendment to the resolution, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 1, line 12, after the period insert the following: "It shall be in order to consider, without the intervention of any point of order, the substitute committee amendment recommended by the Committee on the Judiciary now in the bill, and such substitute, for the purpose of amendment, shall be considered under the 5-minute rule as an original bill."

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. GREENWOOD. Mr. Speaker, this resolution from the Committee on Rules provides for consideration of what is known as the Walsh-Healey bill, which bill regulates specifications in connection with the purchase of supplies by the Government of the United States. It provides that no less than the prevailing minimum wage shall be paid to workers in the community where the supplies are manufactured or where the work is performed. It provides that there shall be not more than 8 hours a day for those who labor nor in excess of 40 hours per week, and provides further that no person under 18 years of age shall be employed. It provides, further, that the factories shall be conducted under sanitary conditions, free from hazardous conditions, and provides for the safety and health of the employees. It provides, further, that no convict labor shall be employed in the manufacture of these supplies.

It makes certain exemptions. For instance, supplies of materials that should be purchased in the open market, or stock mechandise, in other words, as I understand it, and that nothing to be purchased under $10,000 in amount shall be considered; that agricultural, nursery, dairy, and perishable products shall not be considered subject to the law.

Briefly, Mr. Speaker, this is a type of social security that has been considered for a great many years. The Government in buying its supplies should lead the way in providing reasonable hours of work, limiting them to 8 hours a day and 40 hours a week, and should provide a minimum wage according to the scale prevailing in the community.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. Yes.

Mr. HOUSTON. This is not an N. R. A., nor has it any connection with it?

Mr. GREENWOOD. No; it has nothing to do with that, concerning any arrangement of codes in industry or business as such; it applies only to supplies purchased by the Government for Government use.

Mr. HOUSTON. No code?

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. CONNERY. We found out that the 40 hours under the P. W. A. worked out beautifully.

Mr. GREENWOOD. We believe there is great advantage gained under the operation of the National Recovery Act.

Mr. CONNERY. As we have already seen it.

Mr. GREENWOOD. Yes.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. WADSWORTH. May I ask the gentleman if any hearings were held by the Committee on the Judiciary or a subcommittee thereof as to the possible effect of the 40-hour mandatory provision?

Mr. GREENWOOD. I presume that such hearings were had on that provision. The Rules Committee understood there had been hearings on all provisions of the bill, and the bill was reported. The chairman of the committee appeared before the Committee on Rules. Just how elaborate those hearings were on that particular point, some member of the Committee on the Judiciary could answer better than I can.

Mr. WADSWORTH. My information is that none was held on the 40-hour per week provision.

Mr. GREENWOOD. I cannot say as to that.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. RICH. I was very much interested to hear the statement made by the chairman of the Committee on Labor, Mr. CONNERY, that the 40-hour week was satisfactory. I am glad to know the chairman of the Committee on Labor is in favor of the 40-hour week.

Mr. CONNERY. Will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. CONNERY. I inadvertently said "40-hour." As a matter of fact, under the P. W. A. it was 30 hours, and it worked beautifully. If the gentleman will look up the law he will see that.

Mr. GREENWOOD. Now, I should like to give you some statistics that were interesting to me, and I think will be interesting to the House. I found some statistics by an eminent scholar concerning production in factories in this age of machinery and invention. I think we will all concede that the question of unemployment, where manpower has been displaced by machinery, is one of the most serious questions that is confronting our people. These statistics which I have bear on the necessity of having some legislation that will limit the hours per day and per week, and will fix some sort of a reasonable minimum concerning wages upon a proper standard of living.

These statistics will show that the value added to commodities by manufacturing process was 73.9 percent greater in 1929 than it was in 1921, while the wages during that same period increased only 27.2 percent. While invention, discovery, and mass production had added a value of 73.9 percent to manufactured goods during that period, yet wages increased only 27 percent.

Furthermore, that labor produced 36.7 percent more in 1929 than it did in 1921, on a comparative or proportionate basis. But while labor increased the volume of production 36.7 percent in that 8 years it only received an increase in wages of 11.3 percent, showing the very small amount of the increase that was produced by labor because of invention, machinery, and discovery, operating in mass production that fell as an advantage to labor.

In 1921 labor received 44.7 percent of the value added by manufacturing process, but by 1929 this percentage had slumped to 36.14 percent, showing a decrease. While labor, using machinery, was increasing the volume and value of production on a comparative basis, yet its wages were constantly decreasing on a comparative basis.

During this same period the aggregate net profits of all corporations increased more than 100 percent. Making a comparison of wages and profits with the use of the machinery and invention, the profits were going as high as 100 percent, yet the proportionate percentage of wages was decreasing. In other words, labor was not receiving a fair distribution from mass production, through machinery, discovery, and invention. That is what creates this problem of ever-increasing manpower displaced by machinery and advanced methods. There should be something done, if the Government can do it, that will spread this employment over a wider field, and, if it be necessary, to reduce the hours per day and per week. The greatest thing needed in this country is the opportunity of men to earn a living by the use of their hands and their minds.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. RICH. If you are going to utilize the hand of man so that he is occupied, then if you are going to put in all of the improved machinery so that a man has nothing to do, how are you going to do what you are trying to do?

Mr. GREENWOOD. I take it for granted that we cannot stand in the way of progress and of invention. No one assumes that, but we can assume that the advantages that come from invention and discovery will be more equally distributed. A man who becomes an inventor gets a monopoly on that article. In the aggregate increase of wealth there must be a better division, so that this employment spread shall be wider, by reducing the hours of labor.

Mr. RICH. Will the gentleman yield further?

Mr. GREENWOOD. I yield.

Mr. RICH. Idleness breeds discontent.

Mr. GREENWOOD. That is right.

Mr. RICH. It does not make any difference who the individual is, if he has not something to do to keep his mind busy he will eventually get into trouble. Now, if that is the case, do you not think we ought to regulate improved machinery in some manner to give the 12,000,000 people jobs who are out of work, and then we would have industry paying the expenses of keeping those people, instead of running up this great national deficit that we are doing at the present time?

Mr. GREENWOOD. There may be some merit in what the gentleman says; and if he will prepare a bill along a line that will in any way control this question of how machinery shall be operated, I shall be glad to consider his bill on its merits.

Mr. RICH. Mr. Speaker, will the gentleman yield for one further question?

Mr. GREENWOOD. Do not make a speech; ask a question.

Mr. RICH. I do not want to make a speech. The gentleman knows I could not get a bill through this House; but if I were on the Democratic side of the House I would do that very thing.

Mr. GREENWOOD. Oh, I think that is a violent assumption. If the gentleman will prepare a bill that has merit to it I am sure he will get a hearing.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. MEAD. We found about 10,000 employees in the Postal Service. We found that postal employees today were doing 159 percent more work than the postal employees were doing in 1932. We took 4 hours off the workweek of every postal employee and put all the unemployed postal employees to work. This same percentage spread over the industries of America, shortening the workweek that much, would eliminate unemployment in this country. The benefit resulting from the machine should now result in a shorter workday insofar as industry is concerned.

Mr. GREENWOOD. I thank the gentleman for his contribution; it is along the line of my argument. We cannot stand in the way of invention and discovery. Improved machinery is bound to come, but there can be some regulation; and this is a move in the right direction, that the extra profits that arise and the value that comes from these things and the use of mass production shall be more fairly distributed to the men who work and that there may be a greater spread of employment through a shortening of hours. As I say, this is a move in this direction.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. MARCANTONIO. When the gentleman speaks of shortening hours, he does not, of course, advocate cutting wages. In other words, the gentleman believes in keeping wages as they are.

Mr. GREENWOOD. This bill provides that they shall pay the prevailing wages in the community where the work is performed; so the bill takes care of the very proposition of which the gentleman speaks.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. RICH. I just wanted to make it clear that the taxpayers of this country are footing the bill for the Post Office Department. If some of you fellows had to meet pay rolls, you would know what it is to run a business, and would have a greater appreciation of the tremendous debt you are piling up for this Nation. The Post Office Department is going into the red faster and faster. Some day you will wake up to see that there is a wreck ahead. I am not advocating low wages; I am advocating sound business principles in the affairs of government.

Mr. MEAD. I would remind the gentleman from Pennsylvania that the Post Office Department has been developing a surplus since this administration came into power.

Mr. GREENWOOD. Mr. Speaker, I decline to yield further for a colloquy between these two gentlemen. I thank the gentlemen for their contributions and take it for granted they probably are not so very far apart.

Mr. CLARK of North Carolina. Mr. Speaker, will the gentleman yield for a question?

Mr. GREENWOOD. Yes.

Mr. CLARK of North Carolina. I would direct the gentleman's attention to section 9 of this bill, which makes certain exemptions, and should like to have the gentleman's construction of the section as to whether things like manufactured lumber, cotton, furniture, and things of this character would or would not be included in this bill.

Mr. GREENWOOD. I should like to answer the gentleman, but some of these questions could probably be answered better by members of the legislative committee. I know if it applied to all products there would be a good many complications. I do not think it applies to stock merchandise. I understand it applies particularly to supplies manufactured to conform to specifications by the Government.

Mr. CLARK of North Carolina. Lumber or cotton goods might be specified in an order.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. HEALEY. I call the gentleman's attention to the language of section 9, the first sentence of which reads:

> This act shall not apply to purchases of such materials, supplies, articles, or equipment as may usually be bought on the open market unless especially manufactured to conform to particular specifications.

I think this language is very clear; and, in my judgment, do not think it would cover the articles the gentleman has in mind.

Mr. CLARK of North Carolina. It is not the gentleman's judgment that it would apply to them?

Mr. HEALEY. That is my interpretation of it.

Mr. GREENWOOD. Mr. Speaker, a good many questions have been asked which probably should have been directed to members of the legislative committee that held hearings.

I think, however, this bill is a step in the right direction and will help solve the unemployment question and uphold the standard of living. It will set an example of what the Government considers a fair day and a fair week as to hours of labor and provides for the prevailing wage as a minimum. The Government undertakes to lead the way for better economic conditions and a better spread for employment.

I believe it is a movement in the right direction for social security. I therefore trust the rule shall be adopted and that this measure will be enacted into law.

HOUR OF MEETING TOMORROW

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that when the House adjourns tonight, it adjourn to meet at 11 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, reserving the right to object, and I do not know as I have any particular objection, is the gentleman willing to let the final vote on this bill which is under consideration today go over until tomorrow morning?

Mr. O'CONNOR. Yes; that can be arranged.

Mr. SNELL. Then I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. For the convenience of the Members, I think it is proper for the Chair to state that we expect to

proceed until 6 o'clock in the consideration of the pending rule and then take a recess until 7:30 o'clock this evening for the further consideration of the bill.

CONDITIONS OF LABOR UNDER CONTRACT WITH UNITED STATES GOVERNMENT

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, the other day there was a bill on the Consent Calendar entitled "A bill extending the classified executive civil service of the United States", which, if enacted into law, would have extended the classified civil service in the United States. It was represented that this bill was an extension of the merit system, which is the cornerstone of our civil-service legislation. The bill is the very antithesis of that.

The bill, if enacted into law, would authorize by Executive order the placing within the classified service, as defined by the act of March 27, 1922, any position or group of positions in the executive branch of the Federal service which now or hereafter may be exempted by statute from the provisions of the Civil Service Act.

The civil-service law, the Pendleton Act, was passed in 1883. Since that time various branches of the executive civil service have been brought under the merit system set up by that act and its subsequent amendments. Over 80 percent of the employees of the Government not wearing a military uniform were under the competitive classified civil service, obtaining their positions and holding them on the basis of merit.

When legislation sought by reason of the emergency and for the purpose of taking care of relief was passed, every single bill of that kind contained the language, when referring to the employment of personnel: "Without regard to the civil-service laws or the Classification Act of 1923."

This meant that no person need prove merit before appointment, and no person need be paid a salary or was limited to a salary within the classification in which his kind of work and the value of his work fell.

Mr. SIROVICH. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from New York.

Mr. SIROVICH. My distinguished friend, for whom I have a very wholesome respect, will remember the Reconstruction Finance Corporation bill was passed under the Republican regime while Mr. Hoover was President. The bill, as brought in, had the same clause, without regard to the civil service, and when we offered an amendment to that effect it was voted down. The Home Owners' Loan Corporation bill which came in under the Republican administration of Mr. Hoover also had the same clause inserted, and when an amendment was offered it was defeated.

Mr. LEHLBACH. I do not recall those circumstances. The first set-up of the Reconstruction Finance Corporation called for a board of financial experts. Possibly there were some substantial reasons for exception at that time, but not so with these bills that I am speaking of, because at no time when employees were put to work and exempted from the civil service were there not on the civil-service registers eligibles in excess of the number appointed without regard to the civil service and these people would have been available for such appointment.

Mr. CONNERY. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Massachusetts.

Mr. CONNERY. I wish I could feel the same way as my friend from New Jersey, but we put the provision in the Wagner-Peyser bill, covering the United States Employment Service, that they could appoint them without regard to the civil service, but the Secretary of Labor called for a civil-service examination. In order for anybody to get to be a director of that Employment Service he has to have a high-school education. A lot of common laboring men, who had been working previously in factories, could not become a director of employment.

Mr. LEHLBACH. That was by regulations subsequently enacted. There are, as a matter of fact, on the Government pay roll a quarter of a million employees at the present time who should be under the civil service and, as a matter of fact, are not.

The proposition now is to take these 250,000 employees and put them under the civil service. Why are they employees? Because they were recommended by ward leaders, by county chairman, by district leaders, and by political workers, and every one of the 250,000 were inducted into the civil service because of value rendered to the Democratic Party in the election.

It is now proposed to freeze those into the civil service, giving them a civil-service status, to the exclusion of a quarter of a million people for years to come who otherwise would have the opportunity on the basis of merit to enter the civil service.

Mr. RAMSPECK. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Georgia.

Mr. RAMSPECK. How does the gentleman from New Jersey reach that conclusion in view of the fact the bill to which he is referring requires a competitive examination? It gives no privilege to the people who are now holding these non-civil-service jobs.

Mr. LEHLBACH. It freezes them in their employment, and in the event one of these individuals who is now in the service should die or resign, his or her place will be filled by competitive examination. But the purpose of the bill is to retain these people in the civil service, but it says they shall not have a classified status.

If that means anything at all, it means simply that they cannot be transferred to an old-line job in a department in which civil service has for years been the rule, or else that they can be separated from the service for the avowed reason of politics or religion, which is the only protection not accorded to them that is accorded to every other employee who has civil-service status.

Mr. RAMSPECK. The gentleman from New Jersey, of course, is more familiar with the history of civil service than I am, having been on the committee longer and in Congress longer, and the gentleman knows, of course, that only in one instance in the entire history of the civil service has a group been brought in without giving them the privilege of noncompetitive examinations, and that was in the case of the Prohibition Bureau in 1927; but this bill, which is my own bill and which was purposely drafted that way, requires a competitive examination before they get a civil-service status.

Mr. LEHLBACH. Yes; but these people are in employment and it is not proposed——

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the gentleman 5 more minutes.

Mr. LEHLBACH. And it is not proposed to separate a single one of these people from his employment. It simply says that he may not acquire that status by being in the anomalous situation where he is holding a position in a class which is under civil service while he himself has not acquired civil-service status. This does not interfere with his working there; it simply interferes with his having a right to a transfer without a subsequent civil-service noncompetitive examination.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield for a further question?

Mr. LEHLBACH. I yield.

Mr. SIROVICH. Is it not a fact that since the establishment of civil service in 1883, by Pendleton, that during both Republican and Democratic administrations, where emergency legislation was put forward and people were appointed without regard to civil service, they were ultimately frozen in the same as is being done today?

Mr. LEHLBACH. Where they were originally appointed when civil-service regulations did not exist; but here is a situation where, without that exempting language in your statutes, every one of these people would necessarily, under the law of the land, be under the civil service and would have had to get civil-service status on the basis of merit before they could have been appointed.

Here is what you have done: You have exempted a quarter of a million people from having to show merit before you appoint them, and then, after having appointed them on a political basis, you want to cover them into the advantages of civil service. This is what you are trying to do by this legislation.

Mr. RAMSPECK. If the gentleman will yield further, I may say quite frankly that the purpose of the bill and the reason it is drawn as it is was to prevent the very thing the gentleman is charging the bill does. The Civil Service Commission drew it for me, although they do not approve it, I may say to the gentleman. They prefer noncompetitive examinations; but this does not freeze them in. It will make it necessary for them to hold competitive examinations for every group brought in and give everybody a free chance, and that is what I desired to do.

Mr. LEHLBACH. But this does not remove them from the service which they hold. They do not have to compete with anybody to continue in their jobs. It is only if they want a different job that they have got to acquire a civil-service status.

Mr. RAMSPECK. Oh, no.

Mr. LEHLBACH. And it is only when they go out——

Mr. RAMSPECK. What happened to the Prohibition Bureau when a similar bill was passed?

Mr. LEHLBACH. Your McKellar amendment took care of that. It was not the working of the civil-service proposition.

Mr. RAMSPECK. I am not talking about that; I am talking about the act of 1927, during a Republican regime, when they put them under civil service and required them all to take an examination and left out those who did not pass the examination.

Mr. LEHLBACH. I know that; but you do not do that here.

Mr. RAMSPECK. It is exactly the same act.

Mr. SIROVICH. But even with respect to the people employed in emergency classifications, the gentleman will find that at the present time it is a well-known fact on our Democratic side of the House that more Republicans have been appointed than Democrats, and therefore the proposed examination in the bill of the gentleman from Georgia [Mr. RAMSPECK] will give everyone an equal opportunity.

Mr. LEHLBACH. As I read this bill, it does not remove a single person from the position he is now holding.

Mr. RAMSPECK. The bill does not, but the Executive order bringing them under civil service would do that.

Mr. LEHLBACH. No; the Executive order would not deprive them of their positions, it would simply deprive them of these benefits by reason of this section which says that the incumbent of any permanent position affected by any Executive order which may be issued under authority of this statute who does not have a classified status may acquire such status only upon receiving a new appointment.

Mr. GREENWOOD. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The resolution was agreed to.

Mr. HEALEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 3055, to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 3055, with Mr. BLAND in the chair.

The Clerk reported the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HEALEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. WARREN having assumed the chair as Speaker pro tempore, Mr. BLAND, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill S. 3055, had come to no resolution thereon.

ADDITIONAL JUDGE, WEST VIRGINIA

Mr. WALTER, from the Committee on the Judiciary, submitted a conference report upon the bill (S. 2456) to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia, for printing under the rule.

UNITED STATES HOUSING BILL

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CONNERY. Mr. Speaker, I call the attention of the membership to the following statement by M. J. Colleran, president of the Operatives of Plasterers' and Cement Finishers' Association, a member of the American Federation of Labor Housing Committee, before the Senate Committee on Education and Labor, on the United States housing bill S. 4424, April 23, 1936, and ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The matter referred to is as follows:

WASHINGTON, D. C., *April 23, 1936.*

Mr. CHAIRMAN: As a member of the A. F. of L. Housing Committee, I am, of course, in hearty accord with the provisions of this bill. Its passage, substantially in its present form, will be labor's principal concern in the current session of the Congress. I will not dwell, however, on the enormous and urgent need for a program of low-rent housing. Nor will I go into the reasons why such housing can be supplied only through machinery such as that set up in this bill. President Green has gone into these matters at considerable length before your committee already.

But I do want to take a few moments of your time to bring out a point which, I believe, has so far not been mentioned in the testimony. It may help to place the significance of this bill in a broader perspective, eliminating at the same time some of the strangeness and novelty which may seem to adhere to it. For I merely want to show that the general principle given such admirable working form in this piece of legislation received official and administrative sanction as long ago as 1921. Indeed, it was enacted into law by Congress in 1930, through the good offices of Senator WAGNER himself—even though it has never actually been put into operation.

What I refer to, of course, is the principle of long-range planning for public-works construction.

The idea that public or public-aided construction is a major weapon of any modern Government against unemployment and depression has been generally recognized for so long that I do not need to dwell on it. That such construction ought to be planned and timed in order to provide a cushion of employment when most needed has likewise been a matter of general agreement. But, still, in spite of all the talk, and in spite of the large sums actually spent on public-works construction during the past 4 years by various temporary Federal agencies, no permanent machinery has been set up which could plan out a long-range future program of construction.

Way back in 1921 Mr. Herbert Hoover, as Secretary of Commerce and in a special capacity as chairman of a committee on unemployment, presented an eight-point report to President Harding. The main point in this report was the long-range planning of public works. It recommended the immediate appointment of a committee to take up the problem of planning and carrying out a long-range program of public-works construction, to offset future depressions. This committee, however, failed to function.

We are a Nation that soon forgets. In 1922 we began to move back to normalcy, and then, in the midst of plenty, we failed to provide for the lean days of depression that were to follow. The three administrations from 1921 up to the present one failed to provide a plan to offset future depressions.

It may seem strange that my own direct and special interest in this problem dates from the big boom building year, 1923. To all outward appearances the building workers were receiving very high wages and bonuses; contractors vieing with each other at skyrocketing wages; mechanics were at a premium.

Organized labor realized that this condition could not last. They then decided to appeal to the Government which, during this period, was also in the field with a large building program, competing with private industry for mechanics.

A committee of organized labor of the building trades, with a committee representing the consumer and investor, pleaded with the authorities in Washington at that time, requesting that the Government defer, in whole or in part, their building-construction program until some later date when unemployment would exist in the building trades.

This action called forth a great deal of public attention at the time, because it demonstrated that the building trades want steady employment, long-range planning, and stable wages rather than high peaks and deep depressions. If some such agency as that recommended by Mr. Hoover in 1921 had been in existence, our own suggestions could have been incorporated in a plan which might, in turn, have considerably lightened the burden of the current depression, at least in its early stages.

In 1928, at the very peak of prosperity, Senator WAGNER introduced his first bill on a planned long-range public-works program. This bill was very much like the suggestions in Hoover's report of 7 years earlier. (As a matter of fact, I distinctly remember Mayor LaGuardia, who was then in Congress, telling the other Republican Congressmen that they ought to go along with it, since it was Hoover's original idea.) After a serious operation in committee, wherein this bill had its vitals removed, it evidently went on the convalescent list.

That brings us up to 1930. Let us see what the records have to say on unemployment. At an American Federation of Labor convention held in October of 1930 in the city of Boston, Mass., several statesmen appeared and addressed the convention. The addresses of these statesmen show that they were deeply concerned in the problems of widespread unemployment. Among those appearing was the HONORABLE DAVID I. WALSH, the present chairman of this committee. He advanced one of the most constructive arguments that could be used in behalf of and for the enactment of this Wagner housing bill. I will now quote, in part, the Senator's remarks:

"Unemployment. What is worse? What are the awful consequences of war—death, disease, famine, poverty? Of unemployment? Poverty, yes; debilitation, yes; disease, yes; and there is in addition undernourished children, suffering from cold, suffering from want of food, fathers disheartened and discouraged, mothers made physical wrecks from breaking hearts. Is there anything worse in life than the evils of unemployment that strikes at the very foundation of hope and cheer and peace in the human breast? Isn't there some place in our Government where one commanding voice must speak and behind that voice a heartfelt desire to remedy the pestilence against which he seeks a remedy? Only through the statesmanship of the official leader in public life who is entrusted with the responsibility to guide and protect us in the hour of emergency can we get relief.

"When there is no sympathy, when there is an attempt to urge that it is exaggerated, when that condition exists there can be no planning, there can be no developing of a statesmanlike policy that will seek a solution. My friends, the time to remedy the problem of unemployment is not in the midst of unemployment, though it is a good time to concentrate attention upon the disastrous consequences of the policy of unemployment; it is an opportune time to call public men's attention to the problem and ask for a remedy, but unemployment should be attacked by a policy of prevention. Just as our Government is spending millions of dollars and exerting all its efforts and strength to prevent disease, to prevent the breaking down of the public health, to protect us in the time of war, we are justified in asking the Government to spend money and effort to protect us from unemployment in times of peace."

It is evident from these remarks just quoted that Senator WALSH was whole-heartedly in sympathy with some legislation by someone which would help to solve the problem of unemployment.

Now, at that same convention, I will quote from President Hoover's address the following:

"But most of these problems are problems of stability. With the job secure, other questions can be solved with much more assurance. You, as workers, know best of all how much a man gains from security in his job. It is the insurance of his manliness, it upholds the personal valuation of himself and of his family. To establish a system that assures this security is the supreme challenge to our responsibility as representatives of millions of our fellow workers and fellow citizens. The discharge of that responsibility does not allow present difficulties to rob us of our clear vision or the wholesome faith and courageous aggressive character for which our country has been long the leader of the world.

"The demonstration of Nation-wide cooperation and team play and the absence of conflict during this depression has increased the stability and wholesomeness of our industrial and social structure. We are justified in feeling that something like a new and improved tool has been added to the working kit for the solution of our future problems.

"No one would invite either war or business depression, but from them may come some new inspirations. We find in these times courage and sympathy, generous helpfulness from our work people to those unfortunates suffering not alone from the present but from fear for their future. We find inspiration in the courage of our employers, the resolution of the Nation that we shall build steadily to prevent and mitigate the destructiveness of these great business storms. It is this inspiration which gives confidence for the future, and confirms our belief in fundamental human righteousness and the value of our American conception of mutuality of interest in our daily work."

We, too, the representatives of labor in convention assembled, felt that we might add our efforts toward a solution, the same which was embodied in a resolution presented and approved by the convention, which reads as follow:

"To request the President of the United States to create a long-range planning committee of public works to avert unemployment.

"Resolution no. 54. By Delegates M. J. Colleran, W. A. O'Keefe, J. E. Rooney, T. A. Scully, Duncan Payne, of the Operative Plasterers' International Association of the United States and Canada, and Arthur M. Huddell, of the International Union of Operating Engineers:

"Whereas the question of unemployment and how to cope with it is one of the major problems of this convention; and

"Whereas President Hoover in his address to the convention stated that the Government was doing all in its power to relieve the present depression; and

"Whereas consistently for the past 28 years we have been visited by a depression every 7 years; and

"Whereas in 1921 President Hoover acting as chairman of a committee to study future unemployment appointed by the late President Harding, brought back 12 principles of a probable solution; and

"Whereas the sixth principle of the 12 proposed a long-range planning committee of public works; and

"Whereas nothing has been done to create such a board, who, in the opinion of many, would be the means of averting future depressions: Therefore be it

"*Resolved*, That the President of the American Federation of Labor with the presidents of the other departments call on the President of the United States and request that a long-range planning committee of public works be created so as to avert future unemployment.

"The report of the committee was unanimously adopted."

But with all of the wonderful statements made, and with resolutions adopted, we fail to find any action by the Government until February of 1931, and although many here may have forgotten it, the Employment Stabilization Act of 1931 is the law of the land. It has, however, never been put into operation. This bill also was sponsored by Senator Wagner. Following are some of the provisions of that act:

"SEC. 5. Whenever, upon recommendation of the board, the President finds that there exists, or that within the 6 months next following there is likely to exist, in the United States or any substantial portion thereof, a period of business depression and unemployment, he is requested to transmit to Congress by special message, at such time and from time to time thereafter, such supplemental estimates as he deems advisable for emergency appropriations, to be expended during such period upon authorized construction in order to aid in preventing unemployment and permit the Government to avail itself of the opportunity for speedy, efficient, and economical construction during any such period. * * *

"SEC. 7. For the purpose of aiding in the prevention of unemployment during periods of business depression and of permitting the Government to avail itself of opportunity for speedy, efficient, and economical construction during such periods, the President may direct the construction agencies to accelerate during such periods, to such extent as it deemed practicable, the prosecution of all authorized construction within their control.

"SEC. 8. (a) It is hereby declared to be the policy of Congress to arrange the construction of public works so far as practicable in such manner as will assist in the stabilization of industry and employment through the proper timing of such construction, and that to further this object there shall be advance planning, including preparation of detailed construction plans, of public works by the construction agencies and the board."

Obviously, this was not a housing act. Nor could the board thus authorized actually receive large appropriations for public works or engage in or assist construction. Nevertheless, the idea enacted in Senate bill 5776 of the Seventy-first Congress depended for its successful carrying out on the existence of a permanent Federal agency, equipped with adequate funds and powers to promote, assist, and carry out a really sizeable construction program in a field where such construction is needed on a very wide scale. The fact that there is no such agency in existence today is certainly one main reason why the act has never been put into practice.

The only field which answers these requirements, which would make it possible to plan a really effective long-range construction program, is the field of low-rent housing. The social necessity of such construction in this country is almost limitless. Properly administered, a low-rent housing program in no way competes with legitimate private construction enterprise. And, in boom years when private enterprise is employing most of the building workers and there is an adequate supply of dwellings, the construction of publicly assisted housing for low-income families can be temporarily curtailed.

In England, ever since the war, an admirable balance has been maintained between public and private residential construction. This balance, in the opinion of Tories and Laborites alike, has been primarily responsible for England's speedy recovery.

Are we going to follow England's example? What's more, are we going to carry out our own enacted principles? Or are we

just going to sit around pretending it is still 1921? The answer will lie in whether the Congress enacts the United States housing bill into law at this session—or not.

There has been much comment as to whether this bill will interfere with private interests, but is it not a fact that the President of the United States on several occasions during the last 3 years called on private interests, banks, financial institutions, and large industries to assist the Government in getting some of the 12,000,000 unemployed workers back to work? And what was their response? There are still 12,000,000 unemployed.

We recommend that in the appropriations and bond issues authorized for the first 4 years, that instead of $1,000,000,000 to be used over that period, it be increased to 2 billions, so as to assure greater success. If it was needed in 1928 it surely is needed in 1936, and I quote from Gov. Ralph G. Brewster's remarks made at a conference of governors at New Orleans on Wednesday morning November 21, 1928:

"With an annual expenditure of 7 billions upon construction, America is in a position to stabilize prosperity to a most remarkable extent. Public authority spends more than a billion and a half. With this we are here primarily concerned. Private business will soon follow such practical demonstration as government may make since the great commercial interests of the country have the most vital stake. This may apply not alone to construction but to the renewal and extension of capital facilities of every sort. It is the considered recommendation of the one who has received the overwhelming mandate of the American people to guide and guard their progress in the next 4 years that a construction reserve may prudently be accumulated in time of plenty against the lean year that is to come."

Now, in conclusion, we heartily approve and pray for the passage of this housing bill for the reasons, first, of its potentialities toward the relief of unemployment; second, for its long-range planning effects, which will stabilize employment; third, for its slum clearance, which will help eradicate sickness and pestilence, which in turn will lessen crime; and, finally, this is the "big push" that was needed to end depression.

We recommend, in accordance with the provisions for the setting up of an independent, permanent United States housing authority that the committee and the Congress give serious consideration that the personnel of the authority board shall be composed with at least one representative from the ranks of labor who is thoroughly qualified and familiar with the construction industry.

DISTRICT COURT, EASTERN DISTRICT OF KENTUCKY

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

In compliance with the request contained in the resolution of the House of Representatives of June 17, 1936 (the Senate concurring), I return herewith H. R. 12848, "An act to provide an additional place of holding terms of the United States District Court in the Eastern District of Kentucky, and to amend section 83 of the Judicial Code, as amended."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 18, 1936.*

SAN FRANCISCO-OAKLAND BAY BRIDGE

Mr. COCHRAN. Mr. Speaker, the House passed a bill providing for the coinage of 50-cent pieces for the California Bridge Celebration. The bill was messaged over to the Senate. While on its way the Senate passed a similar bill. The bills are in regular form, one bill having passed the Senate and one bill having passed the House. I ask unanimous consent for the present consideration of the Senate bill, S. 4464, which I send to the desk and ask to have read.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in celebration of the opening of the San Francisco-Oakland Bay Bridge there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 200,000 silver 50-cent pieces of standard size, weight, and composition, and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the San Francisco Clearing House Association, upon payment by it of the par value of such coins, but not less than 25,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such association and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the celebration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The similar House bill was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Crockett, its Chief Clerk, announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 60. Concurrent resolution to authorize the Clerk of the House, in the enrollment of H. R. 12624, to insert additional language in connection with Senate amendment no. 14.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8442) entitled "An act to amend section 2 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11140) entitled "An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3440) entitled "An act to amend certain acts relating to public printing and binding and the distribution of public documents and acts amendatory thereof."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8597) entitled "An act to amend section 13 of the act of March 4, 1915, entitled 'An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea'; to maintain discipline on shipboard; and for other purposes" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COPELAND, Mr. SHEPPARD, and Mr. MCNARY to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the foregoing bill.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 12. An act to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.;

H. R. 300. An act for the relief of F. P. Bolack;

H. R. 686. An act for the relief of John Collins;

H. R. 796. An act for the relief of A. E. Clark;

H. R. 993. An act for the relief of Frank A. Boyle;

H. R. 1392. An act to extend the provisions of certain laws to the island of Puerto Rico;

H. R. 2213. An act for the relief of Charles P. Shipley Saddlery & Mercantile Co.;

H. R. 2259. An act for the relief of Addie I. Tryon and Lorin H. Tryon;

H. R. 2262. An act for the relief of William H. Locke;

H. R. 2387. An act for the relief of Julia Miller;

H. R. 2400. An act for the relief of Blanche Knight;

H. R. 2495. An act for the relief of Thomas Berchel Burke;

H. R. 2496. An act for the relief of Thomas J. Moran;

H. R. 2497. An act for the relief of William H. Hildebrand;

H. R. 3160. An act for the relief of Irene Magnuson and Oscar L. Magnuson, her husband;

H. R. 3388. An act for the relief of Jessie D. Bowman;

H. R. 3694. An act for the relief of Florence Byvank;

H. R. 3907. An act for the relief of James L. Park;

H. R. 4085. An act for the relief of Joseph Watkins;

H. R. 4219. An act for the relief of John J. Ryan;

H. R. 4373. An act for the relief of Albert Gonzales;

H. R. 4565. An act for the relief of Lucile Smith.

H. R. 4619. An act for the relief of Joseph Salinghi;

H. R. 4699. An act for the relief of Estelle M. Gardiner;

H. R. 4955. An act for the relief of the estate of Jennie Brenner;

H. R. 5635. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the mayor and aldermen of Jersey City, Hudson County, N. J., a municipal corporation;

H. R. 5730. An act to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934;

H. R. 5752. An act for the relief of May Wynne Lamb;

H. R. 5870. An act for the relief of K. S. Szymanski;

H. R. 5900. An act for the relief of Joseph E. Moore;

H. R. 6258. An act for the relief of D. E. Woodward;

H. R. 6702. An act for the relief of Annie E. Daniels;

H. R. 7270. An act for the relief of Clara Imbesi and Domenick Imbesi;

H. R. 7555. An act for the relief of W. N. Holbrook;

H. R. 7743. An act for the relief of Mrs. David C. Stafford;

H. R. 7764. An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes;

H. R. 8028. An act for the relief of the Great Northern Railway Co.;

H. R. 8033. An act for the relief of Juanita Filmore, a minor;

H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes;

H. R. 8200. An act for the relief of the seamen of the steamship *Santa Ana;*

H. R. 8220. An act for the relief of Helen Mahar Johnson;

H. R. 8671. An act for the relief of R. H. Quynn, lieutenant, United States Navy;

H. R. 8759. An act to amend the act known as the "Perishable Agricultural Commodities Act, 1930", approved June 10, 1930, as amended;

H. R. 9153. An act for the relief of Evelyn Harriett B. Johnstone;

H. R. 9185. An act to insure the collection of the revenue on intoxicating liquor, to provide for the more efficient and economical administration and enforcement of the laws relating to the taxation of intoxicating liquor, and for other purposes;

H. R. 9483. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests;

H. R. 9484. An act to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended;

H. R. 9926. An act for the relief of Robert B. Barker;

H. R. 10101. An act to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes;

H. R. 1014. An act to authorize a study of the park, parkway, and recreational-area programs in the United States, and for other purposes;

H. R. 10225. An act for the relief of W. D. Lovell;

H. R. 10435. An act for the relief of Emma Hastings;

H. R. 10527. An act for the relief of Harris Bros. Plumbing Co.;

H. R. 10677. An act for the relief of Cora Fulghum and Ben Peterson;

H. R. 10712. An act to authorize the transfer of land from the War Department to the Territory of Hawaii;

H. R. 10916. An act for the relief of Carl Hardin, Orville Richardson, and W. E. Payne;

H. R. 11203. An act for the relief of Andrew Smith;

H. R. 11218. An act to provide for the disposition of tribal funds now on deposit, or later placed to the credit of the Crow Tribe of Indians, Montana, and for other purposes;

H. R. 11262. An act for the relief of Brooks-Callaway Co.;

H. R. 11461. An act for the relief of the estates of N. G. Harper and Amos Phillips;

H. R. 11522. An act to amend the charter of the National Union Insurance Co. of Washington, in the District of Columbia;

H. R. 11614. An act to amend the Judicial Code, to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.;

H. R. 11643. An act to amend certain provisions of the act of March 7, 1928 (45 Stat. L. 210–212);

H. R. 11690. An act relating to the admissibility in evidence of certain writings and records made in the regular course of business;

H. R. 11819. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 11820. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Mo.;

H. R. 11915. An act to amend the Coastwise Load Line Act, 1935;

H. R. 11916. An act to authorize the transfer of a certain piece of land in Muhlenberg County, Ky., to the State of Kentucky;

H. R. 12006. An act to authorize a preliminary examination of the Kennebec River, Maine, and its tributaries, with a view to the control of their floods;

H. R. 12033. An act authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles, in Mono County, in the State of California;

H. R. 12074. An act to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.;

H. R. 12073. An act to reserve certain public-domain lands in New Mexico as an addition to the school reserve of the Jicarilla Indian Reservation;

H. R. 12202. An act to provide for a preliminary examination of Six Mile Creek, in Logan County, Ark., with a view to flood control and to determine the cost of such improvement;

H. R. 12240. An act to authorize a preliminary examination of the tributaries, sources, and headwaters of the Allegheny and Susquehanna Rivers in the State of Pennsylvania, where no examination and survey has heretofore been made, with a view to the control of their floods and the regulation and conservation of their waters;

H. R. 12305. An act to define the jurisdiction of the Coast Guard;

H. R. 12311. An act for the relief of the P. L. Andrews Corporation;

H. R. 12408. An act for the relief of Robert D. Baldwin;

H. R. 12419. An act to apply laws covering steam vessels to seagoing vessels of 300 gross tons and over propelled by internal-combustion engines;

H. R. 12461. An act to extend the times for commencing and completing the construction of a bridge across the Savannah River at or near Burtons Ferry, near Sylvania, Ga.;

H. R. 12514. An act authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay from a point in Baltimore County, Md., over Hart Island and Miller's Island to a point near Tolchester, Kent County, Md.;

H. R. 12599. An act to provide more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property wherever situated, belonging to the United States of America, by granting to the several States jurisdiction and authority to apply their State workmen's compensation laws on all property and premises belonging to the United States of America;

H. R. 12622. An act for the relief of Dr. Harold W. Foght;

H. R. 12685. An act granting the consent of Congress to the county of Horry, S. C., to construct, maintain, and operate a free highway bridge across the Waccamaw River, at or near Red Bluff, S. C.;

H. R. 12799. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundred and fiftieth anniversary of Sir Walter Raleigh's colony on Roanoke Island, N. C., known in history as the Lost Colony, and the birth of Virginia Dare, the first child of English parentage to be born on the American Continent;

H. R. 12896. An act to provide for the transfer of the surplus decommissioned lightship *No. 82* to United States Ship Constitution Post, No. 3339, Veterans of Foreign Wars;

H. J. Res. 415. Joint resolution to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States;

H. J. Res. 444. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally", approved August 27, 1935;

H. J. Res. 522. Joint resolution for the relief of William W. Brunswick;

H. J. Res. 583. Joint resolution authorizing the Veterans' Administration to prepare and publish a compilation of all Federal laws relating to veterans of wars of the United States; and

H. J. Res. 589. Joint resolution to authorize the Secretary of the Treasury to permit the transportation of bonded merchandise by other than common carriers under certain conditions.

RECESS

Mr. O'CONNOR. Mr. Speaker, I move that the House stand in recess until 7:30 o'clock tonight.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p. m.) the House stood in recess until 7:30 o'clock p. m.

EVENING SESSION

The recess having expired the House was called to order by the Speaker at 7:30 o'clock p. m.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 291. Joint resolution amending section 11 of the Soil Conservation and Domestic Allotment Act.

The message also announced that the Senate agrees to the amendments of the House to bills and a joint resolution of the Senate of the following titles:

S. 283. An act for the relief of Beatrice I. Manges;

S. 2047. An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes;

S. 2912. An act to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes; and

S. J. Res. 286. Joint resolution fixing the date of meeting of the Seventy-fifth Congress.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11581) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 1 to the foregoing bill with an amendment.

INTERNATIONAL LABOR ORGANIZATION

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

The Congress, by a joint resolution approved June 19, 1934, authorized me to accept membership for the Government of the United States in the International Labor Organization. Pursuant to that authorization I accepted such membership on behalf of the Government of the United States.

Representatives of this Government and of American employers and American labor attended the nineteenth session of the Conference of the International Labor Organization held at Geneva June 4–25, 1933.

That conference adopted, the American representative voting favorably, five draft conventions and one recommendation, to wit:

The draft convention concerning the employment of women on underground work in mines of all kinds.

The draft convention limiting hours of work in coal mines (revised 1935).

The draft convention concerning the reduction of hours of work to 40 a week.

The draft convention concerning the establishment of an international scheme for the maintenance of rights under invalidity, old-age, and widows', and orphans' insurance.

The draft convention concerning the reduction of hours of work in glass-bottle works.

The recommendation concerning unemployment among young persons.

In becoming a member of the organization and subscribing to its constitution this Government accepted the following undertaking in regard to such draft conventions and recommendations:

Each of the members undertakes that it will, within the period of 1 year at most from the closing of the session of the conference, or if it is impossible owing to exceptional circumstances to do so within the period of 1 year, then as the earliest practicable moment and in no case later than 18 months from the closing of the session of the conference, bring the recommendation or draft convention before the authority or authorities within whose competence the matter lies, for the enactment of legislation or other action. (Art. 19 (405), par. 5, Constitution of the International Labor Organization.)

In the case of a Federal State, the power of which to enter into conventions on labor matters is subject to limitations, it shall be in the discretion of that Government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case. (Art. 19 (405), par. 9, Constitution of the International Labor Organization.)

In accordance with the foregoing undertaking the above-named five conventions and one recommendation are herewith submitted to the Congress with the accompanying report of the Secretary of State, to which the attention of the Congress is invited.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 18, 1936.*

ENROLLMENT OF FIRST DEFICIENCY APPROPRIATION BILL, 1936

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Concurrent Resolution 58, affecting the enrollment of H. R. 12624, the first deficiency appropriation bill, fiscal year 1936, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

After line 9, insert in the proper place under the heading "Senate" the following:

"To pay Anna Louise Fletcher, widow of Hon DUNCAN U. FLETCHER, late a Senator from the State of Florida, $10,000."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF AN ADDITIONAL DISTRICT JUDGE FOR THE NORTHERN AND SOUTHERN DISTRICTS OF WEST VIRGINIA

Mr. WALTER. Mr. Speaker, I call up the conference report on the bill (S. 2456) to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia.

Mr. SNELL. Mr. Speaker, as I understand, that simply provides for holding of terms of court?

Mr. WALTER. Yes. It provides for the places of holding the terms.

The Clerk read the conference report.

The conference report is as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2456) to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the said bill and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following:

"That the President of the United States, by and with the advice and consent of the Senate, is hereby authorized to appoint an additional district judge for the northern and southern districts of West Virginia, who shall, at the time of his appointment, be a resident and a citizen of the State of West Virginia; and who, when appointed and qualified as provided by law, shall exercise all the powers conferred by existing law upon judges of the district courts of the United States; and who shall, as to all business and proceedings arising in said northern and southern districts of West Virginia, as now constituted or which may be transferred thereto, succeed to and possess the same powers, and perform the same duties within said districts, that are now possessed and performed by the district judges heretofore appointed for and now serving therein, respectively.

"The present district judge for the northern district of West Virginia shall hold regular terms of court in said northern district, at the following places and times, that is to say:

"(a) At the city of Martinsburg on the first Tuesday in April and the third Tuesday in September in each year;

"(b) At the city of Wheeling on the first Tuesday in May and the third Tuesday in October in each year;

"(c) At the city of Elkins on the third Tuesdays in June and November in each year;

"(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

"The present district judge for the southern district of West Virginia shall hold regular terms of court in said southern district at the following places and times, that is to say:

"(a) At the city of Bluefield on the third Tuesdays in January and June in each year;

"(b) At the city of Lewisburg on the first Tuesday in March and the third Tuesday in September in each year;

"(c) At the city of Charleston on the third Tuesdays in April and November in each year;

"(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

"The district judge for the said northern and southern districts of West Virginia, to be appointed under this Act, shall hold regular terms of court in said northern and southern districts at the following places and times; that is to say:

"(a) At the city of Clarksburg, in said northern district, on the second Tuesdays in January and September in each year;

"(b) At the city of Parkersburg, in said northern district, on the third Tuesday in March and the second Tuesday in October in each year;

"(c) At the city of Huntington, in said southern district, on the second Tuesdays in May and November in each year;

"(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint: *Provided, however,* That whenever a vacancy shall occur in the office of the district judge for the northern district of West Virginia the judge appointed pursuant to the authority granted by this Act shall become the district judge for the northern district of West Virginia and no successor shall be appointed to the vacancy thus occurring in the position created by this Act," and the House agree to the same.

FRANCIS E. WALTER,
ROBERT L. RAMSAY,
U. S. GUYER,
Managers on the part of the House.

M. M. NEELY,
CARL A. HATCH,
WARREN R. AUSTIN,
Managers on the part of the Senate.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

SOCIAL JUSTICE FOR CRAMP'S SHIPYARD

Mr. FENERTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FENERTY. Mr. Speaker and my colleagues, during the campaign of 1934, speaking on the radio to the people of Philadelphia, I said—and I quote the exact words:

We have a great shipyard in northeast Philadelphia that has been idle for many years. I have been the first publicly to call the attention of the city to this situation in the hope that it may somehow be remedied. It is quite possible that no one will ever be able to open the yard. But, if I am elected, I shall communicate with the President or the Navy Department to see if something cannot be done. If that should fail, I shall myself introduce a bill in the hope of accomplishing this purpose.

Mr. Speaker, in spite of the political and partisan opposition that has been mustered by some against my efforts in this direction, I am happy to say that I have kept faith with the people who elected me. As early as the summer of 1934, I had personally visited the Secretary of the Navy, Hon. Claude A. Swanson, to bring the plight of Cramp's Shipyard to his immediate attention.

Again, when the prolonged strike at the yards of the New York Shipbuilding Corporation in Camden caused serious delay in the construction of the cruisers and destroyers there being built, I urged upon the Secretary of the Navy the advisability of transferring the construction of some or all of these vessels to Cramp's Shipyard, emphasizing that the yard would then be in a position to expedite their construction. Acting Secretary of the Navy, Hon. H. L. Roosevelt, agreed with me with regard to the strike, but stated that he could not then do anything in the matter that I had suggested with respect to the reopening of Cramp's.

Taking up the matter with President Roosevelt, the following letter was sent to him:

AUGUST 1, 1935.

Hon. FRANKLIN D. ROOSEVELT,
President of the United States, the White House.

MY DEAR MR. PRESIDENT: As Assistant Secretary of the Navy, you doubtless made many visits to the old Cramp's shipyard in northeast Philadelphia. This yard has not been in operation since 1927, and is now in position to begin work if assistance can be rendered through one of the Government departments to guarantee the first-mortgage bond issue.

Within 6 months of the opening of the plant, direct employment could be had for 1,000 men, with at least 2,000 others working in plants supplying material, machinery, and other supplies. At the end of a year the direct employment would be doubled, with the result that about 6,000 men would be employed directly or indirectly. With the present need for ships, it seems probable that the plant could be kept busy for a period of 10 years or more.

The committee for reorganization, which is an operating group made up of former department heads or assistants of the old yard, has succeeded through the Reconstruction Finance Corporation, the Federal Reserve, and private corporations in tentatively arranging for approximately 65 percent of the necessary financing, but the balance needed to pay off the present owners and back taxes has not yet been obtained. The entire project requires some $2,700,000 to purchase, pay back taxes, and supply working capital, which amount could be liquidated over a period of 10 years.

As the representative of the people of the district in which Cramp's shipyard is located, I have been ceaselessly endeavoring to find some means by which the plant might be renovated and reopened. I feel quite sure that the people of my district will deeply appreciate it if you will assure them, through me, that some steps may be taken through a Government agency to guarantee the first-mortgage bond issue and assist us in bringing about the reopening of this famous old shipyard.

As a lieutenant in the Naval Reserve, I have on more than one occasion noted Your Excellency's friendliness toward the Navy and its proper maintenance; and in this respect, as well as a representative of the people directly interested, I ask you, Mr. President, if at all possible, to let me have an answer that will be helpful in alleviating unemployment and distress in this district. I know that the residents of the district will be deeply interested in the reply that you may make to them through me. I remain,

Very respectfully yours,

CLARE GERALD FENERTY.

In his reply the President briefly told me that the Navy Department advised him "that it has no funds with which to extend financial aid in such a case."

It was not the first time, Mr. Speaker, that the matter had been referred to the President, for the committee on reorganization, with whose officers I have been and still am in constant contact, had themselves appealed to the President for assistance.

I did not trust entirely to obtaining help from either the Navy Department or the President. So, on August 23, 1935, I introduced in the House of Representatives a joint resolution directing the Federal Emergency Administrator of Public Works to allot $3,000,000 from his fund of five billions to the committee for reorganization of Cramp's Shipyard, Inc., stating in the resolution itself that this would "aid in the carrying out of the plans already formulated by the committee for the restoration and reopening of Cramp's Shipyard, which would immediately give employment directly and indirectly to at least 2,000 men, with the number doubled within a year, ultimately reaching the number of 15,000."

Among the newspapers commenting favorably upon this, the Daily News of Philadelphia nearly a year ago said:

Congressman FENERTY's proposal that the Government advance $3,000,000 for the reopening of Cramp's Shipyard is sound. Moreover, it is a test of the good faith of the administration in trying to put men to work.

Hundreds of millions have been wasted upon fads and experiments. Here is something practical. By granting a loan to the workers who plan the reopening of the plant more than 2,000 Philadelphia mechanics will be given jobs; a great industry will be revived; Government boats can be built well at a modest figure.

From the New Deal viewpoint it may have the objection of encouraging private industry and American initiative, but in time this old-fashioned idea will again become popular.

And the Polish Star, a newspaper widely read, particularly in the neighborhood adjoining the shipyard, stated as recently as 2 weeks ago:

Congressman FENERTY introduced a bill to have $3,000,000 allotted for the opening of Cramp's Shipyard, a bill which the Democrats are now trying to kill. The reopening of Cramp's and its effect on the numerous now unemployed Polish and American workers in the northeast can readily be realized.

Now, Mr. Speaker, where is that resolution of mine today? It lies embalmed in the hands of the Committee on Appropriations, composed of 28 Democrats and only 11 Republicans. It is an unfortunate thing, Mr. Speaker, that members of the Democratic Party, who so loudly proclaim that they are the friends of the unemployed, have thus prevented this meritorious measure, based upon true social justice, from reaching the floor of the House, where I might have had an opportunity to lift my voice and urge its adoption. I believe that a matter of this kind, involving the distress and need of thousands of deserving people, should be above politics and should receive the support of even my political opponents rather than their criticism and opposition. It is a dangerous thing for any country when the majority in power plays politics with human misery.

And I ask my Democratic friends on the other side of the aisle: What has been gained by you in preventing this measure from emerging from the committee? Though introduced by a Republican, it would, if enacted, have aided the distressed and hungry and unemployed of all political parties and of all conditions in life. It would have assisted not only the workers themselves but the little-shop keepers on the streets of our great northeast Philadelphia, and would have caused hundreds of thousands of dollars to flow into the channels of industry and trade throughout a great and populous locality. Your refusal to report it has deprived us of an opportunity to fight for its adoption.

The session is now nearing its close, and still you of the Democratic side continue in your refusal to aid my constant efforts to further the project and have the committee report the bill to the House, and it now appears that, with your Democratic majority in control, there will be no opportunity this session for my resolution to reach the Speaker's desk of this House. Well, that is in your hands. You control the committees and can prevent even praiseworthy measures from being reported to the House. But I expect to be here again next year, and I now tell you that I shall continue to plead the cause of those who are truly interested in alleviating unemployment among the people of Philadelphia by the reopening of this efficient and famous shipyard.

Mr. Speaker, with a million more unemployed than there were 2 years ago, surely there can be no valid reason for the Democratic majority to hinder a measure such as this, whose only purpose can be unlimited benefit to the people of my district and the city of Philadelphia.

It may take time, it may seem to some of you like a zealous but futile attempt to perform the impossible. Some of you may ridicule our efforts and say that we are attempting to achieve too much, but, in spite of all of this, I intend to persist in my endeavors in this regard until the voice of the people is finally heard by those who, if they would, are in a position to assist the needy and unemployed toward a restoration of the prosperity that 10 years ago made America overflow with plenty. I have kept faith with the people. I shall continue to fight to have others do so. [Applause.]

Mr. Speaker, I ask permission at this point to extend my remarks and include therein brief excerpts and a letter written by myself.

The SPEAKER. Is there objection?

There was no objection.

CONDITIONS OF PUBLIC CONTRACTS

Mr. HEALEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 3055, with Mr. BLAND in the chair.

The Clerk read the title of the bill.

Mr. HEALEY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the object of this legislation is to require persons having contracts with the Government for the performance of public work and for the supplying of material and equipment to conform to decent, fair labor standards in the performance of those contracts.

The House bill, which begins on page 21 of S. 3055, differs materially from the provisions of the Senate bill, which was passed last year in the first session of the Seventy-fourth Congress.

The committee held extensive hearings on this bill and has made many changes which have met the objections that were offered to the original Walsh bill, and we believe that the bill that is now presented for your consideration is a sound and workable measure.

Briefly, this bill provides that on any contract made by any agency or instrumentality of the Government for the manufacture or for the furnishing of materials and supplies and articles of equipment in an amount exceeding $10,000, there shall be included the following representations and stipulations:

First, that the contractor is a manufacturer of or a regular dealer in the supplies and materials and articles or equipment to be manufactured or used in the performance of the contract.

The purpose of that section is to eliminate from transactions with the Government those bid brokers who maintain no factories or plants or regular establishments but simply offices. In some instances those offices are maintained in their own vest pockets. Yet they are able to compete successfully with legitimate industry and submit the lowest bid, far below the estimates of regular dealers. Then, when they have secured the contract, they sublet the work to notoriously low-wage factories, thereby impairing the wage structure of a whole industry and preventing equality of opportunity for the legitimate dealer in bidding on Government contracts.

The second provision of subparagraph (b) provides that there shall be no refunds or so-called kick-backs. It guards against that practice, a practice which has unfortunately development on Government work, where persons employed for $5 or $6 a day would turn back a portion of their wages under prearrangement with their employers.

The second provision of subparagraph (b) relates to minimum wages. We have had a great deal of talk about this bill being a small N. R. A. bill for Government contracts. This is absolutely not the truth. This bill does not set the standard for minimum wages by reference to the codes that obtained under N. R. A., but definitely sets it as the prevailing minimum wage for similar work or in the industries operating in the locality in which the contract is to be performed. The bill merely provides for a proper determination by the Secretary of Labor with respect to such prevailing wage. After that determination has been made the figure will be included in the stipulations in these contracts.

Subparagraph (c) is the hour provision. The committee felt that the provision requiring that no person be employed on these contracts for more than 8 hours a day or 40 hours a week was a fair one; that it was now pretty universally the practice of most industries to stay within these limitations; and that present economic conditions require that the maximum be set at no more than 40 hours a week.

In subsection (d) it is provided that no person under 18 years of age, and no prison labor will be employed in the performance of these contracts.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. If the gentleman will let me finish this section I shall be pleased to yield then.

Subparagraph (c) deals with sweatshop conditions, insanitary factories, and requires that these contracts be performed in plants or factories that conform or comply with the State laws where there are State laws regulating these conditions.

This is the basic section of this bill. These are the conditions that will be written into future contracts if this bill is enacted into law. We feel that if these conditions are included in future Government contracts that we will have cured many evil practices which have cropped up in the most vicious forms under Government contracts, since the existing law requires that all contracts for supplies, materials, and equipment must be awarded to the lowest responsible bidder, the only qualifications being financial responsibility only.

Mr. Chairman, I now yield to the gentleman from New York.

Mr. WADSWORTH. Referring to the gentleman's statement in reference to that paragraph of the bill dealing with child labor, has the Committee on the Judiciary reached the conclusion that a youth who has attained the age of 17 years and 10 months is a child?

Mr. HEALEY. The Committee on the Judiciary felt that the 18-year provision meets the most enlightened opinion concerning the employment of children in industry.

Mr. WADSWORTH. May I ask another question?

Mr. HEALEY. Certainly.

Mr. WADSWORTH. Is there a single State in the Union which now has child-labor laws that fix 18 as the limitation of childhood?

Mr. HEALEY. I believe there are several States which require school attendance until the age of 18.

Mr. WADSWORTH. That is very different.

[Here the gavel fell.]

Mr. HEALEY. Mr. Chairman, I yield myself 5 additional minutes.

The second section deals with the penalty for the employment of children and convicts, and also makes provision for the recovery of deductions and kick-backs, and the procedure for their repayment to those persons from whom these sums have been withheld.

The third section provides for that, list of chronic violators of the act, published by the Comptroller General and furnished to the various contracting agencies of the Government, so that bids submitted by such persons may be rejected.

The fourth section is the administrative section and provides that the law shall be administered by the Secretary of Labor. It will be observed that the bill provides that the Secretary with the consent of the States may employ such State and local officers and employees as he may find necessary to administer the provisions of this act. The Secretary in this section is given authority to make investigations and to promulgate rules and regulations to carry out the provisions of the act.

Section 5 is the procedural section dealing with the hearings that may be held pursuant to the provisions of this act. It provides for witnesses and the attendance of witnesses at any hearings that may be called. The Secretary may only make findings after proper notice and hearing.

Section 6 provides for the various exemptions and dispensations that may be granted either under existing contracts in an emergency or where the particular industry may not be in a position to live strictly up to the provisions of this act. Authority is given to the Secretary under the terms of this section to make exemptions and dispensations where the facts so warrant in the opinion of the contracting officer. This section of the act also provides that the Secretary may permit an increase in the maximum hours of labor stipulated in the contract, but shall set a rate of time and a half for any overtime.

Section 7 deals with definitions.

Section 8 takes out of the terms of this act the Buy-American Act, the Bacon-Davis Act, and the regulations of W. P. A. and P. W. A.

Section 9 provides:

This act shall not apply to purchases of such materials, supplies, articles, or equipment as can usually be bought in the open market unless manufactured according to particular specifications.

Mr. THOMPSON. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. I yield.

Mr. THOMPSON. Will the gentleman inform us whether the provisions of section 9 would apply to standard materials such as bolts, nails, wire, and the like?

Mr. HEALEY. It is my understanding it would not apply to articles of that kind.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from Ohio.

Mr. COOPER of Ohio. I should like to ask a question in regard to the power given the Secretary of Labor to fix minimum wages. Let us assume an industry in a certain locality that has some Government contracts.

[Here the gavel fell.]

Mr. HEALEY. Mr. Chairman, I yield myself 2 additional minutes.

Mr. COOPER of Ohio. Let us assume an industry has some Government contracts and it is also manufacturing material for private sale. If there is not any other industry of like character in that community, will the Secretary of

Labor fix the minimum wage that is now paid in that industry?

Mr. HEALEY. That is an administrative problem. As I view it, the prevailing wage is already a fact which already exists. The Secretary's duty is simply to inquire and ascertain what that prevailing wage is.

Mr. COOPER of Ohio. That is what I wanted to know about.

Mr. HEALEY. I call the attention of the Members of the House to the fact that section 11 provides that this bill will not become effective until 90 days after the date of approval of the act and, further, that provisions requiring the inclusion of representations with respect to minimum wages shall apply only to purchases or contracts relating to such industries as have been the subject matter of a determination by the Secretary of Labor. In other words, the stipulation regarding minimum wages will not be included in any contract until a determination has been made by the Secretary of Labor to ascertain what that minimum prevailing wage may be in the particular industry or industry group.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I regret very much that a bill of this magnitude and scope should be brought up this late in the session and at this late hour during the day and with considerably less than a quorum present, because, in my opinion, we have not had before this Congress a bill of greater importance than the one under consideration tonight.

This bill has been pending before the Judiciary Committee for 10 months. One version after another has been considered and all have been rejected until this final draft came before us. It is a most unfortunate coincidence, and I call it a coincidence, that the day the Judiciary Committee reported this bill favorably every member of that committee received the following telegram, and I want to read it to you. May I say in advance that this telegram comes from William Green, president of the American Federation of Labor, and is addressed to every member of the Judiciary Committee of the House of Representatives.

Chairman Sumners advises that a meeting of the House Judiciary Committee will be held tomorrow morning at 10 o'clock for the purpose of taking action upon Healey-Walsh bill. Lack of a quorum at today's meeting prevented action upon this measure. Labor is tremendously interested in this bill and firmly expects it to be enacted into law before Congress adjourns. For this reason, I respectfully urge you to be present at meeting of the Judiciary Committee tomorrow morning, as herein stated. Your absence from this meeting will be construed as opposition to the measure and as being unfriendly to labor. Our representative will be present at tomorrow morning's meeting. Do not fail us. Be present.

WILLIAM GREEN,
President, American Federation of Labor.

Mr. WALTER. Will the gentleman yield?

Mr. HANCOCK of New York. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does the gentleman believe this telegram affected the judgment of any member of that committee?

Mr. HANCOCK of New York. I should hate to think so; and, as I stated in the beginning, it was a mere coincidence, but a most unfortunate one. I have more respect for my colleagues on the Judiciary Committee than to think they would stultify themselves and reverse their conscientious opinions as expressed during 8 or 9 months upon the receipt of a telegram like that. Nevertheless that is what happened. For 9 months the bill was held up in our committee. The telegram was received, and the next day the Judiciary Committee reversed itself. That was simply a coincidence. Let it go at that.

The original bill that was passed by the Senate was the Walsh bill. That came over to us last August, and tremendous pressure was exerted to pass the bill before we adjourned. If you recall the provisions of that bill, they required that the N. R. A. codes in effect as of May 1935 should be frozen into the law of the United States. The Judiciary Committee could not swallow that. We had one perversion after another of that bill. Perhaps I should say modification. Five or six drafts were made, until finally we got the bill now pending before us.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. HANCOCK of New York. I yield to the gentleman from Texas.

Mr. JOHNSON of Texas. Will the gentleman point out the material differences between the House bill and the Senate bill?

Mr. HANCOCK of New York. The essential feature of the Senate bill was that no one could do business with the Federal Government unless he complied with the codes in effect in May 1935. It was an attempt to put into permanent law the N. R. A. codes which had been outlawed by the Supreme Court so far as the Federal Government could do so through its great purchasing power. We have considered various modifications of that proposal.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield myself 2 additional minutes.

Let me get down to the bill under consideration this evening. The bill pending before us contains two essential features, which I want you to think about. They have never been considered in committee. We have never had a hearing on them. First, it provides that nobody can do business with the Federal Government who works employees longer than 40 hours a week or 8 hours a day. That is one feature. The second is that nobody can get a contract with the Federal Government or do business with the Federal Government unless he subscribes to a stipulation in his contract which permits the Secretary of Labor to say what the prevailing wages are in his particular industry.

Now, first of all, let us talk about the 40-hour law. We have had no hearings about that. This matter has never been before the Congress or the Judiciary Committee. We have not given the businessmen or the manufacturers of this country any opportunity to be heard on it. It is a brand new proposition in this House. After this telegram, which I say was an unfortunate coincidence, we passed out a bill containing that clause.

This is a pretty big country. We have a good many factories. We have a good many sections. In my town it so happens that our factories are rather uniformly organized on a 44-hour-week basis. I am a little selfish about this, so far as I am concerned. There is scarcely a factory in my town that can bid on a Government contract if this bill passes. It will hurt employees and employers alike.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield myself 4 minutes more.

Some of you gentlemen may have factory districts similar to mine. Some of my factories work less than 40 hours a week, some work more, and most of them work 44 hours a week. This bill means that so far as Government contracts are concerned, nearly every factory in my town will be boycotted and outlawed. Some of you gentlemen have the same situation, I am sure.

Here is an effort to put the factories of this country in the same strait jacket, put them under the same blanket, cut them to the same size and make an arbitrary, inflexible, rigid rule that nobody who is doing business with the Federal Government can work their men more than 40 hours a week.

I say we are not ready for this question, and I say we should not pass such a bill now when business is struggling toward solvency and recovery. We have a good many industries and we have various sections in this country working under entirely different conditions.

Now, let us consider the other provisions. I could talk an hour about this. It is an absolutely unfair proposition that we should have to vote on this bill with one-half an hour of debate on the side. If this bill passes, nobody can get a Government contract without going to Mme. Perkins, Her Excellency, the Secretary of Labor, and finding out what she

regards as the prevailing wages in the factories in this country. Employers will be subject to her arbitrary orders.

In my town the factories have all kinds of different wage scales, just as they have in yours. Some work on piecework, some on straight time, some have a bonus system, or a profit-sharing system, or one of the various other modern pay systems. There is no such thing as a prevailing rate of wages in the factories of this country or in any locality of this country.

They have tried to make this bill analogous to the Bacon-Davis Act. It is an entirely different problem. Under the Bacon-Davis Act anybody who receives a contract for a construction job must pay the prevailing wages in the particular district where a definite construction job is being done. This is a very easy thing to ascertain. In every district that I know anything about there is a prevailing wage for carpenters, bricklayers, electricians, and those engaged in all the rest of the building trades, but in factories there is not any such thing as a prevailing wage. There is not even a prevailing wage in the same factory, and there surely is no prevailing rate of wages in the same town or in the same locality.

This is an impracticable proposition, and if you pass this bill you put into the hands of the Secretary of Labor the arbitrary power to say to the people of this country what they must pay their employees; you fix a rigid and inflexible limit of 40 hours a week. Let us understand that. The bill will retard the recovery that has come since the Supreme Court decision abolished the N. R. A.

Mr. HEALEY. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Chairman, I think the Members should understand that this bill was only reported out of our committee after most careful consideration, taking, as the gentleman from New York has said, approximately 9 months, but the members of our committee were determined to prevent those things from being done with respect to Government contracts that all of us recognize as not being proper.

I do not believe there is anyone in this House who believes that child labor should be employed on Government contracts.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. HANCOCK of New York. There is no disputing those propositions with respect to convict labor, child labor, bid brokers, and insanitary and unsafe conditions. Let us get down to the meat in the coconut.

Mr. WALTER. I do not yield further. If there is any grave differences of opinion with respect to any portion of this bill it certainly comes with respect to the possibility, if you please, of the Secretary of Labor fixing wages. There is no Member of this House any more opposed to that idea than I am. I say to you frankly that I would not have voted to report such a bill, but there is nothing in this measure that gives to anyone in any executive branch any authority to fix wages. We have had no difficulty in determining what the prevailing rates of wages are under the Bacon-Davis Act. It has been a comparatively simple matter to go into each community in which Government buildings are being constructed, and determine what every particular artisan is paid in that community. The problem is the same here. There is no reason why we cannot determine what the prevailing minimum rate of wages is for any phase of work. It seems to me that the experience we have had in determining the prevailing rates of wages under the Bacon-Davis Act prove to us conclusively that there can be no difficulty on that score under this Act.

As far as the 40-hour week is concerned, in an endeavor to fix the number of hours that would meet with the approval of everyone, we secured from the Labor Department figures concerning the average weekly hours as they obtained on the 1st of February 1936, and in only one industry are the hours in excess of 40. In foundries and machine shops the average weekly hours are 40½; in sawmills, 38½; brick manufacturing plants, 37½; blast furnaces and rolling mills, 37½; automobiles, 32½; paper and pulp, 41 hours; slaughtering and meat packing, 39½; cotton goods manufacturing, 37; petroleum refining, 35; tires and inner tubes, 33; leather boots and shoes, 30; rubber, 39; rubber boots and shoes, 37; other rubber goods, 38½. In only one industry do the hours exceed 40. I cannot see why there should be objection to our fixing the hours, and the very reason why 40 hours was written into the bill was to eliminate the argument that we were giving to any executive branch the authority to fix hours. Hours have been fixed definitely in fact, and it leaves no discretion except in cases where an injustice might be done either to the manufacturer or to the Government. [Applause.]

Mr. HANCOCK of New York. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DUFFY].

Mr. DUFFY of New York. Mr. Chairman, it was my privilege to serve on the subcommittee under Mr. HEALEY. During the summer period I asked the industries of Rochester to study the Walsh bill. They considered the matter from every angle. They approached it, not from an antagonistic point of view but to be helpful to our committee, in order to give to other communities the working conditions and hours and the wages that prevail in Rochester. Their chief protest to this bill is the power which it vests in Washington to determine through a Government contract what the prevailing wage and what the hours of labor shall be, for the Government contract cannot be separated from the other work in the factory. The industrial council represents some 50 different manufacturing plants in Rochester which pay an average weekly wage of over $30 and generally observe the 40-hour week.

I feel that we are not sensing our responsibility in this proposed legislation. It seems to me that this bill first should be submitted to every contracting agency of this Government for a report on the administrative difficulties and the additional cost that it would impose upon the Government before we attempt to legislate the bill. It applies to every department of the Government except the legislative and the judicial branches.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. DUFFY of New York. I should like to say that at the hearings before the committee the only branches of the Government that appeared were the Army and the Navy, both opposing it, and a representative of the C. C. C. who wished to see such legislation enacted.

Mr. HEALEY. Mr. Chairman, will the gentleman yield for a correction?

Mr. DUFFY of New York. For a correction, certainly.

Mr. HEALEY. I think the gentleman said that the Army and the Navy had opposed this bill. As I understand it, the Navy Department stated that it may be difficult of administration, and the Army offered no opposition whatsoever.

Mr. DUFFY of New York. The record, I think, will show otherwise. On a dollar basis this country is the most warlike nation in the world—a billion dollars for national defense.

On a manpower basis we are the most peaceful nation in the world in relation to population. If this bill is passed, I think it is going to increase the cost of national defense 10 to 20 percent, for you must remember that in a war vessel you have practically every item that would go into our largest metropolitan hotel. In an Army plant or post you have everything that goes into a community. Some of the agencies affected are the Tennessee Valley Authority, United States Shipping Board, Panama Railroad Co., the Electric Home and Farm Authority, Reconstruction Finance Corporation, Prison Industries Corporation, and the Indian Service. This bill, with the exception of the limitation of $10,000, reaches out into all those different activities of the Government in the purchase of supplies.

Further, this legislation will defeat our efforts to balance the Budget, for I know of no measure before the Congress this year that will increase the current costs of Government more than this bill if it becomes a law.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. DUFFY of New York. I think this legislation should not be passed until the administrative difficulties in the bill are reviewed by all the contracting agencies of the Government and until there has been reported to the Congress just what the additional cost would be if we impose this legislation and responsibility upon the contracting agencies of the Government.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HEALEY. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, this is another effort to find a solution to the most difficult problem of modern-day government. France just the other day approached this same question from a different angle. The new administration there has prepared a program of legislation calling for annual vacations with pay for workers in private industry, a general reduction in the work period, as well as other reforms affecting every enterprise in France. The Republican Party not so long ago sponsored the Bacon-Davis Act as their suggestion to improve existing economic conditions. It helped, but its influence is all too limited. Only a few weeks ago our railroad workers, in meeting with the railroad executives, developed a plan that, in my judgment, is one of the most progressive steps that has yet been taken in the field of labor relations. They agreed that any man transferred from one point on the railroad to another should be paid both his wage and his expenses. If his property depreciated in value because of the transfer, they would make up that loss to him. In other words, the railroad company absorbs the loss.

They also agreed to pay the worker a demotion wage if he is demoted to a job paying a lesser wage than the one he formerly occupied. They pay him a separation wage running for a period of 5 years if he is separated from the service under certain circumstances. This agreement between the employees and employers of our railroads blazes a new trail in the realm of labor conditions. The members of the 21 standard railroad organizations can be proud of their leaders. The United States Government, in shortening the hours of the postal employees and in extending the vacation period for other civil-service employees, continued that example which is spreading throughout every industrial nation in the world. It is the only way out. It presents the only practical solution. I know but little about the mechanics of this legislation. I did not serve upon the subcommittee that considered the measure nor the full committee that reported the bill to this House, but I am going to say to every Democrat and Republican in the Chamber this is another attack at the greatest problem we have to face in this industrial, machine age in which we live. It limits the day to one of 8 hours, the week to one of 40 hours. It prevents child labor and destroys the sweatshop. It will never be solved unless the Government adopts drastic means in the sphere in which we have complete control. Here the courts cannot invalidate the affirmative action of the Congress. Certainly we have control over the purchases and contracts made by the Federal Government. This measure is also a protection for legitimate industry. It is an attack upon home work and sweatshops, enemies of legitimate industry. Let us pass this bill and put an end to this cruel practice of exploiting our women and children. I believe it is a proper approach, in fact, the only approach to the question that we must solve, namely, the unemployment question, that vexes this and every other industrial nation on earth. [Applause.]

The machine will be a blessing to mankind when it relieves men, women, and children of the drudgery of the past and the enforced idleness and unemployment of the present. Pass this bill, shorten the hours of our workers, put an end to the life-destroying sweatshop, give the women who must work in industry the protection they so richly deserve. Above all, save our children, those precious citizens of tomorrow, of whom the Nazarene spoke when he spoke these divine words: "Suffer the little children to come unto me and forbid them not, for of such is the kingdom of Heaven."

The CHAIRMAN. The time of the gentleman from New York [Mr. MEAD] has expired.

Mr. HANCOCK of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, as a member of the Judiciary Committee I have been one of those giving constant attention to this legislation for more than 10 months. Extensive hearings have been held. The Secretary of Labor, representatives from the Departments, William Green and other representatives of the American Federation of Labor, the National Manufacturers Association, as well as many other organizations and individuals appeared before the committee. Indeed the hearings cover two large printed volumes.

In order to vote intelligently on this matter, it is necessary to understand the genesis or background of the proposed legislation. In the latter part of the first session of the Seventy-fourth Congress, S. 3055, the Walsh bill, was introduced into the Senate. That bill came to the House in the closing days of the session. It was designated as one of the administration's must measures. The Judiciary Committee was hastily summoned, and it was stated frankly to the committee that the bill was on the program and that it must be enacted. After most careful consideration the committee placed the bill on the table and refused to report it favorably.

The Walter bill was then introduced, and an effort made to report that bill. However, a subcommittee was appointed to study the whole matter, and at the beginning of this session of Congress Mr. HEALEY, of Massachusetts, the chairman of the subcommittee, introduced what is known to the House as the Healey bill. Extensive hearings were held on the Healey bill, and weeks of consideration were given by the subcommittee, and by the full committee. After this mature deliberation, the bill was laid on the table, which ordinarily would dispose of the matter for the session.

There was no activity on the part of the committee in reference to the bill until after the defeat of the Frazier-Lemke bill. Suddenly the committee was convened, and the advice was given that some kind of a bill must be reported out this session in lieu of the Walsh-Healey bill. Again much time was given, and the pending measure is the result of the last deliberation.

Understand, the bill before us, S. 3055, is the Walsh bill. The committee, however, struck out everything in the Walsh bill and inserted as an amendment the bill which we are considering. This is of vital importance, because if this bill passes the House, it will go to the Senate, and unless the Senate accepts the House measure, the Walsh bill and the House bill will go to conference. And the conferees will be permitted to write a bill limited only by the Walsh bill and the House bill.

Let there be no misunderstanding that the Healey bill is not before the House. It is still on the Judiciary Committee table. Also, let there be no misunderstanding, the proponents of this legislation have never suggested the bill which we are considering. Their views are embodied in the Walsh bill. They would only accept the Healey bill, which is much milder, because its enactment would send the bill to conference and give an opportunity to have written into law the Walsh bill. What I am saying in this regard is fully substantiated by the printed hearings, copies of which are obtainable from the committee.

The bill before us is a milk-and-water proposition when compared with the Walsh bill. There are features in this bill to which no one objects. For instance, I cannot conceive of any informed person, in this day and age, favoring child labor, favoring so-called bid brokers, or favoring sweatshops. It is mere demagoguery to extol the virtues of a measure dealing with these evils, the real purpose of which is to regulate hours of labor and wages of American industry.

I will go as far as anybody in protecting child labor. I did this when as a member of the Judiciary Committee I took an active part in submitting to the country the pending child-labor amendment. And, parenthetically, let me state that that amendment does not prevent the employment of children under 18 years of age, but does give the Congress discretion to act in regard to the matter up to 18 years of age. Any legislator who would approve of the sweatshop methods

indulged in in a few instances, and almost entirely in our great cities, is unworthy to hold a seat in this body. If this bill would go no further than to dispose of those evils, that would be one thing. In my judgment the legislation dealing with these evils is being used as a vehicle and a smoke screen to put over the real purposes of the bill. A reading of the hearings on the Walsh and the Healey bills will convince anyone that my conclusions are correct.

There is no way whereby we may be assured that the conference committee will not agree upon substantially the Walsh bill, the terms of which make lawful, for Government contracts, all codes existing on May 26, 1935, the day before the N. R. A. decision. Those codes, however, have one advantage over the codes that are to be written by the Secretary of Labor under the pending bill. Under the N. R. A., the codes were presumably prepared by the industries and then approved by the President. We are here asked to let a Washington agency make all of the decisions and virtually write the codes.

Now, it may be said that terms of the Walsh bill will not be substituted. No one can give us such assurance. The gentleman from Massachusetts [Mr. HEALEY] sincerely believes in this legislation and has worked tirelessly for its accomplishment. He is honest, capable, and clean, and his word is good, and he advised us in the committee that it would be impossible for him to give any assurance as to what might be done in the Senate or in the conference committee.

Now, as a matter of fact, Government contracts affect at least 75 percent of all industry. That is, any rules or regulations laid down for industries entering into contractual relations with the Government will of necessity be the rules and regulations under which approximately 75 percent of all our industry must operate, provided those industries enter into such contractual regulations as set up in this bill. Many of our industries depend much upon Government contracts at this time. In these days of Government spending and priming the pump with the taxpayers' money, it would be a genuine hardship on much of our industry to, by law, make it impossible for these industries to be open to Government contracts. Because of the extremes of the situation, there are those who evidently feel that now is the time to force through this thing. In short, the enactment of this law will of necessity prevent bids by many industries, if those industries are to continue in ordinary commercial lines. If, for instance, the Government advertises for Yale locks and the factory manufacturing these locks is operating under certain conditions and regulations satisfactory to everyone, and in compliance with all State laws and regulations; if those regulations do not happen to be in accord with the determinations made by the Secretary of Labor, then this manufacturer would be stopped from bidding, unless it was seen fit to comply with the Federal rules and regulations established for the operation of the plant. That is, there could be no bid unless a part of the factory should comply with these rules and regulations while the Government contract was being filled. Of course, a factory must be operated as a unit, and the result would be no Government bid.

This bill fixes an 8-hour day and a 40-hour maximum week in all of these industries. It permits the Secretary of Labor, Mme. Perkins, to determine what the prevailing minimum wages are in the locality in which the materials are to be manufactured or furnished. No formula is set up to be followed by the Secretary of Labor. It is fair to presume, therefore, that she will take into consideration such factors as she thinks advisable. There is no definition of the word "locality", although the committee spent much time on this word, because this is most important. If some of the proponents of this bill had their way, there would be a uniform wage for uniform factory work all over the United States. Others suggested that the country might be divided into zones and zone minimum-wage rates be set up; while others suggested various political subdivisions as the locality.

The Bacon-Davis Act deals with the construction of public buildings or works only. The prevailing wage in the community must be paid. Where there is a labor organization in the community, the wage fixed by that organization has been accepted by the Secretary of Labor as the prevailing wage. However, the task is not difficult, because the territory is limited to the town, city, or village where the construction is to take place. And it seems to me that this bill should at least contain further limitations, and not leave the entire United States as the locality—limited only by the discretion of the administering officer.

Let us not forget that the 8 hours a day and the 40 hours a week is the maximum. For instance, if one city is operating on a 30-hour base and another city is operating on a 44-hour base, and each city desires to bid on a Government contract, the Secretary will be required to compel compliance with the 40-hour law by the 44-hour-a-week city or industry. Yet, of course, she will not lengthen the hours in the 30-hour-week industry. Depend upon it the Secretary is not going to lengthen the day or the week in any instance under this bill. The question at once arises as to where the 30-hour-week employer will find himself so far as securing a Government contract under this law is concerned.

None of this legislation would have been proposed had it not been for the adverse decision of the United States Supreme Court in the National Recovery Administration case; when the codes were declared unconstitutional; and the regulatory hands of bureaus were taken off the shoulders of industry; and the planners and regimentators began to look about for some means whereby the Supreme Court ruling might be circumvented.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. My time is too limited. If the gentleman will give me some more time, I will yield.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield 1 additional minute to the gentleman from Michigan.

Mr. MICHENER. The Walsh bill was the method decided upon. Be not deceived, the real purpose and the real effect of this law, as it finally passes the Congress and is signed by the President, will be further regulation, regimentation, and hampering of business. One in high place a few months ago recognized that industry had stood about all regulation possible and promised a breathing spell in order that the patient might regain some vitality. The invalidating of the N. R. A. gave to business the most effective breathing spell it has had in the last 3 years. Indeed business is better. Industry is beginning to function, and it seems too bad that this breathing spell is to be ended, and that we are again to resort to the theories and the philosophy of those who would control our every act and deed from Washington.

I do not believe that this Congress wants to pass any legislation placing into the hands of any individual in Washington, whether it be the Secretary of Labor or anyone else, the right to arbitrarily fix hours and wages for the working people of this country. I do not believe that this body wants to delegate to any individual or department in Washington the right to control working conditions in all industries throughout the length and breadth of the land, provided those industries desire to share in Government contracts. I say frankly that if the original bills which the committee considered had been enacted without amendment, this would have happened.

It is easy and appealing to talk about insanitary working conditions in factories. No one has any sympathy with any such conditions. And be it to the credit of our people that practically every State in the Union has wholesome regulatory laws.

We want just as few inspectors as possible from Washington swarming about the country, snooping into everybody's business and telling the honest community businessman just what he must do.

I am a great believer in local government and in local responsibility. Leave to the locality everything that is possible and local responsibility in that community will as a rule do the job.

In conclusion, do not forget that in voting for this bill you are sending the original Walsh bill on its way. You are

driving the wedge. You are again placing industry in shackles. You are militating against many small industries in small communities. You are writing another chapter on the statute books the effect of which is to centralize industry. You are hampering instead of helping the recovery which is on the way, and which can never be effective so long as more attention is given, in legislation, to changing and reforming our system of government, than to utilizing the system that has proved so efficient in the past. Give industry a permanent breathing spell, remove the constant fear that legislation of this type makes necessary.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I had hoped to be able to vote for this bill. I have a telegram from the Associated Industries of Massachusetts, who seem much opposed to its passage. We realize businessmen do not wish to be too much harassed by legislation hastily enacted without opportunity for them to be heard.

It is said that the prevailing rate of wages is easily determined. A large contractor recently brought to my attention the case where, in excavating work needing the use of some piling, that because workmen had to use a saw and a hammer occasionally it was insisted the employees should be classed as carpenters, and in such a case it was most difficult to decide what really might be the prevailing rate of wage. Much trouble and extra expense was involved.

Dredging operations, for instance, have to wait upon weather and tides. In such matters it is difficult to adjust minimum hours each week. There are many features of this bill very harassing to business. I wish the gentleman from Massachusetts would explain what really are the fears of the Associated Industries of Massachusetts, and other established concerns, who I thought would be glad to get rid of these fly-by-night contractors. But even under this bill you will have them, because those bidding on contracts will procure just enough equipment and qualify as legitimate operators.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. HEALEY. I think it is because they have not been informed or have not informed themselves of the provisions of this bill. I think the majority of them would be better off by its passage.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield the balance of my time, 6 minutes, to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, literally, with no thought of endeavoring to take any political advantage if there is any on this situation, I am amazed that a measure of this character should be brought before the House and an attempt made to discuss it thoroughly in 30 minutes on a side. I have had considerable experience, Mr. Chairman, in listening to the discussion of important measures, and this is one of the most important and far-reaching measures I have ever encountered. It is literally impossible for the membership of this House to scratch more than the surface of this problem in a discussion which must be concluded within 1 hour. Now, let me say something in the 4 or 5 minutes I have in an endeavor to illustrate the ramifications of this matter. It applies to all persons who engage in contracts to supply articles, materials, or devices, or what not, for the Government. Let us look around the Chamber. The carpet on the floor is supplied by contract. The brass tacks around the backs of these seats, the brass edges along the steps, the linoleum on the floor of the steps, the leather in the seats, the woodwork of the furniture, the tables, the ink in the pen of the reporter who takes down these remarks, the paper upon which the bills of the House are printed, the paper which is used by the reporters in taking down the debates, the marble along that ballustrade, everything your eye sees in this room, practically speaking, is typical of what is furnished to the Government by contract. This bill affects every industry.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I cannot yield in 6 minutes. If the leaders in charge of the bill will extend the debate to a reasonable time to afford real discussion of the bill I will yield, but I cannot yield in the short time allowed under this extraordinary rule.

Let us now go into an Army post and see the ramifications of the bill. Every pair of soldier shoes is made under Government contract, every pair of breeches, every tunic, every button on the clothes of the men, every campaign hat, every cap, every piece of leather, every saddle, every harness, the whole heating plant of the post, the whole telephone system of the post, are furnished under Government contract.

Mr. WALTER. Will the gentleman yield?

Mr. WADSWORTH. I decline to yield.

Mr. WALTER. I hope the gentleman will not misrepresent the matter.

Mr. WADSWORTH. I am not misrepresenting the matter. The things I am referring to are not usually purchaseable on the open market.

Mr. WALTER. Oh, yes; they are.

Mr. WADSWORTH. Army shoes are not purchasable on the open market. They are specialties. Neither are the uniforms, the buttons, the hats, caps, saddles, or harness; not one of them. You cannot buy a heating plant on the open market. You cannot buy a telephone system for an Army post on the open market. You cannot buy a fire-alarm system on the open market. They are all subject to particular specification, and being subject to specification, they fall under this code.

Go on board a battleship. Someone has said on the floor that the things used in a battleship are the things used practically by a city. It is the same at an Army post. I have not scratched the surface.

When you pass this bill its ramifications will reach into nine-tenths of the industries of the United States. Make no mistake about that. You cannot expect any one of these industries to divide its plant half for the Government side and half for the private contract side.

This is a measure to regiment the industries of the United States. It is brought here for that purpose. It is a substitute for the defunct N. R. A. It is regimentation of industry and it makes the Secretary of Labor the absolute dictator of all wages in the United States. She may fix the minimum wage in any locality and thereafter change it as she pleases from time to time.

That is the kind of measure that is presented to this House to be discussed in a half hour to the side. I protest. [Applause.]

[Here the gavel fell.]

Mr. HEALEY. Mr. Chairman, I yield to the gentleman from Connecticut [Mr. CITRON].

Mr. CITRON. Mr. Chairman and Members of the Committee, on May 4, 1936, I introduced a bill giving the United States Government the right to reject bids from manufacturers who employ child and convict labor. The use of such labor is not only a humane and moral problem but an economic one, because decent manufacturers who do not use this kind of labor are under a handicap.

LIP SERVICE

Some employers say that they believe in abolishing child labor, but when actual steps are proposed to do this very thing, they are unwilling to have anything to do with it.

Why are certain officials of the Manufacturers Association of Connecticut voicing their opposition to this bill? Is it because they are closely connected with the Republican Party and for that reason bending every effort to defeat President Roosevelt and the bills sponsored by this administration?

I do not believe these few officials represent the great majority of fair-minded manufacturers in Connecticut, most of whom are too decent to participate in obstructive politics.

That my bill is meritorious is shown by the following quotation from a letter of Mr. C. E. Eyanson, assistant to the

president of the Manufacturers Association of Connecticut, recently sent me:

I recognize the force of the argument that the enactment of a Federal law preventing the employment of children or convict labor in connection with Government contracts would bring the backward States into line and would thus eliminate a competitive situation that is not only unfair but is not to the best interests of the people involved. • • •

The people of Connecticut know I am right in this question. The manufacturers of Connecticut know it too, and they will not be deceived by a few officials who are playing Republican politics. Study the opposition to this measure and you will find it comes from some southern manufacturers who would be forced to raise their labor standards, from some Republicans, and from the Connecticut Manufacturers Association officials who have made a political issue out of sane and humanitarian legislation.

THE JUDICIARY COMMITTEE

Mr. Chairman, for many months a subcommittee of the Judiciary Committee, under the able guidance of the distinguished gentleman from Massachusetts [Mr. HEALEY], has studied this whole subject of Government contracts. Finally, the Judiciary Committee, of which I have the honor to be a member, considered the various bills concerning Government contracts, and after many days of labor has brought out this bill, the Healey bill, which is a substitute for the Walsh bill, S. 3055. This substitute contains the best suggestions of all the bills considered. It is a good bill, protecting the Government from bid brokers or "vest pocket" dealers and manufacturers who exploit labor and are otherwise unfair in their competitive practices.

THE PRESENT LAW AND HOW IT WORKS IN PRACTICE

Let us understand the present situation concerning Government purchases. Whenever the Government buys anything—except open-market purchases—it must ask for bids, and the lowest responsible bidder must be given the award. The Government has no choice; it must accept the lowest bid. "Responsible", it has been held, means only that the successful bidder must put up a bond guaranteeing to fulfill the contract.

(A) "VEST POCKET" DEALERS

There has come into existence a clique of bid brokers, "vest pocket" dealers, who are not bona-fide manufacturers or dealers and who always get in on the low bid. They then "farm" the bid out to various people who, in order to meet the opportunity for Government work, use sweatshops or child labor, paying wages that disgrace our country. What chance has the decent wage-paying manufacturer in my State against the fellow who pays children 50 cents per day, women 80 cents per day, and men $1.35 per day, and who in addition works his help 6 full days a week?

(B) "KICK-BACK" SYSTEM

Then there are some employers who use the "kick-back" system, by which they pay their employees the prevailing rate in a community and so show it on their books, but secretly force their employees to return part of the contents of the pay envelope.

Thus the present law works to the advantage of the antisocial employer who is enabled to make low estimates and obtain Government contracts through the slashing of wages or by working his employees for excessive hours. He is even permitted to employ child labor.

(C) TREND OF HOURS AND WAGES IN GOVERNMENT CONTRACTS

Mr. Chairman. In the fall of last year a study was made by the Government Contract Division of the National Recovery Administration of wage and hour trends among firms having Government contracts. Of the 3,507 firms, employing 1,515,486 people, 2,127, or 60.64 percent, had held hours constant, 505, or 14.4 percent, had increased hours 15 percent or more, and 804, or 22.93 percent, had added from 1 to 14 percent to the working period. One thousand eight hundred and twenty-one, or 51.92 percent, of the same group of employers were found to have maintained their wage levels, 635, or 18.11 percent, to have reduced wages 10 percent or more, and 845, or 24.09 percent, to have made cuts of from 1 to 9 percent.

(D) CHILD LABOR

A very recent survey by the Coordinator for Industrial Recovery disclosed 23,170 instances of departure from the standards established by the codes of fair competition.

These cases have multiplied as employment has increased. A chart prepared by the Children's Bureau of the Department of Labor shows that child labor varies directly with employment generally, and that the only period when child labor decreased was one of increasing adult employment.

In the 7 months following the Schecter decision, the number of certificates of employment issued in 107 cities of 50,000 or more for children between 14 and 15 years of age was greater by 55 percent than the same figure for the entire year 1934. In New York City nearly four times as many of these permits were granted to children of this age between September and December of 1935 than in the same period of the preceding year.

(E) HOME WORK—ANOTHER EVIL

The effectiveness of factory child labor as a method of competition is exceeded only by the device of farming out materials for industrial home work. The members of a whole family can usually be hired for about the same amount as a single factory worker can earn. Its prevalence in the industrial States of the East has been shown by numerous State and Federal investigations, and those who have been most concerned with it are the most earnest in their insistence that without Federal assistance the States are impotent.

It is up to Congress to pass the necessary legislation. Let me remind you that homework and child labor involve far more than cutthroat competition. A 10-year-old girl, one of many whom the Children's Bureau found, every day goes to school, free from the shadow of the factory. A splendid law, the one which requires it. Once home, however, what does she do? She works with her mother on artificial flowers until supper time, and then after supper until she goes to bed at 9, 10, or 11 o'clock. Her contribution to the family well-being is 6 cents an hour plus the faulty eyesight which has put her in a class for retarded children.

Another little girl of about the same age told an investigator of the National Child Labor Committee that she has been working every night since she was 7½ years old, that some nights she worked until midnight and that on Saturdays and Sundays she frequently worked all day. Her wages might run from 5 to 12 cents an hour. Women in Pennsylvania, Illinois, and Connecticut work 50 hours or more a week on articles for which they are receiving up to 10 cents an hour.

CONGRESSIONAL ACTION IN THE PAST TO REMEDY THESE ABUSES

These evils became so widespread that from time to time Congress has attempted to rectify them. In 1892 Congress passed an 8-hour law for contractors doing Government work upon public works. Since then Congress has passed another act, the Bacon-Davis Act, providing that bidders for public works and public buildings cannot pay less than the prevailing rate in the community.

THE PRESENT BILL DOES NOT CONSTITUTE INTERFERENCE WITH, OR REGULATION OF, LEGITIMATE BUSINESS

The bill before us is in substance an extension of the Bacon-Davis Act to all Government purchases amounting to over $10,000.

This bill is not a regulation of industry. It is preposterous for anyone to say it interferes with business. It merely says that before anyone can make money out of the Government, or dip his fingers in the Government till, he shall maintain certain standards. No one is compelled to bid upon Government business. This business is voluntarily sought.

The bill merely provides that the Government shall have the right to refuse the bids on all purchases over $10,000 to those (1) who employ child or convict labor; (2) who are not regular manufacturers or dealers; (3) who violate the sweatshop laws of their States; (4) who pay less than the prevailing rate of wages in their community, and (5) who work their employees over 40 hours per week or 8 hours per day without compensating them for the overtime.

(A) UNFAIR COMPETITION FOR GOVERNMENT BUSINESS BY LOW-WAGE-PAYING FIRMS

I frankly confess that I am worried about the textile industry of my State. I am worried because firms are moving to foreign fields, like Canada, or to other sections where they can take advantage of low-standard wages. Can the high-wage-paying manufacturer compete fairly with the low-wage-scale competitor without reducing his wages? I am worried about maintaining the high labor standards it has taken years to build up. It is not fair to have the Government foster a system which turns its business over to those who would break down our high American standards.

(B) NATIONAL MANUFACTURERS' ASSOCIATION ADMITS ABUSES

Even the representative of the National Association of Manufacturers admitted these evils. Testifying before the Judiciary Committee, Mr. John Gall, associate counsel for this organization, said:

I am not here * * * to defend the use of child labor in the performance of a Government contract by a primary contractor. I am not here to defend the practice of bid peddling * * *.

REQUIRING STANDARDS FOR QUALITY OF MATERIALS IS TO PROTECT THE GOVERNMENT—AND REQUIRING THAT THE GOODS BE MANUFACTURED UNDER DECENT HEALTH STANDARDS AND SATISFACTORY LABOR RELATIONS IS ALSO A PROTECTIVE MEASURE

The Government can require certain standard specifications for materials. Since the Government has the power to accept a bid only if the bidder's goods are of a certain grade and quality, then the Government should be given the power to do business with those who manufacture under decent standards and conditions, because this is an added assurance of the desired quality. There is no question as to the constitutionality of this bill.

When goods are manufactured by child labor and under sweatshop conditions their quality is affected. When a manufacturer is making supplies and profits out of the Government by paying un-American wages his employees are dissatisfied. As a result, the Government is injured because cheaper quality goods are produced. Furthermore, dissatisfaction breeds labor troubles, causing the Government embarrassment, delays, and losses.

The reason we amended the law for public buildings and public works was to assure the Government better service, and that is the reason we should extend the Bacon-Davis Act to include the manufacture of supplies and goods for the Government.

GOVERNMENT IN MAKING CONTRACTS SHOULD BE NO DIFFERENT FROM ANY INDIVIDUAL

Certainly the power of the Government to make a contract is the same as that of a private individual. An individual has the right to demand certain requirements for obtaining the award of his contract but the Government has not such a right because it is limited in its business dealings to the lowest bidder.

THIS BILL WILL PROTECT THE DECENT MANUFACTURER FROM DISCRIMINATION

At present the decent manufacturer is discriminated against. This measure will end that discrimination. It will prevent the charge that can be asserted now that decent manufacturers are under a handicap. Shall they continue to be under a handicap?

PRINCIPAL CONTRACTORS ONLY RESPONSIBLE

Now this bill makes only the principal contractor responsible. This is proper, because he employs the labor and makes the agreement with the Government. He is not responsible for the actions of his subcontractor unless he has knowledge. That is a fair proposition.

BILL SHOULD PASS

In conclusion, Mr. Chairman, let me say that this bill has been misrepresented and misunderstood by some. Anyone who reads it, and wants to protect the Government and decent manufacturers in maintaining our high labor standards and satisfactory service, is surely in favor of its passage. I hope that it becomes the law. [Applause.]

The CHAIRMAN. The Clerk will read the committee amendment for amendment.

The Clerk read as follows:

That in any contract made and entered into by any executive department, independent establishment, or other agency or instrumentality of the United States, or by the District of Columbia, or by any corporation all the stock of which is beneficially owned by the United States (all the foregoing being hereinafter designated as agencies of the United States), for the manufacture or furnishing of materials, supplies, articles, and equipment in any amount exceeding $10,000, there shall be included the following representations and stipulations:

(a) That the contractor is the manufacturer of or a regular dealer in the materials, supplies, articles, or equipment to be manufactured or used in the performance of the contract;

(b) That all persons employed by the contractor in the manufacture or furnishing of the materials, supplies, articles, or equipment used in the performance of the contract will be paid, without subsequent deduction or rebate on any account, not less than the minimum wages as determined by the Secretary of Labor to be the prevailing minimum wages for persons employed on similar work or in the particular or similar industries or groups of industries currently operating in the locality in which the materials, supplies, articles, or equipment are to be manufactured or furnished under said contract;

(c) That no person employed by the contractor in the manufacture or furnishing of the materials, supplies, articles, or equipment used in the performance of the contract shall be permitted to work in excess of 8 hours in any one day or in excess of 40 hours in any one week;

(d) That no person under 18 years of age and no convict labor will be employed by the contractor in the manufacture or production or furnishing of any of the materials, supplies, articles, or equipment included in such contract; and

(e) That no part of such contract will be performed nor will any of the materials, supplies, articles, or equipment to be manufactured or furnished under said contract be manufactured or fabricated in any plants, factories, buildings, or surroundings or under working conditions which are insanitary or hazardous or dangerous to the health and safety of employees engaged in the performance of said contract. Compliance with the safety, sanitary, and factory-inspection laws of the State in which the work or part thereof is to be performed shall be prima-facie evidence of compliance with this subsection.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I listened with a great deal of interest to what the gentleman from New York had to say concerning section 9, and I must take emphatic exception to what he said concerning the various articles and equipment that he mentioned. The gentleman wants us to believe that the ink and the paper and the linoleum and the seats and the seat tacks and what not in this very Chamber would have to come under the provisions of the the earlier portions of the bill, and that there would be the limitations and conditions exacted on those purchases as would be exacted on the purchase of uniforms and articles that go into the equipment of battleships.

If I read section 9 aright, and particularly the beginning thereof, I read that the very articles that the gentleman mentions could and would be purchased in the open market as anyone would purchase them, and that the Government would have the right to buy the tacks and the ink and the paper just exactly as you or I would buy them, because I read the language as follows:

This act shall not apply to purchases of such materials, supplies, articles, or equipment as may usually be bought in the open market.

These commonplace articles are bought in the open market. The Government would continue to buy them in the open market in open competition.

Mr. McREYNOLDS and Mr. WADSWORTH rose.

Mr. WADSWORTH. Read on.

Mr. CELLER. Certainly. The rest of the section says, "Unless specially manufactured to conform to particular specifications." The articles mentioned are not such. The hearing indicated in no uncertain way exactly what I have indicated and has given my interpretation of how these goods may be purchased; and I say, with all due deference to the gentleman from New York, he is woefully in error.

Mr. McREYNOLDS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. McREYNOLDS. Referring to that section, the language is:

This act shall not apply to purchases of such materials, supplies, articles, or equipment as may usually be bought in the open market unless specially manufactured to conform to particular specifications.

Let me ask the gentleman this question: In the first part of the bill you limit the measure to purchases of $10,000

or more, and under this language you intimate that it would apply to specially manufactured articles costing much less than $10,000. If this is different from the gentleman's construction of the language, why not leave out the words "unless specially manufactured to conform to particular specifications"?

Mr. CELLER. We must read the bill in its entirety, and you cannot lift one or two phrases out of the context without reference to the bill in its entirety.

Mr. McREYNOLDS. What objection would the gentleman have to leaving that out?

Mr. CELLER. You would destroy the symmetry of the bill if you took out those provisions. The committee has given infinite care to the wording of this bill, and it is hoped that such changes will not be attempted.

Mr. McREYNOLDS. May I ask the gentleman a further question?

Mr. CELLER. I yield to the gentleman.

Mr. McREYNOLDS. Did you promise in your committee before your vote was taken to vote out this bill, and if it was passed in the House, or if it went to the Senate, you would not agree to any amendment, but would stand for this bill as it is?

Mr. CELLER. The gentleman is correct in his assertion and the committee will abide by that declaration. Not only has the statement been made by committee members individually, but it has been made formally by the committee itself and the committee will stand by that arrangement.

I am somewhat chagrined at hearing what the gentleman from New York states and I believe the statement goes back to a rather reactionary period. We are in a new era, and, certainly, the Government should be the first to blaze the trail and hold aloft high the banner of fair and decent conditions for labor, and that is why we are irrevocably in favor of the bill and hope it will be passed. [Applause.]

The Department of Labor and the Federal and State agencies have been striving with might and main to improve the labor standards. Industry in general has not come forward voluntarily. The Government must now take definite forward steps. It does not coerce. It does not compel anyone in this bill to do anything. It says that if you want the advantage of a Government contract then you must comply with minimum labor standards—decent, forward-looking standards—not standards of a reactionary sweatshop period. There can be no home work, no child labor involved in these Government contracts.

Ofttimes, under present law curbstone brokers, fly-by-night contractors, get the contracts under the lowest-bidder conditions. All that is needed is a bond. A bond is easily procurable. As a result the successful bidder makes up the difference due to the low bid on labor. Labor pays the piper. Decent standards are broken down.

By this bill we disassociate the Government from vile antisocial conditions.

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK:

Page 21, line 9, after the word "for", insert the words "construction or for."

Page 21, line 15, after the word "be", insert the word "constructed."

Page 21, line 18, after the word "the", insert the word "construction."

Page 22, line 3, after the word "in", insert the words "the construction or."

Page 22, line 9, after the word "in", insert the words "the construction or."

Mr. McCORMACK. Mr. Chairman, the amendment which I have offered, in my opinion, is a perfecting amendment. It is rather difficult for me to reach the conclusion that in reporting this bill the committee overlooked this important field, and in offering the amendment it is offered from the angle of perfecting the bill in the direction in which it should receive consideration. This amendment I am offering for the American Federation of Labor, and I concur with them in the position they take. While I have been conferred with by the A. F. of L. in connection with offering the amendment, the amendment represents my own personal viewpoint.

Certainly, if we are to include the manufacture or furnishing of materials, we should also include the field of construction, as, for instance, the construction of naval vessels.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. WALTER. Does not the gentleman think that the Bacon-Davis Act covers the very situation that he is now discussing?

Mr. McCORMACK. I do not think so. At least, my attitude is this, that there is a question in that respect, and certainly the insertion of this amendment in the bill will not in any way weaken it, but will strengthen it.

Mr. CONNERY. It does not cover it in the Bacon-Davis Act, because your hours are not covered, merely your prevailing rate of wages.

Mr. McCORMACK. I had that in mind when I answered the gentleman's question.

Mr. HANCOCK of New York. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. HANCOCK of New York. Is it the gentleman's purpose to repeal that section of the Bacon-Davis Act which requires contractors on Government construction to obey the prevailing rates of wages and hours in the communities where the construction is done; to substitute for it the 40-hour week and the 8-hour day? Is that the purpose?

Mr. McCORMACK. The purpose that I have in mind?

Mr. HANCOCK of New York. Yes. This does not apply to construction work. The Bacon-Davis Act does that. If this is a surreptitious amendment of the Bacon-Davis Act, we ought to understand it.

Mr. McCORMACK. The purpose of the amendment that I have in mind is to have the bill apply to construction as well as manufacturing and furnishing of material. There is no reason why that should not be done. I listened with a great deal of interest to the very fine speech made in opposition by my distinguished friend, whom I greatly admire, the gentleman from New York [Mr. WADSWORTH]. I recognize his opposition and his viewpoint, and I honestly differ with him in his opposition to this bill. I think the subcommittee has done a wonderful job, and the full committee has done a meritorious work in reporting the bill to the House. My colleague [Mr. HEALEY], chairman of the subcommittee, has worked hard, and is entitled to the greatest of credit. We have ten to eleven million people unemployed. It is a problem which faces the American people. It is a problem arising out of mass production. We have to meet that problem, and one of the ways of doing it is the shorter work week. Every great step forward in the past has been met by opposition, honest opposition in some cases, but opposition that closes its eyes to the existing facts and necessities; and as time went on, it was realized by experience that the arguments of fears advanced to the passage of necessary and progressive legislation were groundless. I predict that the same arguments advanced against this bill will be found groundless after the bill becomes a law.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I have introduced a 5-day work week for Federal employees. Already we have a 40-hour work week for postal employees. While we might dislike our economic law creating the problems that exist, these problems are here. Nevertheless, the fact remains that we are forced to the realization that economic law has produced mass production, out of which serious problems have arisen. We must meet the problems arising out of mass production. We must meet the problem of involuntary unemployment, and the shorter work week is one of

the means of meeting those problems. It is not the sole solution, but it is one of the solutions. We must solve the greater distribution of earning power; we must try to create more purchasing power in order that the mass-production era we are in might operate successfully. We must try to meet the problem of consumption and distribution. That is the problem that confronts us. We have to meet the problem and decide it in a manner which inures to the benefit of those of today and to the benefit of generations yet to come.

Mr. HANCOCK of New York. Does the gentleman realize that the provisions of this act do not apply to Government agencies which are engaged in competition with private enterprise?

Mr. McCORMACK. That is only a minor matter, if it is so.

Mr. HANCOCK of New York. Well, it is so.

Mr. McCORMACK. Later I am going to introduce an amendment at the request of the Department of Justice, which is acceptable to labor, which will clarify the situation the gentleman has in mind. This is a broad field. Forty years ago the 8-hour day came about in this country as a result of Congress passing the 8-hour law for Federal employees. We applied it also to those who received contracts from the Federal Government. What is wrong with a bill of this kind? The exigencies of the times require it, the circumstances demand it, and we should pass this legislation in order to partially meet the great problem of unemployment that confronts us. [Applause.]

Mr. MICHENER. Mr. Chairman, I rise in opposition to the amendment, for the purpose of asking the gentleman from Massachusetts a question. In line 9, page 21, as I understand it, the gentleman's amendment provides for the insertion of the word "construction" after the word "the."

Mr. McCORMACK. That is on line 9, page 21?

Mr. MICHENER. Yes.

Mr. McCORMACK. After the word "for" and before the word "the" put in the words "construction or for", so that it will read "for construction or for manufacture or furnishing of material", and the other amendments are to carry out that same purpose.

Mr. MICHENER. I did not yield to the gentleman to make a speech.

Mr. McCORMACK. I have enough regard for my own position to not take up too much of the gentleman's time.

Mr. MICHENER. I may be in error.

I am trying to get some information as to just what this means. As I understand the amendment, it would in no way affect the construction of public buildings or other structures covered by the Bacon-Davis law. I just wanted to be clear about this matter. There is some question, but it seems to me that the Bacon-Davis law covers but one thing; that is, the construction of public buildings in given localities. That being true, the workability of the present law cannot in any way be compared with the Bacon-Davis law, because the Bacon-Davis law covers one building in a locality. The prevailing wage is determined by the locality or community, under the Bacon-Davis law, which means the village or city. The committee spent a lot of time over the words "location", "community", "city", "town", "State", or what not. The language used is "location."

Mr. McCORMACK. Is my friend asking me a question?

Mr. MICHENER. No. I finished with the gentleman, who is always courteous and well-informed.

Mr. CONNERY. Will the gentleman yield?

Mr. MICHENER. I yield.

Mr. CONNERY. The gentleman's amendment says "for construction or for manufacture."

Mr. MICHENER. If it says "for construction or manufacture", it would mean the manufacture of material.

Mr. CONNERY. No; it does not mean that at all.

Mr. MICHENER. The gentleman represents the Federation of Labor and probably knows more about this than I do. Does the gentleman say this means the construction of public buildings?

Mr. CONNERY. Yes.

Mr. MICHENER. Then this does intend to cover public buildings?

Mr. CONNERY. Yes. The Davis-Bacon law puts it on the prevailing rate of wages. This also puts them on the 40-hour week.

Mr. MICHENER. If this law conflicts with the Bacon-Davis law, then that part of the Bacon-Davis law will be repealed by the enactment of this law.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CHANDLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if I understand the purpose of the alleged perfecting amendment offered by the gentleman from Massachusetts [Mr. McCORMACK], what he wishes to do is to put into this bill the construction of buildings or permanent property of the Government. Is that right?

Mr. McCORMACK. Yes. Naval vessels, for instance.

Mr. CHANDLER. We have that under the law now.

Mr. McCORMACK. Have you got naval vessels?

Mr. CHANDLER. Yes. We have the 8-hour day.

Mr. McCORMACK. The 40-hour week? Have you got the 40-hour week?

Mr. CHANDLER. No. The 8-hour day.

Mr. McCORMACK. Then that answers the question.

Mr. CONNERY. Will the gentleman yield?

Mr. CHANDLER. I yield.

Mr. CONNERY. This would apply more to any construction. The Walsh bill which passed last session of Congress applied not only to public buildings, but to public works. This puts them on a 40-hour week.

Mr. CHANDLER. That is correct; but this is not a public-works proposition. The Bacon-Davis law is a public-works law, and you have the prevailing-wage principle which applies here. You do not have the hour limits, it is true. Now, the proper place to handle the question of hours is by amending the Bacon-Davis law. Do not amend this law, which relates to an entirely different subject, is not intended to meet that situation, and it is not drawn to meet that situation. This is not the place for it. We went over this subject with people who are most interested in it, with representatives from the Department of Labor, and if they wanted it put in this bill, they never told us, who worked on this bill in the committee, anything about it. This amendment ought to be voted down. It will bring confusion. It will put the entire bill into a situation where it would not be workable, with all due respect to the gentleman from Massachusetts.

Mr. CONNERY. Will the gentleman yield further?

Mr. CHANDLER. With pleasure.

Mr. CONNERY. It merely amplifies the Bacon-Davis law, saying "this construction", as in the Bacon-Davis law, only the 40-hour week goes in, too.

Mr. CHANDLER. You cannot amplify the Bacon-Davis law by connecting it up with this act. There is no disposition to defeat the purposes of the Bacon-Davis Act here. We are trying to deal with a different branch of the subject, where the property being worked on is not localized. We are trying to improve the contracts for the manufacture of articles or equipment for the Government. You are thinking of a condition where property is localized and where local conditions are easily determined.

Mr. CONNERY. Will the gentleman yield further?

Mr. CHANDLER. With pleasure.

Mr. CONNERY. One of the worst troubles we have is in the shipyards. We had an investigation of the shipyards, and the most flagrant instances of bad hours and cheap wages were in the shipyards. This amendment will protect them against that.

Mr. CHANDLER. This is not the bill for that purpose, I submit.

You have an 8-hour law applicable to all Government construction now except the manufacture of armor plate, and so forth. The place for such amendments is in those bills. I do not think this can be made germane. It really will do this bill a tremendous amount of harm.

Mr. Chairman, I hope this amendment will be voted down. I am for this bill.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. Yes.

Mr. BOILEAU. I do not understand that the present law provides for an 8-hour day and a 5-day week.

Mr. CHANDLER. No, it does not; but the gentleman will find that that is covered in several Federal statutes relating to the employment of individuals by the Government.

Mr. BOILEAU. I am trying to get information. Under the existing law they can work 6 days a week.

Mr. CHANDLER. Yes.

Mr. BOILEAU. But under the pending bill it would be limited to 40 hours a week.

Mr. CHANDLER. Yes; we must bring in a bill that will meet that situation.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. I yield.

Mr. HEALEY. Answering the gentleman from Wisconsin, I may say his supposition is correct, but as a matter of practice, they work 40 hours.

Mr. SIROVICH. Mr. Chairman, the four fundamental concepts on which the superstructure of the economic prosperity of our Nation is dependent are: First, production; second, distribution; third, exchange; and fourth, consumption.

Through technological inventions and mechanical developments, the trained and scientific minds of the peoples of the world have subjugated the forces of nature to serve the will of man. These great mechanical contrivances, contraptions, and marvels of machinery have solved for the people of our Republic everything that embraces and appertains to mass production, distribution, and exchange. The weak link in the chain of our economic structure is the principle of distribution which has thus far defied and baffled the master minds of economic philosophy. If we could solve the problem of distribution as we have that of mass production, unemployment and all the accompanying evils that go with economic depressions would be relegated to the ashes of time. All economists agree that the national symptoms, that arise through the sickness involved in the collapse of distribution, are due to the lack of the purchasing and consuming power of the great masses of the American people.

The Walsh-Healey bill which we are now debating on the floor of this House, in my humble opinion, is a powerful weapon that will help to restore the consuming and purchasing power of the working people of our Nation. This great humanitarian bill is the Magna Carta—the emancipation proclamation of the toiling laboring classes since the Supreme Court declared the N. R. A. unconstitutional. It will serve as a model for all industry, the great commercial and business organizations to emulate.

This measure stands for three great humane principles. First, it demands the establishment of minimum wages. Why is this subject so important? Let me tell you.

There are three kinds of wages: First, we have starvation wages, which will not keep body and soul together; second, we have living wages, which just about keep body and soul united; third, we have saving wages, which should be the great American living standard that should make it possible for the American workingman of today to save in days of prosperity and affluence for days of adversity and misfortune. [Applause.] That is the kind of doctrine that both Mr. Landon, the Republican nominee for President, and the genial, gracious leader of Democracy, President Roosevelt, should dedicate and consecrate their activities to accomplish for the benefit of our American people. [Applause.]

The Walsh-Healey bill makes it mandatory for all agencies that deal with the United States Government to adopt the prevailing wages in the respective localities in which the materials, supplies, articles, or equipment are to be manufactured or furnished under said contract.

The Walsh-Healey bill will prevent the exploitation of the American workingman by many industrialists of our country who can only live and thrive through the exploitation of labor. This great humanitarian measure will prevent the Government of the United States from being particeps criminis and a contributing factor in the exploitation of its citizens whose interest we here, as Members of the House of Representatives, have sworn to protect.

Mr. Chairman, this splendid measure further provides for the adoption of the principle of maximum hours. The workweek within the last two generations has dropped from 80, 72, 66, 58, 54, 48, 40 to 30 hours. President Van Buren ordered the 10-hour day for Government navy yards in 1840, and ever since the hours of Government workers have been better than the hours of those employed by private industry. This applies to postal and District of Columbia employees. The acts of 1868, 1892, and 1912 blazed a pioneer trail which led to the 8-hour day for Federal employees. Most of the States have followed. So, in advocating regulation of working hours, we are merely using a trend already well established as a weapon to combat unemployment. The wage boards of the Department of Labor will determine not only minimum wages but also the maximum workweek in the number of hours for any given industry. The principle that must guide them is to spread available work equally over all workers attached to a given industry—employed or unemployed. Enforcement and compliance will be secured by adequate provision for publicity, and, if that fails, fines that will deter chiselers from exploiting their workers.

We have today almost 10,000,000 people unemployed. The perfection, development, and elaboration of technological machinery has dislocated the economic working conditions throughout the Nation. It is necessary to diminish the hours of labor in order to divide the work between the millions of unemployed without subtracting from the wages of the working people, in order to protect their consuming and purchasing power, upon which the prosperity of our Nation is dependent. This measure in the Walsh-Healey bill safeguards this great ideal.

The third principle involved in the philosophy of this remarkable bill is the principle of the elimination of child labor.

Children under 16 years of age should not be found in the mills, in the mines, in the factories, in the looms. Their frail bodies should hallow the great temples of democracy. That is our schools and colleges. The welfare of our Nation is dependent upon the education, the culture, and the civilization of the flower of its youth, upon whose happiness, prosperity, and success is dependent the future welfare of our Nation.

Mr. Chairman, the tragedy of the American working people is the man or woman who is willing to work at anything, but unfortunately finds no place to toil to support those who are dependent upon him. The true American is opposed to relief in any shape or manner. The dole is obnoxious to his ideals of American citizenship. The American workers demand that the Government through its economic philosophy will make it possible for them to work in the quarry of labor so that they may be self-supporting and self-respecting. What are we doing for the toilers ground down through economic unemployment? Perhaps it might be interesting for you to know the background and the history of unemployment throughout the ages and what the different nations of ancient, medieval, and modern times have done to overcome the tragedy of unemployment.

Mr. Chairman, the streamline is a symbol of speed. Since the World War America has, figuratively speaking, streamlined her entire industrial system. We are too close to this development to comprehend its magnitude. It is comparable to the sudden burst of energy which within 20 years after the Battle of Waterloo made Great Britain the steel and textile center of the world. Today, in America, our automobile industry dramatically leads a mass-production movement in comparison with which the industrial revolution

in England pales into insignificance. The British industrial revolution involved millions of dollars and affected thousands of men. Our industrial development involves billions of capital investments and affects millions of workers. But we recognize the essential similarity of the two eras: Then, as now, the machine displaces men. Then, as now, the challenge of mass unemployment presses for solution. Our streamlined train is hurtling through space at a new high. Where are we bound for? Is there danger of immediate derailment? Even the most selfish motives compel our attention. On this train we are all passengers.

WORLD HISTORY OF UNEMPLOYMENT

Let us turn initially for guidance and counsel to the pages of recorded history. The Bible never disappoints us. We hear Amos and Isaiah unleash the whirlwind of their wrath against poverty, suffering, and unemployment. No more scathing indictment of social injustice was ever uttered or penned by man. We find Joseph in the role of an economic expert, expounding the theory of the business cycle to Pharaoh—the 7 fat years, then the 7 lean years.

Turning the pages of ancient history, our attention is arrested by the Phoenicians, those "Yankees of the East." Their enterprise merits the appellation. They carried their outposts into Lebanon, Greece, and the northern part of Italy, which they called Venetia, or Venice. They founded Carthage, in Africa. In frail barks known as triremes they navigated the Mediterranean as far west as the British Isles, where they explored the mines, producing iron and tin, the latter to be sent back to Phoenicia and, with copper, converted into bronze. Their answer to the problem of a crowded homeland poor in natural resources was: Migrate to better land and colonize. Thus the Phoenicians met the problem of unemployment.

The lesson of the Phoenicians was not lost on the Hellenic civilization. We find the ancient Greeks settling in what we now know as Sicily, establishing there a great center of commerce, the city of Syracuse. They colonized Asia Minor. The homeland of Greece was drained of its surplus population.

The Roman Empire was confronted with the problem of unemployment at a very early stage of its history. The arch enemy of Rome was Carthage. Their bitter economic rivalry could have but one issue, "Carttago delanda est"—Carthage must be destroyed. Rome solved the problem by war—not one but three wars—and reduced Carthage to ashes. Rome thus furnished a brilliant example of what may be termed the direct method of removing obstacles to empire. The Roman Legions solved the unemployment problem. They planted their flag in Spain, Belgium, Britain, in the Balkan States, which are now known as Rumania, Bulgaria, and Serbia, in Hungary, Asia Minor, and on the northern coast of Africa. The civil population was ever ready to follow the flag into new regions where employment, economic security, and profitable labor were assured.

Time does not permit of an extended examination into the history of unemployment after the fall of the Roman Empire in the year 476 A. D. The Dark Ages, feudalism, which bound the serf to a plot of ground, but at least gave him economic security, the Crusades drafting great numbers of unemployed into religious armies, all are illuminating in their effect on the problem of unemployment.

The growth of cities and the development of craft guilds signalized the break-down of the feudal system.

In time with the development of free towns as centers of commerce and manufacture it became possible for serfs to escape from their lords' domains and become free citizens. A worker could better his position in these towns. There were specialized artisans. Shoemakers, for example, made only shoes; tailors specialized in making clothes. And a surplus of each man's specialized product was exchanged for parts of other surpluses. Those workers engaged in making the same product organized themselves into craft guilds, which took over the function of buying and selling as well as regulating the type and quantity of goods to be produced. It is interesting to note that the guilds fostered monopoly by limiting membership to master craftsmen. The number of master craftsmen was restricted by rules which required young men first to serve periods of apprenticeship and journeymanship over a term of years before they might qualify as master craftsmen. Hours and wages were subject to strict regulation by the craft guild. The relation between the master craftsman and his journeymen and apprentices was intimate and friendly; there was no antagonism. They all belonged to the same class, and every provident young journeyman had a reasonably good opportunity to eventually go into business for himself as a master craftsman.

The craft guilds, however, had been shorn of most of their power when Elizabeth acceded to the throne in England. They were supplanted by craft work done at home, combined with farm labor in the rural sections. In this period we must also note the rise of another system of production which foreshadowed the problems that were to become acute under modern capitalism. Under this system a master craftsman or any man who had sufficient means, although he had no special knowledge of any particular trade, might set up a business establishment larger than those formerly existing. He would superintend the manufacture of a given product. The work, of course, was still done by hand, but there were more workers and there was division of labor—that is, specialization in some degree. Unlike the guild system, the workers did not own their own tools, nor had they any control over the disposition of what they produced. The owner of the business disposed of its output as he saw fit. The seeds of economic class division and the opposition of labor and capital were sown. The system that I have been describing to you is often referred to as the "cottage" system.

During the Renaissance period in England, about the middle of the fourteenth century, the great plague known as the "black death" swept over Europe and killed more than half of the British working population. There was a resultant scarcity in the labor market. The workers tried to get higher wages, but the governing classes brought about the passage of legislation which made work compulsory at wages fixed by statute. If a man refused to accept these conditions, which were fixed by law, he was subject to penalty of imprisonment for conspiracy. A philosophic justification of this choice morsel of legalized oppression was not wanting. The mercantile economists asserted that the State had the power to exercise complete control over economic affairs in order to increase its national prestige. The influence of this doctrine may be traced to modern times, where it took the form of conspiracy and restraint-of-trade legislation. Even more important is the attitude of judicial condemnation with reference to any collective action on the part of workingmen to get higher wages, or to improve the conditions under which they worked.

Special attention must be given to the era of discovery and exploration which opened after the Saracens took Constantinople in 1453. In those days ice as a means of preserving food was unknown. Europeans had to obtain the spices of the East for this purpose. After the Turks took Constantinople, rich caravans and ships enroute to India were an easy prey to Mohammedans. A new route to India must be found. The rest is familiar history. The discovery of America, the gradual absorption by the New World of the unemployed of the old. Colonization once more appeared to be the solution.

The famous period in England's history between 1760 and 1830 is too well known to require any comment. It is sufficient to state that the industrial revolution intensified the problems of unemployment and labor under the factory system. The farm was deserted for the factory. Oliver Goldsmith, in the Deserted Village, sounded the warning:

> Ill fares the land to hastening ills a prey,
> Where wealth accumulates and men decay.

Thus the poet summarized the results of the industrial revolution in England. If I told you that 12 percent of its population were rich and comfortable, while 88 percent of its inhabitants were in abject poverty; if I told you that the new system had conferred upon man the blessings of child labor, low wages, long hours, industrial accidents, and disease—panics as a normal recurrence in the economic

cycle—you would not have the picture as vividly before you as Goldsmith painted it in those five words: "Wealth accumulates and men decay."

After the Franco-Prussian War, from 1870 to the inception of the World War in 1914, the industrial nations of the world, spurred on by the mass-production possibilities of the factory system, reached out into Africa, Asia, and Australia for markets. England obtained from her colonies raw materials, converted them into manufactured goods. These finished products were, in turn, exported to the colonies. The colonies were not permitted to manufacture. Just supply the raw materials and buy the finished product. That is why America in 1776 was 98 percent agricultural and 2 percent industrial. In the period from 1870 to 1914 there was less unemployment than in any other period of the world's history—and this despite the fact that the population of Europe doubled in the nineteenth century, and the population of the United States more than doubled.

UNITED STATES

We may state, somewhat arbitrarily, that the Civil War marks the beginning of our industrial development.

A few figures will suffice to convey some idea of our growth in the 45-year period from 1869 to 1914. The number of wage earners increased from two to seven million men. Wages increased from six hundred million to over four billion. Coal mined, from about 33,000,000 net tons to about 513,000,000 net tons. Petroleum from 4,000,000 to 265,000,000 barrels. Active cotton spindles from seven to thirty million. Railroad track mileage from 53,000 to 250,000 miles. Millions of laborers were needed to tend the looms, mine coal, and build railroads. Great tidal waves of humanity rolled across the Atlantic. The large corporations fostered immigration by agreeing to furnish jobs to those who would come here from Europe to work in our factories and mines. Our merchant adventurers were not paying so much attention to efficiency. There were mechanical improvements and new machines, but the trend was to secure more labor rather than to increase its productivity.

The mass-production movement was lashed to a furious tempo by the World War. By 1925, a worker turned out more than three times as many rubber tires than in 1914. Productivity of labor in the automobile industry increased almost threefold. In steel works and rolling mills, in the manufacture of cement, in oil refining, the increase in productivity between 1914 and 1925 is amazing. We are now in the throes of this second industrial revolution, and no man may say what the ultimate effect on the social structure may be. But we may assert that the mechanization of industry is seemingly compatible with mass unemployment on a scale never before known to man. Our historical survey emphasizes the magnitude of the problem, and the need of some immediate solution.

NUMBERS OF UNEMPLOYED

If we are to propose a solution for unemployment we must first define the term. The definition used by the United States Bureau of Census in making its enumeration on April 1, 1930, will answer our purpose. An unemployed person is one who has lost his job and who is able and willing to work. This definition excludes the sick, the aged, the injured, mental defectives, strikers, and those who do not want to work. While we recognize the fact that each of these groups presents a definite social problem, we shall gain nothing but confusion by lumping them all together under the heading "unemployed."

If you enjoy statistical games try to guess how many people are unemployed in the United States today. Leading economists and statisticians differ widely in their estimates. Mr. Chairman, ladies and gentlemen of the House, the Weather Bureau warns dirigibles, airplanes, and hydroplanes of the approach of impending storms, cyclones, and tornadoes. This advanced information warns the pilot to pursue a different course to escape inevitable destruction. Then why should we not have statistics in our own Government that will give us an adequate and truthful picture of the total of our unemployed. We may agree with Prof. Paul H. Douglas that "the American statistics on unemployment are the worst of any industrial country in the world."

Nations which, like Great Britain, administer a system of unemployment insurance, can and do obtain accurate figures from month to month, the jobless register at employment exchanges furnishing data for reliable periodic statements as to the number of unemployed. The best we can do in this country is to tabulate the results of the censuses and estimates, and even the figures obtained in this way leave no doubt as to the seriousness of the problem. For example, the number of unemployed at any one given time from 1890 to 1933 varies from 1,000,000 to 13,000,000. The complete enumeration taken by the United States Bureau of the Census in April 1930 showed 3,267,000 unemployed and irregularly employed. In January 1931, a sampling count was taken in 19 of the largest cities scattered all over the United States. It showed about 6,300,000 unemployed and irregularly employed, or an average of 20 percent. But the army of unemployed in a whole year is very much larger than the number of unemployed on any particular day. To illustrate, on April 1, 1930—before the depression had made much headway—of the 2,429,062 jobless workers, 85 percent had been idle more than 2 weeks, 70 percent more than 4 weeks, 55 percent over 8 weeks, 40 percent over 13 weeks, 14 percent over 26 weeks, and 3.3 percent over 1 year. If we had available monthly unemployment reports like those issued in Great Britain, we would realize even more clearly the bitter truth. Insecurity stalks the land, a Frankenstein monster that menaces the life of every workingman.

THE CAUSES OF UNEMPLOYMENT

One would hardly expect to find romance in the census reports, yet we can find in them an absorbing record of the rise and decline of certain industries: Phonographs supplanted by radios; buttons and hooks and eyes by zippers; bicycles, carriages, wagons, horse blankets, saddlery, harness, and whips by automobiles; wooden boxes by corrugated boxes; brick and cement; paper wrappers by cellophane; wood by Bakelite and Masonite; leather by fabrikoid; cotton and wool by silk and rayon; grandmother's red flannels are with us no more.

These census reports show graphically the plight of the farmer. In prosperous times people buy not more farm staples but luxuries. Nor do farmers derive much benefit from the use of cottonseed for oils or cellulose for rayon. These farm waste products displace lard, cotton, and wool, which are also farm products. Farm labor has been especially hard hit by the loss of markets for certain products.

Declining industry, then, increases unemployment. True, the displaced men may ultimately be absorbed in new industries, but "ultimately" may mean one, two, six, or a dozen years. Meanwhile hardship and suffering are the lot of the worker who has had to make way for the march of time.

The census tells us another story of equal interest. It tells us how the South now lords it over New England in cotton-textile production; how the boot and shoe industry has migrated westward from the same New England; how West Virginia wrested supremacy in soft-coal mining from Pennsylvania; how Texas and Arkansas passed the older States of Dixie in cotton raising. These trends mean abandoned mills, mines, and acreage unplowed. Possibly they have resulted in no net increase in unemployment; industries usually move to regions where there is a plentiful surplus of labor. But the sectional unemployment that results is widespread and appalling from the standpoint of human and social cost.

Since 1923 there has been work for about 450,000 miners, leaving an unnecessary surplus of 250,000 men. In the field of communications, the dial telephone reduced available jobs in the Bell system by more than 69,400. Similarly the teletypewriter and multiplex lines reduced employment by 8,500 jobs, or 50 percent. Let me give you a few more examples garnered from other industries. A big steam shovel can do as much excavating as 300 laborers. One-man trolleys have eliminated conductors on many street railways. Calculating machines, automatic check writers—they can

write 7,500 an hour—coin-changing machines, sound apparatus in motion-picture theaters, automatic cigar- and cigarette-making machines—these and similar labor-saving devices put hundreds of thousands out of work.

Now there is a school of economists who believe that in the long run improved technique does not cause any net increase in unemployment. I do not consider it necessary to discuss this theory pro and con, because even its proponents admit that technological advances cause much temporary idleness and suffering.

Let us turn now to the familiar conception of the business cycle—the seven fat years and seven lean years. What are the basic causes of the regular recurrence of boom and depression periods? Economists have not been able to isolate them, nor are they in agreement as to the why and wherefore of these cycles. One explanation has already been discussed—the idea of overproduction, or as some call it, underconsumption. When purchasing power does not keep pace with production, stocks are bound to pile up. These must be liquidated, and a period of depression ensues.

Overproduction is coupled with too great an expansion of credit during prosperity. Any marked increase in money or credit is reflected in rising prices. Rising prices act as a further stimulus to increased business operations. But banks cannot expand credit indefinitely. When they stop, liquidation is forced. Prices drop. We have the vicious spiral of deflation.

Any sudden withdrawal of the available supply of capital will cause an increase in unemployment. When Hoover announced a moratorium in 1931 foreign capital took sudden flight. The loss of twelve billions in war debts had already induced a financial anemia. Now, the patient lost more blood, and business was faced with the threat of additional taxation to balance these losses. Consequently unemployment increased over 4 percent between July and September of that year.

Money and credit must also be considered from an international aspect. If the United States and France accumulate too much gold, the purchasing power of other nations is adversely affected. Having an excess of investment funds, what do we do with them? We loan the money to other countries—to Germany, to Austria—then set up tariff barriers so high as to render difficult, if not impossible, the repayment of the loans. Our prosperity depends in part on our export trade. Tariff barriers, like the Hawley-Smoot tariff, tend to diminish, if not to destroy, that trade. We cannot sell foreign nations unless we buy from them. These are economic truisms.

The problem of interest is a great contributing factor in the causation of unemployment. Interest on money lent is another penalization of business. When business is good and money dear 6 percent on loans may be good practice. When business is bad and money cheap 1 to 2 percent is the most that should be charged for commercial loans. The difference between 6 per cent and 1 percent may be, and often is, the difference between success and failure in a small business and in a large corporation.

This practical fact was known in the days of Moses, for in Deuteronomy 23: 19–20, it is set forth:

> Thou shalt not lend upon usury to thy brother, usury of money, usury of victuals, usury of anything that is lent upon usury. Unto a stranger thou mayest lend on usury; but unto thy brother (brethren) thou shalt not lend upon usury.

Usury meant interest in the language of that day, and it varied with the stranger to the utmost that could be extorted in bargaining and the need of the stranger.

Depositors are all strangers to a bank, as one may know who has applied for a loan from a bank. Brothers bringing deposits; strangers seeking a loan. What is needed are some flexible provisions authorized by law that will meet this condition and reduce the amount of usurious interest.

Flexible interest adapted to the state of affairs of business in the Nation will reduce unemployment, since businessmen who hesitate to borrow from a bank at 6 percent, since they can scarcely make that net profit on their wares, would not hesitate to borrow at 1 percent, thereby assuring for themselves, instead of the bank, a profit of 5 percent on their output, and thus employ many more workingmen who are on relief and the dole.

One of the most important provocative factors in the causation of unemployment is the gross inequality of income, which results in inadequate purchasing power, and is a major factor in unemployment. And, therefore, I am about to propose to you measures which contemplate a redistribution of our national income.

REMEDIES

Unemployment may be solved by compulsory regulation of wages and hours of work on a Nation-wide scale. Our own attempt to secure minimum-wage standards under N. R. A. was by no means a radically new departure. New Zealand passed the first minimum-wage law in 1894. The State of Victoria, in Australia, passed a similar law in 1896. These laws provided for arbitration boards with power to fix minimum wages in certain low-wage industries. Great Britain adopted this as a model for the Trade Boards Act of 1909, enacted to raise the wages of sweated labor. This law was amended so as to apply to all industries where wages may be unduly low. In principle, the minimum wage has been adopted by some 16 countries in all, including France, Switzerland, Spain, Czechoslovakia, the Argentine, and Canada.

Our own attempts to legislate minimum-wage codes have been frustrated by the Supreme Court. Massachusetts passed the first domestic law in 1912. By 1923, 17 States had minimum-wage acts on their statute books. It was in 1923 that the Supreme Court by a 5 to 3 decision in the famous case of Atkins against Children's Hospital held that the mandatory Minimum Wage Act of the District of Columbia was unconstitutional. This looked very much like a blow below the belt, as that same august tribunal had only 6 years earlier approved the Oregon statute. To explain the change in position, Mr. Justice Sutherland called attention to the woman's suffrage amendment which had been passed in the interim. This, he argued, raised the status and strengthened the bargaining power of women. Mr. Chief Justice Taft and Mr. Justice Holmes pointed out, in a dissenting opinion, that the nineteenth amendment did not make women the physical equals of men. Two later Supreme Court decisions concerning Arizona and Arkansas laws delivered the coup de grace to this kind of legislation. At present some 16 States have minimum-wage laws in operation, but for the most part their application is limited to minors. New York, in 1933, passed a law declaring it to be against public policy for any employer to pay women or minors a wage which is either less than the fair and reasonable value of services rendered or less than sufficient to meet the ultimate cost of living necessary to health.

Unfortunately the Supreme Court about a fortnight ago, by a vote of 5 to 4, declared the minimum-wage law of the State of New York, that would protect women and children from being exploited, unconstitutional.

The minimum-wage law in this bill can fix wages, depending upon what the local community in that particular section where the contract is taken pays for similar work. This bill provides for the Secretary of Labor to investigate conditions and force living wages where the industry does not pay them.

A living wage means, of course, not merely a subsistence wage but one which assures normal needs and reasonable comfort. Wage boards, on which employers, employees, and the public are represented, should be empowered to make studies of specific industries and fix minimum wages for each, the findings of such boards to be subject to the approval of the Secretary of Labor.

[Here the gavel fell.]

Mr. SIROVICH. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SIROVICH. Mr. Chairman, when the United States had its real beginning in 1789, it was faced with the problem

of unemployment in the settled sections of the Atlantic coast. The purchase of Florida from Spain, Louisiana from France, the absorption of Texas and the territory wrested from Mexico opened up vast mileage for migration from the East to the Mississippi Valley, Florida, the Southwest, and the California coast. Frontiers were everywhere ready for the plow and the scythe. Today in the United States there are no more physical frontiers.

Canada has millions of acres of unused land. Vast expanses of rich agricultural and mineral resources of territories of promise and performance, if it were settled as proportionately as is the United States. That was the reason I introduced a few weeks ago House Concurrent Resolution 49 to determine the practicability of a union between the United States and Canada. The migration of Americans to Canada, after a fusion of the two nations, would help solve our problem of unemployment. Since migration in ancient, medieval, and modern times has been the great cure for the treatment of unemployment, perhaps it would solve the problem of the 10,000,000 unemployed in the United States. Canada, with proper financial backing, available from the United States, could support a population three to four times its present density. Population is essential to Canada's future growth, as essential as was the increased population by progeny and immigration to the growth of the United States. From such a union I can see nothing but good to come to both nations. Canada would benefit and so would the United States by such a union. Neither country would forego any rights of nationality any more than did the Territories of the United States when they were granted the status of States, or the Republic of Texas, when, of its own volition, it asked to be included in the roster of the States of the Union. American hours of labor, American wages, would be transferred to Canada to the benefit of that splendid nation. The ethics, the thoughts, the language, and the art and literature of the United States and Canada are practically the same. The original source of population was the same. In fact, in Canada there are today the descendants of the loyalists who declined to join the American Revolution and removed to Canada to show their devotion to the English throne. All that is past, and the United States and Canada are like two brothers, twins almost, I might say—the two arms of democracy in the North American Continent, that would make Alaska, Canada, and the United States the greatest Anglo-Saxon civilization in the world.

Mr. Chairman, several of my predecessors in the debate upon this measure have declared the Walsh-Healey bill unconstitutional. They have criticized it as a small N. R. A. As a physician and surgeon, interested in the welfare of my fellow men and desirous of bettering the conditions under which they live, I believe this to be a most humane and progressive measure that will reflect great credit upon the Seventy-fourth Congress for having enacted it into law.

The Constitution, as interpreted by our distinguished and venerable Supreme Court, you say, stands in our way. We of this Congress are not a sovereign constituent body, like the British Parliament. We cannot transgress the constitutional limitations of the power vested in us; but the people of the United States is still sovereign, and the Constitution can be amended as provided by our forbears through the instrumentality of law. If the Supreme Court of the United States violates the spirit of that great document ordained to establish justice and promote the general welfare; if the Supreme Court misinterprets the sacred trust imposed upon them by the founding fathers to interpret their words so that the living may enjoy a life more abundant, then we, their offspring, have a solemn duty to lawfully change such laws. In the name of those who have laid down their lives and died upon the different battlefields of our Nation, in the name of those whose mortal remains even hallow the soil of foreign countries, I, as a Representative of the Fourteenth Congressional District of New York, appeal to that forceful and final arbiter of the destinies of the American people, and to you, the Members of this historic forum, to support this great and humane measure. By voting for this bill you will emancipate the working classes of our people, the backbone of our Nation, through the establishment of minimum wages, maximum hours, the abolition of child labor, and the forced labor of criminals, or those who are compelled to work under insanitary, hazardous, and dangerous conditions that may affect and destroy their health and their well-being. Thus you will invoke the blessings of a grateful and contented working class for having brought happiness into their homes and contentment to their hearts. [Applause.]

Mr. HEALEY. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, in reference to the carpet on the floor and the tacks and various other articles of furniture which were pointed out so dramatically by the gentleman from New York [Mr. WADSWORTH], I call attention to the language of the bill, which is absolutely clear and understandable. The provisions of this bill "shall not apply to articles that may usually be bought in the open market."

There was some reference made to the shoes and the clothing that the soldiers and the C. C. C. boys wear, which the Government buys in such large quantities. Let me just read to you from the hearings the testimony of Col. Clifford L. Corbin, of the office of Quartermaster General, in reference to shoes:

Mr. HEALEY. You would want to make stipulations in the contract establishing decent hours in carrying out Government contracts?

Colonel CORBIN. Yes, sir. This was a shoe contract I have referred to.

Mr. HEALEY. A contract for the purchase of shoes.

Colonel CORBIN. Yes, sir; a contract for 750,000 pairs of shoes for the Civilian Conservation Corps. All of it went to one man, who bid lower due to the fact that he had poorer working conditions than the trade in general. The situation is such that the other shoe manufacturers are becoming discouraged in bidding on a Government contract for shoes. The price differential was only about 2 or 3 cents per pair.

Mr. HEALEY. The practical result was the establishment of a monopoly in the making of shoes in this particular firm. They secured a monopoly of the Government shoe business.

Colonel CORBIN. Yes, sir; it prevents competition. Now, the serious point is that shoes constitute a very important article in time of emergency or in time of war, and it is important to have a number of large firms who have experience in army-shoe contracts.

Under the existing law, in this particular case, one firm which works its employees longer and pays less has a virtual monopoly in the supplying of shoes to the United States Government. I want to say to the gentleman that only last week in Cleveland his convention went on record for a minimum wage within the Constitution, and his candidate for President, dissatisfied with that platform, went to the extremity of pledging himself for a minimum wage by way of a constitutional amendment, if that were necessary.

We can legitimately and constitutionally provide in our own Government contracts for decent working conditions, which every forward-looking man and woman believes should be established under present economic conditions. We have the right, under the decisions which have been rendered, to require that these conditions be lived up to in our public contracts.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HANCOCK of New York. Will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from New York.

Mr. HANCOCK of New York. I do not blame the gentleman for talking beside the point, because adequate discussion has not been permitted on the main question. The amendment now before the House, however, seeks to extend the provisions of this bill to the territory now covered by the Bacon-Davis Act. Does the gentleman favor that particular amendment? He has not mentioned the subject in his very powerful speech.

Mr. HEALEY. As the gentleman knows, I am in favor of the passage of this bill.

Mr. HANCOCK of New York. As it is?

Mr. HEALEY. As it is.

Mr. HANCOCK of New York. And he is not in favor of the amendment proposed by the gentleman from Massachusetts?

Mr. HEALEY. I hope the bill will be passed without substantial change.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, the gentleman from New York [Mr. WADSWORTH] is one of the most eloquent Members of this House; and when he speaks we all listen with great attention and, indeed, with reverence for his fine ability. In addition to that, personally he is a fine gentleman in every respect. I always listen to him with great interest.

I hope that everything he said in that speech, everything that he mentioned, is true. I hope that this bill does affect nine-tenths of the industries of the United States, because if it does it will force into line many employers who have been exploiting little children, who have been exploiting women, and who have been exploiting the great masses of the workers of the United States. It will force them to pay decent wages and run decent hours and give decent living conditions to the people of this Nation.

We tried that in the N. R. A. In the Healey bill you have not any of the faults of the N. R. A. You have not any codes which are being written and controlled by the big moneyed interests of the country; for instance, Mr. Clay Williams, of the Tobacco Trust, and other big moneyed men. You have not codes written by the big manufacturers of the United States. In the Healey bill, pending before us tonight, there is a break for labor, there is a break for the working men and women of the United States.

Mr. Chairman, I hope that this bill does extend to nine-tenths of the industries of the United States, I repeat. I hope that we may stop them from working these little children in mills. I hope that we may stop such conditions as stated to me by a man who came into my office within the past 3 months. He told me that he worked 107 hours and received $11. Last week in Lynn, Mass., I asked a man working in a Standard Oil station how many hours he worked. He said "56." I said, "What do you get?" He said, "$22 a week." That is what he has received since the N. R. A. went out of existence.

Therefore, I hope, Mr. Chairman, that the remarks of my friend from New York are true. I hope the Congress will put into effect the 40-hour week and set an example to the Nation, as we did in the days gone by when we came down from a 12-hour day to a 10-hour day, from a 10-hour day to an 8-hour day, and now to a 40-hour week, with decent wages and decent living conditions, and give the people of the United States their place in the sun; stop little children from having their lives ruined in the factories, and prevent women from dying ahead of their time on account of the exploitation of merciless employers. Give the American people a break!

[Here the gavel fell.]

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. FITZPATRICK. In the Seventy-first Congress I introduced the first 40-hour-week bill ever introduced here, and in April 1930 I made a speech in favor of it. At that time we had between five and six million people unemployed in our country and we had 26,000,000 working over 48 hours a week. I asked then for a 40-hour week in order to set an example, and if that had been put into effect 6 years ago we would not be in the condition we are today. I am pleased that at last they have brought in the 40-hour bill which I advocated and introduced 6 years ago. [Applause.]

Mr. CONNERY. That is right.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I ask unanimous consent to proceed for 2 more minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. I should like to say to my friend the gentleman from New York [Mr. WADSWORTH] that we appropriated $4,800,000,000 for relief in the United States and we have now appropriated another billion and a half dollars, and who is going to pay for it? The taxpayers of the United States. And I may say to my friend from New York that Robert Johnson, of Johnson & Johnson, a multimillionaire, with factories all over the Nation, has put his factories on a 30-hour basis—a 5-day week and a 6-hour day. He sent his general manager to me here in Washington and said, "We would much rather put people to work at decent, living wages than to pay taxes for just keeping their body and soul together on relief." So let the gentleman from New York take his choice between paying for relief to keep simply body and soul together or giving the decent, living wages to the American people which they ought to have. [Applause.]

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have in my hands several pay envelopes which were sent to me by Mr. Francis Gorman, vice president of the United Textile Workers of America.

One of these envelopes belongs to John Smith—I am using a fictitious name in order to protect the worker—and is from Samoset Cotton Mills, dated May 22, 1936:

Earned pay	$8.00
U. tax	.08
Amount enclosed	7.92

On the reverse side it is stated:

Notice.—Save your pay envelopes. This is your receipt against any charges on your account. Samoset Cotton Mills.

This was for 50 hours' work—filled 50 batteries on 13 fillings.

Now, I am going to read to you the next one, giving the name as Ann Jones, which is fictitious.

Earned pay	$5.40
U. tax	.05
Advances	1.00
Amount enclosed	4.35

Forty-two hours' work.

I have here another envelope of the same company:

Earned pay	$7.00
Rents	.65
U. tax	.07

I cannot make out the writing with respect to the other two items, but there are deductions of 35 cents and 65 cents, leaving the amount enclosed as $5.28.

I have several other envelopes, but I shall not read them as I have not the time. They reveal the same wages.

I do not know whether these mills sell any uniforms or any other articles to the Government of the United States or not.

Mr. CONNERY. What is the tax?

Mr. MARCANTONIO. I do not understand what that tax is for. Perhaps it may be a pay-roll tax. It gives you an idea of who pays for social insurance under the law we passed last year. The important thing is you have here from 42 hours to 52 hours a week and you have such salaries as $7.92, $4.35, $5.28, and in one case the worker had earned pay $1.60, advances $1.30, and another advance of 30 cents, and at the bottom of the envelope "XXX."

Mr. O'MALLEY. In what State is that mill?

Mr. MARCANTONIO. I do not know. Our Governor informed me it is located in the South. This was sent to me by Mr. Francis Gorman, who is the vice president of the United Textile Workers of America.

Let me give you another specific instance—and I now refer to the Vermont Marble Co. The Vermont Marble Co. sold the marble of which the United States Supreme Court Building was built. I am reading part of the testimony which was adduced at a public hearing conducted under the auspices

of prominent citizens from various New England States, headed by Mr. Rockwell Kent, famous American, whose ancestry dates back to Revolutionary days. They had a Mrs. Mereau on the stand. She was the wife of one of the workers. Mr. Polier was the attorney for the committee and asked the following questions:

Mr. POLIER. Mrs. Mereau, where do you live?
Mrs. MEREAU. In Danby.
Mr. POLIER. How many in your family?
Mrs. MEREAU. Five.
Mr. POLIER. What are their ages?
Mrs. MEREAU. My oldest is 10; my youngest is 1 year old.
Mr. POLIER. Your husband works for the Vermont Marble Co.?
Mrs. MEREAU. Yes.
Mr. POLIER. What is his job?
Mrs. MEREAU. Jackhammer runner.

[Here the gavel fell.]

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent to proceed for 1 more minute to complete the reading of this very important evidence of wage slavery.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POLIER. What is a jackhammer runner? What does he do?
Mrs. MEREAU. He operates the drill.
Mr. POLIER. What were his wages before the strike?
Mrs. MEREAU. About $13.75 a week.
Mr. POLIER. How much of that was left after deductions for rent, light, and so forth?
Mrs. MEREAU. He brought home $1.50; some weeks one of these yellow papers.

I am sorry I have not the time to go into the testimony further, but getting a yellow paper means that the worker owed the company money after deducting his wages for items of rent, light, water, and so forth.

Mr. Chairman, I dislike exceedingly to disagree with gentlemen on my side of this Committee, but I submit that companies such as the Vermont Marble Co. should not be permitted to benefit by contracts financed by the Government of the United States of America. [Applause.]

Mr. O'MALLEY. Mr. Chairman, I move to strike out the last five words.

Mr. HEALEY. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 5 minutes.

Mr. WADSWORTH. I reserve the right to object. Does the gentleman mean to close debate on the section and all amendments thereto, or merely debate upon the amendment? There are several other legitimate amendments to be offered.

Mr. HEALEY. Mr. Chairman, I ask unanimous consent that all debate on this particular amendment close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. O'MALLEY. Mr. Chairman and members of the Committee, I shall submit for the information of the House the following letter from the Champion Pants Manufacturing Co., Inc., of New York, which has been selling to the Army, to show what has happened since the N. R. A. codes were declared unconstitutional by the United States Supreme Court:

NEW YORK, *May 18, 1936.*

As an employer of approximately 400 people, I am taking the liberty of giving you some information relative to my business, and also relative to the present earnings of people who are today working on Government contracts.

During the N. R. A., this company bid and was awarded five different contracts by the War Department, to furnish clothing for both the National Guard and the C. C. C. On practically all of these contracts, all the contractor was asked to furnish was the necessary labor to cut and manufacture these various garments. I am going to take the liberty of quoting you prices for which the War Department, Quartermaster Corps, at Philadelphia has awarded contracts for the furnishing of labor necessary in the manufacturing of trousers and breeches from materials supplied by the War Department. I make an issue of the term "from materials supplied by the War Department" to try to show to you that the differences in prices for which the War Department has made these purchases has been only a variation in the prices paid to labor between the period of the N. R. A. and the present period.

For instance, in May of 1935, the War Department, Quartermaster Corps, at Philadelphia, issued various awards for the manufacture of cotton khaki trousers for the C. C. C., at an average price of 94 cents per pair. Last week, an award was made for the manufacture of identically the same item with the same conditions, for 38 cents per pair.

Item 2. An award for shirts to be manufactured from materials furnished by the War Department during the N. R. A. period brought an average price of 60 cents per shirt. The last award made approximately 2 months ago, was given out at the price of 19 cents per shirt.

Item 3. During the N. R. A. period, the War Department, Philadelphia Quartermaster Corps, paid this company 78 cents per pair for the manufacture of woolen breeches for the National Guard, from materials furnished by the War Department. The last award made in March of this year was made for a price less than 54 cents per pair.

These are only a few of various items for which the War Department is issuing numerous contracts. In all cases the ratio of prices paid for these products is about the same as those few instances which I have mentioned above.

As practically all these contracts are for labor alone, one can easily understand where the large variation in these various prices enters. Labor is just being paid so much less, and the result has been that the prices for which the War Department has awarded these contracts have been published in the various trade papers, and the result in many instances has been that these low prices have set a so-called standard price for the manufacture of similar articles which are in turn manufactured for various civilian corporations and organizations. The keen, unrestricted, competitive bidding has, in my opinion, been one of the main reasons why labor is earning half the money that they made 18 months ago.

I am writing you this letter more in the interests of the people who are working for me and with whom I come in contact daily than for any other reason. Since the going out of the N. R. A. labor's earnings in the clothing industry have alarmingly declined, and I maintain that unrestricted Government bidding is one of the main reasons for this. The facts and prices I have mentioned above of the awards of various contracts can easily be verified. I would willingly furnish any additional information I may have on this subject.

I understand that the bill relative to what I have written you has been referred to the subcommittee of the Judiciary Committee of the House, of which you are chairman. I sincerely hope and trust that your committee will report this bill favorably, and help to a great extent to eliminate today's unfavorable condition.

Very truly yours,

CHAMPION PANTS MANUFACTURING CO., INC.,
MAURICE NEINKEN.

I say this Government ought to set the example of refusing to buy a single thing from any maunfacturer who pays his employees starvation wages, from any manufacturer who operates a sweatshop. The Government ought to set the same example in respect to material purchases that it sets for industry by the Postal Service and other governmental agencies, where hours and wages are on a living basis. I think the American taxpayers do not want to build buildings at the expense of workers receiving starvation wages or to buy materials manufactured at prices which affect the very lifeblood of little children. I do not see how anybody with any decency would want us to refuse to pass a law that would prevent this Government from buying from sweatshop concerns for all time. I hope this bill will pass. I hope, as my colleague said, that it affects 99 percent of the businesses of the country, and that no business that operates under sweatshop and exploitation methods can continue to sell a single dollar's worth of goods to the Government of the United States.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. MCCORMACK) there were—ayes 27, noes 81.

So the amendment was rejected.

Mr. HANCOCK of New York. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of New York: Pages 21 and 22, strike out all of subsections (b) and (c) of section 1 and insert in lieu thereof the following:

"That the contractor shall give his employees the full and free right of collective bargaining."

Mr. HANCOCK of New York. Mr. Chairman, despite all the heroics and forensics that we have listened to in the last few minutes, there is not a single man in this House or

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anywhere else who is in favor of the exploitation or the persecution of little children. There is no controversy about most of the first few sections of the bill. Everybody is in agreement that we should not have convict labor, child labor, bid brokers, or sweatshops, and all of this oratory that we have been listening to recently is entirely beside the point. There is no issue about those sections, except that there are a number here who doubt the advisability of the provision that nobody shall be permitted to work who is under 18 years of age. There are literally thousands of boys and girls between the ages of 16 and 18 who earn a little money in the vacation time, on Saturday afternoons, and in their spare time earning a little money to help support their families or to put themselves through college.

There are some who do not think that is a very wicked thing. However, I am not prepared to oppose the bill on that ground, but the controversial issue in this bill is contained in subsections (b) and (c), that fix the arbitrary limit of 40 hours for a week's work in any factory in the United States doing business with the Government, no matter where it is, no matter what the nature of the industry is, and the other provision which permits the Secretary of Labor to arbitrarily fix the prevailing wages in factories—an impossible task. I have talked to friends of mine who are active in organized labor, and I am offering this amendment at the suggestion of practical, sensible, humane, intelligent representatives of labor. All labor asks or expects is that it shall be protected against the abuses, which are outlawed in the sections that I have mentioned, plus recognition of collective bargaining in the different communities where Government work is done. That is a practical proposition, an intelligent proposition. It is a proposition acceptable to labor leaders, and with that amendment there could be no possible objection to this bill. I ask you to give it your serious thought.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HEALEY. Mr. Chairman, I rise in opposition to the amendment. This bill, as it is written, has the unqualified endorsement of organized labor. They are satisfied with the provisions of that section, without change. Therefore I would ask those Members of the House who are anxious to get a bill through that will accomplish the objectives which this bill will accomplish, to vote down this amendment and keep this particular section intact.

Mr. WADSWORTH. Mr. Chairman, I ask unanimous consent that the Clerk may again report the amendment.

The CHAIRMAN. Without objection the Clerk will again report the amendment.

There was no objection.

The Clerk again reported the amendment offered by Mr. HANCOCK of New York.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. HANCOCK of New York) there were—ayes 19 and noes 75.

So the amendment was rejected.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WADSWORTH: Page 22, line 8, after the word "under", strike out "eighteen" and insert "sixteen."

Mr. WADSWORTH. Mr. Chairman, I assume that this amendment is doomed to defeat. I offer it, however, in entire good faith and in the firm belief that the bill as amended will do serious injury to a great many youths of this land—not children, but youths—who either directly or indirectly will be denied employment if this bill should pass in its present form.

Forty-six of the forty-eight States in the Union today have child-labor laws. I have never been able to understand how the child-labor question has suddenly become a national question. I had occasion to study the child-labor laws at the time the pending child-labor amendment was submitted to the States of the Union back in 1923 or 1924—13 years ago. It is still pending, 38 States having rejected it. They rejected it because they already have adequate child-labor laws, with two or three exceptions. The State of New York, for example, has had adequate child-labor laws for 30 years. The State of Massachusetts has had an excellent law for years, and most of the States have.

Mr. CONNERY. Did the gentleman say 38 States had rejected it?

Mr. WADSWORTH. Thirty-eight State legislatures at one time or another have rejected the child-labor amendment. Some have changed back and forth. However, that is not the question. The State of New York has recently raised its restrictions from 14 years to 16 years with respect to compulsory school attendance. Many other States, step by step, are improving their laws year by year. Instead of denouncing the situation in this country we ought to be proud of the progress that has been made by the States in the last 15 or 20 years, in the elimination of child labor.

There is a group of people between the ages of 16 and 18 who are not children. They are youths. I may remind you, for example, referring to the extraordinary abilities of youth—not childhood but of youth—that in the Union Army at the end of the Civil War there were 800,000 soldiers in their sixteenth year; that youths of 17 have crowded the Army, doing the work of men. True, war is cruel and I am not advocating anything like that in connection with industry.

But I plead for the boy of 17, perfectly competent to do light work from time to time, whether it be in the factory or on the farm, who is trying to get together a little money to enable him to go to college. This bill says, inferentially, to him, "No; you shall not." Thousands of boys of 16½ and 17 and 17½ earn a little money to help their mothers. They may not work 6 days a week or anything like 40 hours a week. They may only work a few hours a week, but indirectly this bill says to those boys, "No; you shall not."

I happen to know something about the canning industry. It is a seasonal industry. Canning factories will fall under the provisions of this bill because they sell to the Government canned sweet corn, canned tomatoes, canned peas, and various other canned vegetables. They employ countless youths in the canning season. Under this bill, they must deny them employment, if they furnish goods to the Government.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I cannot. My time is limited.

The CHAIRMAN. The time of the gentleman from New York [Mr. WADSWORTH] has expired.

Mr. CHANDLER. Mr. Chairman, I rise in opposition to the amendment.

In the first place, I should like to state that no agricultural products are included within the terms of this bill at all.

Mr. WADSWORTH. Will the gentleman read section 9 about that? Agricultural products are not included, but the processor is included, and the canner is a processor. Now read it.

Mr. CHANDLER. That may be.

Mr. WADSWORTH. You people do not know how far your bill goes.

Mr. CHANDLER. Oh, yes; we do. We know how far it goes; and we are here for the purpose of preventing your people from keeping little children at work in the factories of this country. That is true. I submit this amendment was a matter of very long and serious discussion. It is one that we talked over a long time. If there is any real merit in this bill, it is in leading the way to a better day in industry in this country. If any hardships are going to be worked, the Secretary of Labor has a right to modify any contract so as to permit the employment of child labor. They talk about child labor, but do not do anything about it.

Eight or nine of the States of this Union have 16 years as the minimum age; and, as far as I can tell from the report of the Department of Labor, New York has a minimum age of 14 for employment outside of school hours in nonfactory occupations.

Mr. WADSWORTH. The Department of Labor is behind the times. The Legislature of New York passed a law this year raising the age limit to 16.

Mr. CHANDLER. Thirty-five States of the Union still have 14 years as the minimum age. One State, I think, has no minimum age.

This amendment should be defeated. The welfare of working boys and girls of America will be promoted by its defeat. The real merit of this bill lies in the fact that it is intended to lead the way to better days in the business and industrial life of the Nation. No hard and fast or invariable rules have been laid down in the measure. If hardships are being worked, the Secretary of Labor is empowered to modify any of the requirements of the bill. We are really setting up guideposts to the way of industrial peace and harmony.

When we think of children in industry we should not think only of boys, but also of girls, who, when they once drop their school work and go into the factories and shops and bend over the machines and work tables, are starting a life tenure.

I appeal to you in the interest of the health of the children of America to vote against this amendment. The boys and girls who are just 16 are not fully developed physically, and beginning their life work at 16 years of age means the placing of permanent strains on their bodies when they are not ready to bear them, and that means premature age and disability before their usefulness should end.

I appeal to you in behalf of the boys and girls, who should be permitted to continue in school until they are 18 years of age, and thereby be better fitted to take their stands and do their parts in the work of the world. To give our children better educations is to give them better understandings of our national problems and to better fit them to meet their responsibilities as citizens and also improve their chances of success in life. Ignorance never made a good workman.

Recently, in his speech before the Young Democratic Clubs of Maryland, the President said:

> We in your Government are seeking to extend the school age in every State in the Union, and to make it easier for boys and girls to stay in school. Work out for yourselves what would happen if all the boys and girls of 14 and 15 and 16 and 17, who are now working in industry, found it possible to stay in school until they were at least 18 years old. How many jobs would that give to the young people of the Nation who have been graduated from high school and college? And how much better equipped would be these youngsters, who are now at work, if they could stay in school to the completion of their education?

So, the provision in the bill is also designed to aid employment, not only by giving jobs to grown-ups with family responsibilities but by raising the standard of education and thereby raising the standards of both quality and quantity production in industry. The problems of employer and employee will be more readily solved if there is more thorough preparation for one's life work.

It has been argued that parents need the help of their children as joint breadwinners, but I have confidence that the parents of the boys and girls of today and tomorrow will meet the responsibilities placed upon them by this bill. Necessity is the mother of invention. By fixing the minimum age for child labor at 18 years, we simply withdraw the temptation to send boys and girls into factories before they are physically and mentally ready to go. Boys and girls are not employed in factories because they are better workmen. It is because they are cheaper workmen and are paid less. The world so often overlooks that, in the impressionable years and in the formative periods of life, our viewpoints can be molded by the artificial light of a factory or under the stress and strain and sweat of labor.

We talk much about child labor and inveigh against it, but we do not do much about it. Now is the time to take a bold step and make a courageous stand. All of us who have worked hard on this bill believe that this is one of the high lights of it, and those of you who oppose this measure will find in this provision its redeeming feature. Let us all therefore vote down this amendment and I believe in my heart that future generations in America will rise up and call you blessed.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. CHANDLER. I yield.

Mr. WADSWORTH. Would the gentleman object to exempting seasonal employment during summer vacations?

Mr. CHANDLER. I think the Secretary of Labor has the right to exempt them under this bill.

Mr. WADSWORTH. Oh, she can change this law?

Mr. CHANDLER. She has the right to modify the terms of contracts where it would work a hardship; yes. We are not trying to make it impossible to work out modifications of this law. As I said, this is a great forward step in the right direction.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am in hearty accord with the amendment offered by the gentleman from New York [Mr. WADSWORTH]. The minimum age in the N. R. A. bill was 16 years, and that was bad enough. I want to give you an illustration. In my home city, which is not as large as New York—25,000 people—there was working for the Postal Telegraph Co. a boy who lacked 5 months of being 16 years old. He was the breadwinner of the family. His mother was a widow, sick and bedridden. He was one of the ablest employees the Postal Telegraph Co. had in its office. This was told me by the manager of the Postal Telegraph Co. He said: "Why, Mr. BLANTON, this is one of the finest boys I have in my service, and I have got to discharge him because the law says he must be 16." The boy was around in my office with tears in his eyes because he was going to have to put his mother on relief.

I wired Gen. Hugh Johnson and asked him to make an exception in this boy's case. I gave him all the facts. I got a wire in reply, signed Hugh Johnson, but which afterward General Johnson said was sent without his knowledge by a subordinate, that the law was like that of the Medes and the Persians, there could be no exception to it; that this boy would have to do like everybody else in his situation—give up his job.

Then I wired the President of the United States, and I said, "Mr. President, here are the facts." And I told him about the boy being the breadwinner of the family. Immediately came a telegram exempting the boy from that law, and he was allowed to work on. But suppose I could not have gotten the ear of the President, that family would have had to have gone on relief and it would have embittered a splendid, fine young American who was glad to be the breadwinner of his family.

I was the main breadwinner of a family when I was 10 years old.

I have been the main breadwinner of a family ever since I was 10 years old, and I am proud of it. The proudest moments of my life were when I was a young boy working for my loved ones. That is the best thing you can do for an American boy. Talk about raising him in idleness. You will have him stealing automobiles. You will have him breaking into stores. You will have him become lazy and irresponsible. I do not want to do that for the American boys of this Nation.

Let us put this down to 16 years at least. It is a good amendment, and I may say to the gentleman from New York he is doing a great service if he can get his amendment passed.

[Here the gavel fell.]

Mr. COLMER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I do not often intrude my thoughts upon this body. Many times I sit back and listen to the debate, letting things go by, when possibly I might have said something or done something which might have prevented an injustice being done.

As I have listened to the distinguished gentleman from New York and those who followed him I felt the urge to say that unnecessary something. I think the gentleman from New York is eminently correct in the position he is taking and in offering this amendment. He is many times correct,

even though he sits on the wrong side of the aisle. The fact of the matter is I think the Republicans—and it is not my duty to tell them what to do—could have done much better than they possibly did out there the other day if they had selected the gentleman from New York as their standard bearer. [Applause.]

It seems like I started something. I am glad I did not start it before the convention.

I call attention to the fact that many of the greatest men in this country, the leaders in industry, in finance, and in politics, were men who started out at the age of 15, 16, or 17 years to make their own way in this world. History is replete with instances of men who have amounted to something in this world who started earning their own way and supporting their families before they were 16 years of age.

May I say I think we would make a great mistake if we did not adopt the amendment offered by the gentleman from New York. Let us give the boys a chance. I dare say if a census was taken of the Members of this House tonight it would be found that possibly a majority of the membership had contributed to their own educational endeavors by working their way through college before they were 18 years of age. Let us not cut off the opportunity to the deserving youth of our Nation to get an education and amount to something.

Mr. Chairman, I hope the amendment offered by the gentleman from New York will be adopted.

Mr. HEALEY. Mr. Chairman, I ask unanimous consent that all debate on this particular amendment be closed in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. LORD. Mr. Chairman, I object.

Mr. RABAUT. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, we are all very much interested in the self-made young man, but how many are mindful today of what the speed-up system in industry has done to the man when he reaches 40 years of age? How many are mindful of the fact that there are certain industries in this country that take no cognizance of a man when he reaches the age of 40? He is discharged. After a lay-off he is not recalled. He is left at home; he has his family on his hands, and his son goes to work at the age of 18, taking precedence over the father in the home.

Get this in your minds. The spirit of letting a man out of his position because he cannot follow the speed-up of the motor and of the system of manufacturing today is one of the worst things going on in industry in this country. It is the wrecker of the home. It deals to the worker the body blow depriving him of the pay envelope, of the position to which he has given the best years of his life. His right to support his family is denied. It causes disrespect for the head of the family and I think we ought to do a bit of thinking on this floor and in this chamber with regard to the man who is the head of a family, rather than comparing him with the youth who is just starting out at the age of 16.

One has an obligation. He has the obligation of home ties. He has the obligation of educating his children. He has a contract to pay upon his home. He has his family to support. He finds himself out in the cold because of discrimination at the early age of 40. Why, they have the nerve to ask you today when applying for a position, whether or not you have a college education. When you reach the age of 40, 15 years after leaving the college door, 15 years after you have said farewell to your alma mater, you are supposed to be through. Tell me how can anyone accomplish the results that are necessary in life in this short duration of time?

I think the President's speech at Baltimore, wherein he made reference to this curtailment at both ends of the working period of life, in order that people may have an opportunity to provide for their families, ought to be in the mind of those of you who are about to vote on this legislation.

As a Representative from a great industrial district I am concerned with the workers' welfare. I am concerned in his morale; I am concerned in the preservation of his initiative; and the discrimination against men of 40 and over brings to the mind of the worker in the best age of his manhood a constant worry as to the safety of his position, which worry and anxiety places the gnawing worm of fear upon his future economic status. The discrimination on the part of industry against those of an age in the neighborhood of 40 is one of the most unjust acts of modern industrial progress. It is un-American, it is inhuman and has not an ounce of sportsmanship in its make-up. Let us hope that the passage of this legislation will in some way assist in a correction. [Applause.]

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I offer an amendment to the amendment which I send to the desk.

The Clerk read as follows:

Amendment by Mr. CONNERY: Page 22, line 8, after the word "no", insert "male."

Page 22, line 8, after the word "under", strike out "18" and insert "16."

Mr. CONNERY. Mr. Chairman, the purpose of this amendment is to have this law allow men at 16 years of age to work, but not women at 16 years of age.

Mr. WADSWORTH. Will that be the effect of the gentleman's amendment to my amendment?

Mr. CONNERY. Yes; I do not want women to work under 18, but I am willing to have men work at 16, because I agree with the views expressed by the gentleman that a young man of 17 years of age, particularly in the position outlined by the gentleman from Texas of having a widowed mother with the various things that may come up, should be entitled to go to work, if necessary to support, for instance, a widowed mother.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. WADSWORTH. May I say to the gentleman from Massachusetts that insofar as I may do so, I am pleased to accept his amendment to my amendment.

Mr. PATMAN. Mr. Chairman, I offer a substitute amendment for the Wadsworth amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. PATMAN: Page 22, line 8, after the word "age", insert: "*Provided, however,* That the minimum age provided by State law where the contract is to be performed shall apply if under 18 years of age."

Mr. PATMAN. Mr. Chairman, I hope the committee will accept this amendment. It merely provides that if the contract is to be performed in a State where the minimum age is under 18 the State law will prevail. I think this is fair. If, however, it is feared that some States might have a law with a minimum too low, I shall gladly accept an amendment or offer it myself that no minimum shall be less than 15 or 16, whichever the committee prefers.

Mr. DINGELL. Mr. Chairman, will the gentleman yield for a question?

Mr. PATMAN. I yield.

Mr. DINGELL. I should like to know whether the gentleman means that where there is a State law of 14 years the State law would apply?

Mr. PATMAN. Yes; it is up to the State. If that State wants to provide that, let them go ahead and do it. Certainly 14 would be low in many lines of work, but under certain conditions and certain types of work I can imagine a case where it would be justified. Such cases would likely represent the exception rather than the rule. If abused, we could change the law.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. BOILEAU. Then the gentleman would permit the Government to buy certain things from his State, where the minimum is 16 years, while in another State, where 18 years is the limit, such conditions would not be permitted to apply.

Mr. PATMAN. Let the State law apply, and recognize the right of the State in that respect. However, if we think a State might abuse this privilege, we may insert a minimum that will be recognized, as I stated in the beginning.

Mr. BOILEAU. Some States have a minimum as low as 12 or 13 years.

Mr. PATMAN. In order to take care of such cases, we should probably amend our proposal and insert a minimum that will be recognized. If we do that, however, I presume it would be well to vote this substitute down and vote for the amendment of the gentleman from New York [Mr. WADSWORTH], which provides for 16 years. This amendment or substitute was offered for the purpose of discussion, in the hope that we could leave as much power to the States in this respect as possible consistent with safety.

Mr. BOILEAU. How about a State that does not have any such requirement?

Mr. PATMAN. Then the provisions of this bill would apply.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. O'MALLEY. How would the manufacturers in my State, for instance, be able to compete on these contracts, where the age limit is higher than in many of the other States?

Mr. PATMAN. That would be up to the State. I have never considered that a State would change its laws to avoid this bill.

Mr. CELLER. Mr. Chairman, is the gentleman in favor of the bill?

Mr. PATMAN. Yes; I expect to vote for the bill, whether this amendment is adopted or not. If my substitute is not looked upon favorably—and I have a feeling it is not—I hope the amendment of the gentleman from New York will be adopted.

Mr. CELLER. Does not the gentleman think the amendment would vitiate the purposes of the bill?

Mr. PATMAN. No; I think this is simply leaving it up to each State to fix its own minimum. If they want to fix it at 20, they can do it under this amendment, or at least according to my way of thinking; but let each State fix its own minimum-age requirements, so long as that minimum age is not too low.

Mr. BOILEAU. That is existing law, is it not?

Mr. PATMAN. No; if this bill passes, it will not be existing law.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MICHENER. If the gentleman is correct in his philosophy, applying the same principle of permitting the States to control in the matter, why would not the gentleman permit State control as to the hours, rather than pass a 40-hour measure here? The gentleman is entirely inconsistent.

Mr. PATMAN. We are not dealing with hours; only with age.

Mr. MICHENER. Yes; we are dealing with hours in this bill.

Mr. PATMAN. I mean we are not dealing with hours in this amendment.

Mr. MICHENER. The gentleman states he is in favor of the bill.

Mr. PATMAN. We are dealing here with the question of age.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. SIROVICH. Does not the amendment which the gentleman has proposed place a premium upon the State that would exploit its children as against the States that would protect them?

Mr. PATMAN. No; I do not think the States would do that; anyway, if they should attempt to exploit their children, we could stop it immediately.

Mr. KELLER. What would the gentleman do under his amendment in a State where they had no minimum age?

Mr. PATMAN. Where there is no State law, this act would apply; the minimum age will be 18 unless the amendment of the gentleman from New York prevails; in that event it will be 16.

Mr. KELLER. How about a minimum age of 14?

Mr. PATMAN. But where the States have elected to pass a law of their own, the State law would be given recognition, unless Congress believed the minimum age so fixed was too low.

Mr. KELLER. In other words, if there were a law permitting a 10-year-old child to work, the gentleman would agree to that?

Mr. PATMAN. Of course, I do not know of any State that has such a minimum age. Personally I certainly would be opposed to that, and I do not think the States would have a law that would permit children of that age to work in the industries affected by this bill; if so, we should guard against any such abuse.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts, Mr. CONNERY.

Mr. CONNERY. Mr. Chairman, I ask unanimous consent to modify my amendment to cover the proposition I suggested in respect to women. As the amendment read, it would apply only to men and would leave out women entirely. They could work them at 12 years of age. I want to fix it so that they cannot work women under 18 years of age. I ask unanimous consent that the amendment be changed in that respect.

The CHAIRMAN. Without objection the amendment will be modified as indicated and the Clerk will report the modified amendment.

The Clerk read as follows:

Page 22, line 8, after the word "no", insert the word "male" and strike out the word "eighteen" and insert in lieu thereof the word "sixteen", and after the word "age" in the same line insert "and no female person under eighteen years of age".

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts to the amendment of the gentleman from New York.

The question was taken; and on a division (demanded by Mr. CONNERY) there were, ayes 99, noes 31.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question now is on the substitute amendment offered by the gentleman from Texas to the amendment offered by the gentleman from New York.

The question was taken; and the substitute amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from New York, as amended.

The question was taken; and on a division (demanded by Mr. BOILEAU) there were, ayes 103, noes 29.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 2. That any breach or violation of any of the representations and stipulations in any contract for the purposes set forth in section 1 hereof shall render the party responsible therefor liable to the United States of America for liquidated damages, in addition to damages for any other breach of such contract, the sum of $10 per day for each person under 18 years of age or each convict laborer knowingly employed in the performance of such contract, and a sum equal to the amount of any deductions, rebates, refunds, or underpayment of wages due to any employee engaged in the performance of such contract; and, in addition, the agency of the United States entering into such contract shall have the right to cancel same and to make open-market purchases or enter into other contracts for the completion of the original contract, charging any additional cost to the original contractor. Any sums of money due to the United States of America by reason of any violation of any of the representations and stipulations of said contract set forth in section 1 hereof may be withheld from any amounts due on any such contracts or may be recovered in suits brought in the name of the United States of America by the Attorney General thereof. All sums withheld or recovered as deductions, rebates, refunds, or underpayments of wages shall be held in a special deposit account and shall be paid, on order of the Secretary of Labor, directly to the employees who have been paid less than minimum rates of pay as set forth in such contracts and on whose account such sums were withheld or recovered: *Provided*, That no claims by employees for such payments shall be entertained unless made within 1 year from the date of actual notice to the contractor of the withholding or recovery of such sums by the United States of America.

SEC. 3. The Comptroller General is authorized and directed to distribute a list to all agencies of the United States containing the names of persons or firms found by the Secretary of Labor to have breached any of the agreements or representations required by this act. Unless the Secretary of Labor otherwise recommends no contracts shall be awarded to such persons or firms or to any firm, corporation, partnership, or association in which such persons or firms have a controlling interest until 3 years have elapsed from the date the Secretary of Labor determines such breach to have occurred.

Mr. CONNERY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: Page 23, line 5, after the word "each" insert the word "male" and strike out the word "eighteen" and insert in lieu thereof the word "sixteen", and after the word "or" insert "each female person under 18 years of age."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. The Secretary of Labor is hereby authorized and directed to administer the provisions of this Act and to utilize such Federal officers and employees and, with the consent of the State, such State and local officers and employees as he may find necessary to assist in the administration of this act and to prescribe rules and regulations with respect thereto. The Secretary shall appoint, without regard to the provisions of the civil-service laws but subject to the Classification Act of 1923, and administrative officer, and such attorneys and experts, and shall appoint such other employees with regard to existing laws applicable to the employment and compensation of officers and employees of the United States, as he may from time to time find necessary for the administration of this act. The Secretary of Labor or his authorized representatives shall have power to make investigations and findings as herein provided, and prosecute any inquiry necessary to his functions in any part of the United States. The Secretary of Labor shall have authority from time to time to make, amend, and rescind such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 5. Upon his own motion or on application of any person affected by any ruling of any agency of the United States in relation to any proposal or contract involving any of the provisions of this act, and on complaint of a breach or violation of any representation or stipulation as herein provided, the Secretary of Labor, or an impartial representative designated by him, shall have the power to hold hearings and to issue orders requiring the attendance and testimony of witnesses and the production of evidence under oath. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of contumacy, failure, or refusal of any person to obey such an order, any district court of the United States or of any Territory or possession, or the Supreme Court of the District of Columbia, within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which said person who is guilty of contumacy, failure, or refusal is found, or resides or transacts business, upon the application by the Secretary of Labor or representative designated by him, shall have jurisdiction to issue to such person an order requiring such person to appear before him or representative designated by him, to produce evidence if, as, and when so ordered, and to give testimony relating to the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof; and shall make findings of fact after notice and hearing, which findings shall be conclusive upon all agencies of the United States, and if supported by the preponderance of the evidence shall be conclusive in any court of the United States; and the Secretary of Labor or authorized representative shall have the power, and is hereby authorized, to make such decisions, based upon findings of fact, as are deemed to be necessary to enforce the provisions of this act.

SEC. 6. Upon a written finding by the head of the contracting agency or department that the inclusion in the proposal or contract of the representations or stipulations set forth in section 1 will seriously impair the conduct of Government business, the Secretary of Labor shall make exceptions in specific cases or otherwise when justice or public interest will be served thereby. Upon the joint recommendation of the contracting agency and the contractor, the Secretary of Labor may modify the terms of an existing contract respecting minimum rates of pay and maximum hours of labor as he may find necessary and proper in the public interest or to prevent injustice and undue hardship. The Secretary of Labor may provide reasonable limitations and may make rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this act respecting minimum rates of pay and maximum hours of labor or the extent of the application of this act to contractors, as hereinbefore described. Whenever the Secretary of Labor shall permit an increase in the maximum hours of labor stipulated in the contract, he shall set a rate of pay for any overtime, which rate shall be not less than one and one-half times the basic hourly rate received by any employee affected.

SEC. 7. Whenever used in this act, the word "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

SEC. 8. The provisions of this act shall not be construed to modify or amend title III of the act entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved May 3, 1933 (commonly known as the Buy American Act), nor shall the provisions of this act be construed to modify or amend the act entitled "An act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes", approved March 3, 1931 (commonly known as the Bacon-Davis Act), as amended from time to time, nor the labor provisions of title II of the National Industrial Recovery Act, approved June 16, 1033, as extended, or of section 7 of the Emergency Relief Appropriation Act, approved April 8, 1935.

Mr. McCORMACK. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MCCORMACK: Page 28, after line 14, change the period to a semicolon and insert "nor shall the provisions of this act be construed to modify or amend the act entitled 'An act to provide for the diversification of employment of Federal prisoners, for their training, schooling in trade and occupations, and for other purposes, approved May 27, 1930, as amended, and supplemented by the act approved June 23, 1934.'"

Mr. McCORMACK. Mr. Chairman, I understand there is no objection to this amendment.

Mr. HEALEY. We have no objection to this amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BIERMANN. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the committee a few questions. These questions apply more particularly to the first section of the bill than to this section, but in the course of the debate no one has disclosed whether or not the prevailing minimum wage is to be determined before a contract is entered into or afterward?

Mr. HEALEY. The prevailing minimum wage will be determined, presumably, before a contract is entered into. In other words, the Secretary of Labor will have to conduct an investigation, hold hearings, and take whatever steps are necessary to determine the prevailing wage, before the wage provisions of this bill become effective under section 11. Until that is determined, no minimum-wage provision will be included in a contract.

Mr. BIERMANN. Then all bidders will be bidding on the basis of the same wage? They will know in advance of their bids what the wages will cost them?

Mr. HEALEY. The Secretary of Labor will have schedules and information which may be furnished to any person interested in bidding on a contract.

Mr. BIERMANN. I should like to ask one more question. In a small point such as we have in northeastern Iowa, say a town of 4,500, who is going into that town and say what is the prevailing wage?

Mr. HEALEY. The prevailing wage will be determined for the general locality. It will be, as I have stated, by investigation and hearing.

The pro-forma amendment was withdrawn.

The Clerk read as follows:

SEC. 9. This act shall not apply to purchases of such materials, supplies, articles, or equipment as may usually be bought in the open market unless specially manufactured to conform to particular specifications; nor shall this act apply to perishables, including dairy and nursery products, or to agricultural or farm products, processed for first sale by the original producers; nor to any contracts made by the Secretary of Agriculture for the purchase of agricultural commodities or the products thereof. Nothing in this act shall be construed to apply to carriage of freight or personnel by vessel, airplane, bus, truck, express, or railway line where published tariff rates are in effect or to common carriers subject to the Communications Act of 1934.

Mr. HEALEY. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HEALEY: On page 28, line 19, after the word "dairy", insert a comma and the word "livestock."

Mr. HEALEY. Mr. Chairman, in the opinion of members of the committee livestock comes under the category of perishables; and in order that no undue hardship may be imposed upon this industry, the committee requests that this amendment be passed so that livestock will be placed in the same category as other perishables.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. HEALEY. With pleasure.

Mr. CRAWFORD. I should like to ask the gentleman if any provision is in this bill, or if any thought has been given to the question of floor stocks which will have been processed 6 months ago, and will be on the floor when this bill becomes operative?

Mr. HEALEY. I will say that the provisions of this bill will not apply to goods of that type.

Mr. CHANDLER. If you have floor stocks, they are in the open market and already available, and it does not apply at all.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. I yield.

Mr. CHRISTIANSON. I should like to ask the gentleman how he considers this language in line 20 on page 28, "it shall not apply to agricultural or farm products, processed for first sale by the original producers"? Producers of what? Of agricultural or farm products?

Mr. HEALEY. Yes.

Mr. CHRISTIANSON. Does the gentleman mean that the only cases in which this shall not apply are cases in which agricultural or farm products are processed for first sale by the original producer, which is the farmer? I think the language needs clarification.

Mr. HEALEY. I think perhaps the committee may offer an amendment to correct the present punctuation, which may satisfy the gentleman.

Mr. CHRISTIANSON. Presumably what the gentleman means is that farm products processed, for instance, by a miller, processed for first sale by a miller or a packer, as the case may be, and not the original producer.

Mr. HEALEY. The intention of the committee, I believe, is as the gentleman has stated it.

Mr. CHRISTIANSON. Can we rely on the gentleman to offer an amendment to clarify that language?

Mr. HEALEY. You may.

Mr. BOILEAU. Will the gentleman yield?

Mr. HEALEY. I yield.

Mr. BOILEAU. I do not presume the United States Government buys any farm products——

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. HEALEY] has expired.

Mr. BOILEAU. Mr. Chairman, I move to strike out the last word. I should like to carry on the colloquy with the gentleman from Minnesota.

I do not presume the United States Government buys any farm products that are not processed, except perishables. Perishables are definitely exempted. So are dairy products, livestock, and nursery products. I cannot think of any other farm products that the United States Government buys.

Mr. CHRISTIANSON. I do not think the gentleman from Wisconsin understands my question. The question is not whether or not farm products are processed by the farmer, as I understand it. Farm products are to be exempted if processed by anybody whatsoever, in the hands of the original processor.

Mr. BOILEAU. I did not understand the gentleman's position.

I should like to call one other matter to the attention of the committee, and that is with reference to the amendment that was recently adopted changing the age limit from 18 to 16, so far as male children are concerned. After all, they are children at that tender age. I submit that this House made a very grave and serious mistake in adopting that amendment.

I call the attention of the Members of this House to the so-called anti-child-labor-amendment to the Constitution now pending before the State legislatures. The resolution has passed this House and has been submitted to the State legislatures. A number of States already have ratified it. It requires the ratification of only a few other States before it becomes an amendment to the Constitution. This proposed constitutional amendment fixes the minimum age at 18 year, not 16, for children; and the adoption of this amendment to this bill by this Congress will give encouragement to those who are trying to defeat that constitutional amendment. You will hear the cry in those State legislatures during the coming year or two that even Congress has changed its mind with reference to the child-labor amendment and they will point to the action taken here. [Applause.]

I submit to the membership of this House, and particularly to those who are friendly to the child-labor amendment to the Constitution, that we have made a serious mistake. Our action here today will encourage those who are exploiting labor and put off the day when we shall have a real anti-child-labor amendment to the Constitution.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. CONNERY. I may say to the gentleman from Wisconsin that when the child-labor amendment came up for consideration there was a great question in the American Federation of Labor as to whether the age should be 16 or 18. The passage of this law by this Congress will not in any way interfere with the States if they wish to make the age limit 18.

Mr. BOILEAU. I would remind the gentleman that that question was decided years ago. I submit that we could have performed a great service by voting down this particular amendment to this bill today. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was agreed to.

Mr. McREYNOLDS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McREYNOLDS: Page 28, line 17, after the word "market", strike out "unless specially manufactured to conform to particular specifications."

Mr. McREYNOLDS. The purpose of this amendment is more for clarification than anything else. I ask the gentleman from Massachusetts whether the committee will accept this amendment?

Mr. HEALEY. I think the committee can accept the gentleman's amendment.

Mr. McREYNOLDS. With that statement by the gentleman from Massachusetts I have nothing to say except to congratulate the House because it will be a House bill that goes to the Senate and that will come back from the conference, and that for one time we have forced the Senate to take it.

The CHAIRMAN. The question is on the amendment of the gentleman from Tennessee.

The amendment was agreed to.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WADSWORTH: Page 28, line 15, after the word "purchases", insert "of works of art or."

Mr. WADSWORTH. Mr. Chairman, my amendment if adopted would make the first line of section 9 read:

This act shall not apply to purchases of works of art or such materials, supplies, articles, or equipment—

And so forth.

I think the purpose of the amendment must be perfectly clear. It is not offered in a controversial spirit at all. I assume the committee did not desire to impose a 40-hour week or an 8-hour day or a minimum wage upon artists. The Government occasionally makes an agreement with a

great sculptor to furnish a statue in connection with a memorial or public building, or perhaps makes an agreement for a painting. It would seem to me to be the height of absurdity to say to the sculptor, "You shall not work on your statue more than 40 hours a week or more than 8 hours a day; and if you employ some assistants in your studio, they shall be subject to the wage and hour provisions of this law." It is outside the field of industry.

Mr. HEALEY. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Massachusetts.

Mr. HEALEY. The provisions of this act do not affect personal or professional services, and, in my judgment, the type of work referred to by the gentleman is performed by a professional person. The amendment he offers would relate more to professional services, whereas this bill applies to labor.

Mr. WADSWORTH. The bill does apply to articles furnished to the Government by contract, and a statue or a painting is an article. I see nothing controversial about it.

Mr. HEALEY. If the gentleman feels it may be affected by the terms of this bill, I think perhaps it might merit the serious consideration of the Committee, but, in my judgment, this would be termed a professional service.

Mr. WADSWORTH. But an article is sold to the Government.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Pennsylvania.

Mr. ELLENBOGEN. The term "work of art" would apply to a piece of sculpture that is manufactured commercially by thousands of people. If the gentleman would add the words "not of a commercial nature", I think his amendment would be more in the spirit in which he describes it.

[Here the gavel fell.]

Mr. MICHENER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not see any reason why we should make any exception in reference to artists. If the Government lets a contract for a splendid building and an artist paints the pictures on the wall or does some sculptural work, it seems to me there is no more reason why he should be permitted to work 10, 12, or 14 hours a day or why he should be permitted to have his assistants, his attendants, and the people whom he employs work 10, 12, or 14 hours a day any more than the house painter, the bricklayer, or carpenter. The other persons employed on the building are entitled to just as much consideration as the artist. Of course, the artist may be more aesthetic. He may do just a little different type of work. He may feel he belongs to an excepted or a preferred class, and if he wants to work 10, 12, or 14 hours in order to finish the job and go on to some other job that he should be entitled to this preference; but it seems to me the artist on a Government building, the apprentices to the artists, and his assistants stand in exactly the same position as the bricklayer or the carpenter, the contractor, and all persons working on a similar building.

Mr. WADSWORTH. Will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from New York.

Mr. WADSWORTH. May I ask the gentleman from Michigan if he actually thinks it would have been contrary to good public policy to have permitted Daniel French to have worked more than 40 hours a week on the Lincoln statue in the Lincoln Memorial?

Mr. MICHENER. Possibly not; but by the same token it might not have been wise a few years ago to have prevented children 10 or 12 years old from working. Today it is wise. We are faced with present working conditions, and there is a surplus of artists. Today we are doing a lot of boondoggling to furnish employment for artists, and still the gentleman comes here and wants us to permit the few artists who have jobs to work 10, 12, or 14 hours a day. Of course, I know the gentleman is not in sympathy with this boondoggling proposition, and he is interested in these artists. If this bill becomes a law, there should be no exception.

[Here the gavel fell.]

Mr. ELLENBOGEN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ELLENBOGEN to the amendment offered by Mr. WADSWORTH: At the end of the amendment insert "not of a commercial nature."

Mr. WADSWORTH. Mr. Chairman, I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. ELLENBOGEN] to the amendment offered by the gentleman from New York [Mr. WADSWORTH].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. WADSWORTH].

The amendment was rejected.

Mr. BLANTON. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 28, line 20, after the word "products" insert "or to petroleum and oil-field products."

Mr. BLANTON. Mr. Chairman, I hope the Committee will accept this amendment, and I will state the reasons why. In Louisiana, Oklahoma, Texas, New Mexico, California, and other States many farms have been turned into oil fields. They have thereon little wells which have ceased to be producers, except pumpers, and many produce 10 or 15 or 20 barrels a day. Boys and young men earn their livelihood and support their families by driving trucks, by being tool dressers, and performing other services around these little oil fields. There are literally armies of them. Those little oil fields are situated all over my part of the country, and they are also in Louisiana, Oklahoma, and other States.

Mr. CELLER. Does the gentleman favor the bill?

Mr. BLANTON. If my amendment with reference to petroleum is adopted, I would think it were less objectionable.

Mr. CELLER. And if we do not agree to the amendment, will the gentleman vote for it?

Mr. BLANTON. No. I cannot support it. The Supreme Court will declare it to be unconstitutional. In counties in west Texas there is farm after farm laying idle. The land has not been worked for several years. Instead of working that farm land the boys are working in these little oil fields, and they are making a living as tool dressers, truck drivers, and so forth.

Mr. CITRON. To whom are they selling these products?

Mr. BLANTON. They are sold like all other oil products. The very business they are engaged in is the one thing that keeps the price of gasoline down in that country.

Mr. CITRON. Does the gentleman realize that this bill only applies to Government contracts?

Mr. BLANTON. Does not the Government enter into contracts in buying gas and oil?

Mr. CITRON. And only involves purchases of over $10,000?

Mr. BLANTON. The Government is one of the largest purchasers of gasoline in the country.

Mr. CITRON. And if we do this for the gentleman's section of the country, we will have to do it for the coal mines and silver mines and for the manufacturers in someone else's State and for the clothing manufacturers in Pennsylvania and for the sweatshops and the chiselers everywhere in the country.

Mr. BLANTON. What is the use of putting a whole army of boys who are making an honest living out of business?

Mr. CITRON. Who is proposing to put them out of business?

Mr. BLANTON. You are proposing to do that by this bill just as the last N. R. A. put them out.

Mr. CITRON. This is not an N. R. A. bill.

Mr. BLANTON. I consider this another N. R. A. bill in the miniature.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. McLAUGHLIN. Mr. Chairman, I ask unanimous consent to return to section 9 of the bill, in order that I may offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The CHAIRMAN. The gentleman from Nebraska offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McLAUGHLIN: On page 28, line 20, strike out the comma after the word "products."

Mr. McLAUGHLIN. Mr. Chairman, this is merely a clarifying amendment.

The amendment was agreed to.

The CHAIRMAN. The question is on the substitute committee amendment, as amended by the Committee.

The substitute amendment, as amended, was agreed to.

The CHAIRMAN. The Committee rises under the rule.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BLAND, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (S. 3055) to provide conditions for the purchase of supplies and the making of contracts, loans, or grants by the United States, and for other purposes, pursuant to House Resolution 549, he reported the same back to the House with an amendment adopted by the Committee.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed, read a third time, and was read the third time.

CONFERENCE REPORT—TREASURY AND POST OFFICE APPROPRIATION BILL, 1937

Mr. LUDLOW. Mr. Speaker, I present a conference report upon the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes, and ask unanimous consent for its present consideration, and that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 48 and 52, and the amendment of the House to the amendment of the Senate numbered 49 to the bill (H. R. 10919) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 48.

AMENDMENT NUMBERED 49

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 49 and agree thereto.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Payments Under Merchant Marine Act Contracts: For payments under contracts entered into by the Postmaster-General prior to March 4, 1933, or any modification thereof, under the provisions of the Merchant Marine Act of 1928 (U. S. C., title 46, secs. 891–891x), $26,500,000, of which $4,500,000 is an estimated amount representing the equivalent poundage-rate cost of transportation of the mail carried on vessels under such contracts and $22,000,000 is an estimated amount representing additional assistance toward the development of the American merchant marine: *Provided*, That no part of this sum shall be paid on contract numbered 56 to the Seatrain Company."; and the Senate agree to the same.

LOUIS LUDLOW,
JOHN J. BOYLAN,
EMMET O'NEAL,
JOHN TABER,
CLARENCE J. McLEOD,
Managers on the part of the House.

CARTER GLASS,
KENNETH McKELLAR,
CARL HAYDEN,
FREDERICK STEIWER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on amendments nos. 48 and 52 of the Senate and the amendment of the House to amendment no. 49 of the Senate to the bill (H. R. 10919), "Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes", submit the following statement in explanation of the effect of the action recommended and agreed upon as to such amendments in the accompanying conference report, namely:

On nos. 48 and 49, relating to transportation of foreign mail (exclusive of such mail carried under Merchant Marine Act contracts): Appropriates $9,717,500, as proposed by the House amendment to the Senate amendment, instead of $14,300,000, as proposed by the Senate, and $9,450,000, as proposed by the House bill.

On no. 52: Restores the appropriation of $26,500,000 carried by the House bill and stricken out by the Senate, carrying out contracts under the provisions of the Merchant Marine Act of 1928, with a modification of the text so as to indicate what portion of the appropriation is an estimated amount representing the equivalent poundage-rate cost of transportation of the mail carried on vessels under such contracts and what portion is an estimated amount representing additional assistance toward the development of the American merchant marine.

LOUIS LUDLOW,
JOHN J. BOYLAN,
EMMET O'NEAL,
JOHN TABER,
CLARENCE J. McLEOD,
Managers on the part of the House.

Mr. LUDLOW. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider the vote by which the conference report was agreed to was laid on the table.

PURCHASE OF LAND BY SCAPPOOSE, OREG.

Mr. MOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9654) to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the act of June 9, 1916 (39 Stat. 218), with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The gentleman from Oregon asks unanimous consent to take from the Speaker's table the bill H. R. 9654, with Senate amendments thereto, and concur in the Senate amendments thereto. The Clerk will report the Senate amendments.

The Clerk read as follows:

Page 1, line 4, strike out all after "patent" down to and including "thereof", in line 5.

Page 2, line 1, strike out all after "*Provided*" down to and including "bid", in line 9, and insert, "That before patent issues the city of Scappoose shall pay to the United States the appraised price for the timber on the said lands, the money so paid to be deposited in the Oregon and California land-grant fund for distribution in the manner provided by section 10 of the act of June 9, 1916 (39 Stat. 218)."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendments were concurred in.

CONVEYING CERTAIN LANDS TO CLACKAMAS COUNTY, OREG.

Mr. MOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9485) to convey certain lands to Clackamas County, Oreg., for public-park purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Oregon asks unanimous consent to take from the Speaker's table the bill H. R. 9485, with a Senate amendment thereto, and concur in the

Senate amendment. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 2, line 4, strike out all after *"Provided"* down to and including "bid", in line 10, and insert "That before patent issues Clackamas County shall pay to the United States the appraised price for the timber on the said lands, the money so paid to be deposited in the Oregon & California land-grant fund for distribution in the manner provided by section 10 of the act of June 9, 1916 (39 Stat. 218)."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was concurred in.

WELFARE OF AMERICAN SEAMEN

Mr. BLAND. Mr. Speaker, I present a conference report upon the bill (H. R. 8597) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States and to abolish arrest and imprisonment as a penalty for desertion, to secure the abrogation of treaty provisions in relation thereto and promote safety at sea and maintain discipline on shipboard, and for other purposes", for present consideration and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the statement.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8597), to amend section 13 of the Act of March 4, 1915, entitled "An Act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That section 13 of the Act of March 4, 1915, be amended to read as follows:

"'SEC. 13. (a) That no vessel of one hundred tons gross and upward, except those navigating rivers exclusively and the smaller inland lakes and except as provided in section 1 of this Act, shall be permitted to depart from any port of the United States unless she has on board a crew not less than 75 per centum of which, in each department thereof, are able to understand any order given by the officers of such vessel, nor unless 65 per centum of her deck crew, exclusive of licensed officers and apprentices, are of a rating not less than able seamen. Every person shall be rated an able seaman, and qualified for service as such on the seas, who is nineteen years of age or upward, and has had at least three years' service on deck at sea or on the Great Lakes, on a vessel or vessels to which this section applies, including decked fishing vessels, and vessels in United States Government service; and every person shall be rated an able seaman, and qualified to serve as such on the Great Lakes and on the smaller lakes, bays, or sounds who is nineteen years of age or upward and has had at least eighteen months' service on deck at sea or on the Great Lakes or on the smaller lakes, bays, or sounds, on a vessel or vessels to which this section applies, including decked fishing vessels and vessels in the United States Government service; and graduates of school ships approved by and conducted under rules prescribed by the Secretary of Commerce may be rated able seamen after twelve months' service at sea after graduation: *Provided*, That no boy shall be shipped on any vessel to which this section applies unless he meets the physical qualifications contained in regulations to be prescribed by the Secretary of Commerce and that no boy shall be placed on the lookout or at the wheel except for the purpose of learning, and that in narrow and crowded waters or in low visibility none below the rating of able seaman shall be permitted at the wheel: *Provided further*, That no deck boy shall be held qualified to fill the place of ordinary seaman until he has had at least six months' service as deck boy: *Provided further*, That upon examination, under rules prescribed by the Department of Commerce as to eyesight, hearing, and physical condition, such persons or graduates are found to be competent: *Provided further*, That upon examination, under rules prescribed by the Department of Commerce as to eyesight, hearing, physical condition, and knowledge of the duties of seamanship, a person found competent may be rated as able seaman after having served on deck twelve months at sea or on the Great Lakes, but seamen examined and rated able seamen under this proviso shall not in any case compose more than one-fourth of the number of able seamen required by this section to be shipped or employed upon any vessel.

"'(b) Application may be made to any board of local inspectors for a certificate of service as able seaman, and upon proof being made to said board by affidavit and examination, under rules approved by the Secretary of Commerce, showing the nationality and age of the applicant, the vessel or vessels on which he has had service, that he is skilled in the work usually performed by able seamen, and that he is entitled to such certificate under the provisions of this section, the board of local inspectors shall issue to said applicant a certificate of service as able seaman, which shall be retained by him and be accepted as prima-facie evidence of his rating as an able seaman.

"'(c) Each board of local inspectors shall keep a complete record of all certificates of service issued by them and to whom issued and shall keep on file the affidavits and records of examinations upon which said certificates are issued.

"'(d) The collector of customs may, upon his own motion, and shall, upon the sworn information of any reputable citizen of the United States setting forth that this section is not being complied with, cause a muster of the crew of any vessel to be made to determine the fact, at which muster said reputable citizen must be present; and no clearance shall be given to any vessel failing to comply with the provisions of this section: *Provided*, That the collector of customs shall not be required to cause such muster of the crew to be made unless said sworn information has been filed with him for at least six hours before the vessel departs, or is scheduled to depart: *Provided further*, That any person that shall knowingly make a false affidavit for such purpose shall be deemed guilty of perjury and upon conviction thereof shall be punished by a fine not exceeding $500 or by imprisonment not exceeding one year, or by both such fine and imprisonment, within the discretion of the court. Any violation of any provision of this section by the owner, master, or officer in charge of the vessel shall subject the owner of such vessel to a penalty of not less than $100 and not more than $500: *Provided further*, That the Secretary of Commerce shall make such rules and regulations as may be necessary to carry out the provisions of this section, and nothing herein shall be held or construed to prevent the Board of Supervising Inspectors, with the approval of the Secretary of Commerce, from making rules and regulations authorized by law as to vessels excluded from the operation of this section: *And provided further*, That no certificate of service as able seaman shall be issued by any board of local inspectors until after examination of the applicant therefor, under rules and regulations prescribed by the Secretary of Commerce, as to his efficiency, and upon proof, as a result of such examination, that he has been trained in and is acquainted with the duties entitling him to such rating. No seaman shall be considered an 'able seaman' within the meaning of the laws of the United States relating to the manning of vessels unless he is in possession of such certificate issued by the board of local inspectors. All certificates as 'able seaman' and 'lifeboatman' issued by the several boards of local inspectors or other Federal officers prior to the passage of this act shall, within six months thereafter, be surrendered to such boards of local inspectors for cancelation, and there shall be issued in lieu thereof to all able seamen and lifeboatmen found qualified by such examination new certificates as required by law: *Provided*, That if due to inability on the part of the Department of Commerce to carry out the provisions of this subsection with regard to all seamen, the Secretary of Commerce may, in his discretion, extend the time for a period not to exceed three months. Such new certificates shall be stamped with the seal of the board of local inspectors, placed partially over the signature of the applicant for such certificate; and there shall be attached thereto a photograph of the applicant. Any other safeguards which, in the judgment of the Secretary of Commerce, may be necessary and advisable to establish the authenticity of the certificate, are hereby authorized.

"'(e) No vessel to which this section applies may be navigated unless all of the complement in her engine department above the rating of coal passer or wiper and below the rating of licensed officer shall be holders of a certificate of service as a qualified member of the engine department. The local inspectors of the Bureau of Marine Inspection and Navigation shall, upon application and examination as to competence and physical condition, as prescribed by the Secretary of Commerce, issue such a certificate of service. An applicant for such rating shall produce to such inspectors definite proof of at least six months' service at sea in a rating at least equal to that of coal passer or wiper in the engine department of vessels required by this Act to have such certificated men.

"'(f) As to the certificates of service or efficiency, the Secretary shall promulgate rules covering the form, contents, and manner of issuance, which shall include a provision that copies of these and all documents pertaining thereto be filed in the local offices and in the central office in Washington.

"'(g) That the boards of local inspectors of the Bureau of Marine Inspection and Navigation shall, without examination (except food handlers who must be free from communicable disease), issue to all members of the crews of merchant vessels of the United States (except licensed officers), certificates of service for ratings other than as able seaman or a qualified member of the engine department, which certificates shall authorize them to serve in the capacities specified in such certificates: *Provided*, That such certificates shall not issue before oath has been taken before one of the said inspectors that the applicant therefor will

faithfully and honestly perform all the duties required of him by law, and carry out the lawful orders of his superior officers on shipboard and, in the case of a radio operator, shall produce to the local inspectors his unexpired license issued by the Federal Communications Commission to act in that capacity: *And provided further*, That when a certificate has been revoked or suspended under the provisions of subsection (h) of this section, a new certificate shall not be issued until a board of local inspectors shall determine that the issue of such new certificate is compatible with the requirements of good discipline and safety at sea.

"'(h) That all certificates of service or efficiency issued by the Bureau of Marine Inspection and Navigation shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section 4450 of the Revised Statutes.

"'(i) It shall be unlawful to employ any person, or for any person to serve aboard any merchant vessel of the United States below the rating of licensed officer, who has not a certificate of service issued by a board of local inspectors, and anyone violating this section shall be liable to a penalty of $100 for each offense.

"'(j) This section is not to amend or repeal any of the provisions of chapter 3 of title 47, United States Code—Telegraphs, Telephones, and Radio Telegraphs.

"'(k) Nothing herein shall be construed to impose, sanction, or permit any condition of involuntary servitude nor to prevent any seaman from leaving the service of any vessel when in a safe harbor to the same extent and with like effect as under the provisions of existing law.

"'(l) This section shall take effect six months after the enactment of this Act: *Provided*, That if it is found impracticable on the part of the Department of Commerce to furnish the certificates herein provided, the Secretary of Commerce may, in his discretion, extend the effective date for a period not exceeding three months.'

"SEC. 2. That section 2 of the Act of March 4, 1915, is hereby amended to read as follows:

"'SEC. 2. That in all merchant vessels of the United States of more than one hundred tons gross, excepting those navigating rivers, harbors, lakes (other than Great Lakes), bays, sounds, bayous, and canals, exclusively, the licensed officers and sailors, coal passers, firemen, oilers, and water tenders shall, while at sea, be divided into at least three watches, which shall be kept on duty successively for the performance of ordinary work incident to the sailing and management of the vessel. The seamen shall not be shipped to work alternately in the fireroom and on deck, nor shall those shipped for deck duty be required to work in the fireroom, or vice versa; nor shall any licensed officer or seaman in the deck or engine department be required to work more than eight hours in one day; but these provisions shall not limit either the authority of the master or other officer or the obedience of the seamen when in the judgment of the master or other officer the whole or any part of the crew are needed for maneuvering, shifting berth, mooring, or unmooring, the vessel or the performance of work necessary for the safety of the vessel, her passengers, crew, and cargo, or for the saving of life aboard other vessels in jeopardy, or when in port or at sea, from requiring the whole or any part of the crew to participate in the performance of fire, lifeboat, or other drills. While such vessel is in a safe harbor no seaman shall be required to do any unnecessary work on Sundays or the following-named days: New Year's Day, the Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day, but this shall not prevent the dispatch of a vessel on regular schedule or when ready to proceed on her voyage. And at all times while such vessel is in a safe harbor, eight hours, inclusive of the anchor watch, shall constitute a day's work. Whenever the master of any vessel shall fail to comply with this section and the regulation issued thereunder, the owner shall be liable to a penalty not to exceed $500, and the seaman shall be entitled to discharge from such vessel and to receive the wages earned. But this section shall not apply to vessels engaged in salvage operations: *Provided*, That in all tugs and barges subject to this section when engaged on a voyage of less than six hundred miles, the licensed officers and members of crews other than coal passers, firemen, oilers, and water tenders may, while at sea, be divided into not less than two watches, but nothing in this proviso shall be construed as repealing any part of section 4463 of the Revised Statutes. This section shall take effect six months after the enactment of this Act.'

"SEC. 3. Section 4551 of the Revised Statutes (U. S. C., title 46, sec. 643) is amended to read as follows:

"'SEC. 4551. (a) Every seaman upon a merchant vessel of the United States of the burden of one hundred gross tons or upward, except vessels employed exclusively in trade on the navigable rivers of the United States, shall be furnished with a book, to be known as a 'continuous discharge book', which shall be retained by him and which shall contain the signature of the seaman to whom it is so furnished and a statement of his nationality, age, personal description, photograph, and home address. Such books shall be in such form and issued by the shipping commissioners and collectors and deputy collectors of customs at ports where no shipping commissioners have been appointed in such manner as the Director of Bureau of Marine Inspection and Navigation, subject to the approval of the Secretary of Commerce, shall determine. Any person, corporation, or association, other than a shipping commissioner, or collector or deputy collector of customs, who shall issue or cause to be issued any such book or imitation thereof, or any person, other than the real owner, who uses or endeavors to use any such book, or who makes any statement or endorsement in any such book not herein authorized, shall be deemed guilty of a misdemeanor and shall be imprisoned not less than one month nor more than three months, in the discretion of the court.

"'(b) Upon the discharge of any seaman and the payment of his wages, the shipping commissioner shall enter in the continuous discharge book of such seaman the name of the vessel, the nature of the voyage (foreign or coastwise), the class of which the vessel belongs (steam, motor, sail, or barge), the date and place of the shipment and of the discharge of such seaman, and the rating then held by such seaman. Whenever a seaman is discharged in any collection district where no shipping commissioner has been appointed, the master of the vessel shall perform the duties of such commissioner and shall make the proper entries in such continuous discharge book; and when the seamen are not required by law to be signed on and discharged before a shipping commissioner, the master shall make such proper entries in the discharge book. Any master who fails to make such entries shall be fined the sum of $50 for each such offense. This subsection shall take effect as to vessels engaged in foreign and intercoastal voyages six months after the enactment of this Act and as to all other vessels within one year after the enactment of this Act.

"'(c) There shall be maintained in the Bureau of Marine Inspection and Navigation in Washington a record of every discharge book and certificate issued under the provisions of this Act, together with the name and address of the seaman to whom it is issued, his next of kin, and a certified copy of all discharge entries in such book, which copy shall be forwarded to such Bureau by the shipping commission or person duly authorized to act as such before whom such holder is discharged.

"'(d) In case of the loss of a book by shipwreck or other casualty the seaman shall be supplied with another discharge book, in which shall be entered all data contained in the last book so far as this may be available from copies of records kept by the Bureau of Marine Inspection and Navigation; in other cases of loss the seaman may obtain a duplicate of such book containing the same entries upon payment of a sum equivalent to the cost thereof to the Government, to be determined from time to time by the Secretary of Commerce.'

"SEC. 4. (a) The local inspectors of the Bureau of Marine Inspection and Navigation shall inspect the crew quarters of every American vessel at least once in each month, or at such times as such vessel shall enter an American port, and shall satisfy themselves that such quarters are of the size required by law or regulations issued thereunder, are properly ventilated and in a clean and sanitary condition, and are equipped with the proper plumbing and mechanical appliances required by law or regulations issued thereunder, and that such plumbing and mechanical appliances are in good working order and condition.

"(b) Whenever it shall be found that the crew quarters of any such vessel are not of the size required by law or regulations issued thereunder or are not properly ventilated or are not in a clean and sanitary condition or are not equipped with the proper plumbing and mechanical appliances required by law or regulations issued thereunder, or that such plumbing and mechanical appliances are not in good working order and condition, the appropriate board of local inspectors shall withdraw the certificate of inspection of such vessel and refuse to reissue the same until such improper conditions have been corrected; and the master or other licensed officer of such vessel who shall have willfully or negligently permitted such vessel to be in such improper condition shall be subject to a penalty of not more than $500.

"(c) This section shall take effect ninety days after the enactment of this Act.

"SEC. 5. (a) From and after the enactment of this Act all licensed officers and pilots of vessels of the United States shall be citizens of the United States, native-born, or completely naturalized.

"(b) From and after six months after the enactment of this Act upon each departure of any such vessel from a port of the United States, 75 per centum of the crew, excluding licensed officers, shall be citizens of the United States, native-born, or completely naturalized, unless the Secretary of Commerce shall, upon investigation, ascertain that qualified citizen seamen are not available, when, under such conditions, he may reduce the above percentages.

"(c) If any vessel while on a foreign voyage is for any reason deprived of the services of any member of the crew, such position or vacancy caused by the promotion of another to such position may be supplied by a person other than defined in paragraph (a) and (b) until the first call of such vessel at a port in the United States where such replacements can be obtained.

"(d) The owner, agent, or officer of any such vessel, who shall employ any person in violation of the provisions of this section, shall be subject to a penalty of $500 for each offense.

"SEC. 6. That any person who (1) shall receive or have in his possession any certificate, license, or document issued to vessels or officers or seamen by the Bureau of Marine Inspection and Navigation or by any officer or employee of the United States authorized by law to represent such Bureau, to which he is not lawfully entitled, with intent unlawfully to use the same; or (2) shall use or exhibit or attempt to use or exhibit any such certificate, license, or document to which he is not lawfully entitled; or (3) without lawful authority shall alter or change, or attempt to change, any such

certificate, license, or document by addition, interpolation, deletion, or erasure; or (4) shall forge, counterfeit, or steal, or shall attempt to forge, counterfeit, or steal, any such certificate, license, or document; or (5) shall unlawfully have in his possession or knowingly use any such altered, changed, forged, counterfeit, or stolen certificate, license, or document; or (6) shall print or manufacture, or cause to be printed or manufactured, any blank form of such certificate, license, or document without first obtaining the authority of the Bureau of Marine Inspection and Navigation; or (7) shall have in his possession without lawful excuse, and with intent unlawfully to use the same, any blank form of such certificate, license, or document; or (8) shall in any manner transfer, or cause to be so transferred, or negotiate such transfer of, any blank form of such certificate, license, or document, or any such altered, changed, forged, counterfeit, or stolen certificate, license, or document, or any such certificate, license, or document to which the party transferring or receiving the same is not lawfully entitled; or (9) shall aid or abet the perpetration of any of the foregoing acts shall for each offense, upon conviction thereof, be fined not more than $5,000 or imprisoned for not more than five years, or both.

"SEC. 7. The Secretary of Commerce shall enforce this Act as to all vessels of the United States subject to the provisions of this Act through collectors of customs and other Government officers acting under the direction of the Bureau of Marine Inspection and Navigation, and shall make such rules and regulations as he may deem necessary to carry out the provisions of this Act.

"SEC. 8. No provision of this Act and no amendment made by this Act shall apply to fishing or whaling vessels or yachts: *Provided, however,* That the provisions of law herein amended shall continue in effect insofar as they are applicable to said vessels or yachts with like force and effect as if this Act had not been passed.

"SEC. 9. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of the provisions thereof, shall not be affected thereby.

"SEC. 10. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act."

And the Senate agree to the same.

S. O. BLAND,
WILLIAM I. SIROVICH,
ROBERT RAMSPECK,
FREDERICK R. LEHLBACH,
RICHARD J. WELCH,
Managers on the part of the House.

ROYAL S. COPELAND,
MORRIS SHEPPARD,
CHAS. L. MCNARY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 8597) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and substituted for the matter struck out the provisions of the Senate bill. The House disagreed to the Senate amendment. The House conferees recommend that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment which inserts in lieu of the matter proposed to be inserted by the Senate a substitute which has been agreed upon by the conferees.

The differences between the House bill, the Senate amendment, and the substitute agreed upon by the conferees are noted in the following discussion, except for clerical amendments and incidental changes made necessary to harmonize various provisions affected by the agreement reached.

SECTION 1

Section 1 of the House bill and the Senate amendment amend section 13 of the act of March 4, 1915. The Senate amendment combined sections 1 and 2 and struck out section 3 of the House bill. The amendment rewrote those sections of the House bill with a few changes. Section 3, which was stricken out, permitted the Secretary of Commerce to make necessary rules and regulations, and this is taken care of in other provisions of the amendment.

Where the House bill referred to naval vessels or Coast Guard vessels as vessels on which sailors might qualify as able seamen, the Senate amendment changed the language to read "and vessels in United States Government service." This was accepted in the amendment agreed upon.

Where the House provision permitted graduates of school ships to be rated able seamen after 12 months' service at sea, the Senate inserted "after graduation", and the House managers accepted the change.

The Senate inserted a provision that no boy shall be shipped on any vessel to which the section applies unless he is physically qualified to join the Navy. The Senate managers agree to the provision in the amendment which proposes that no boy shall be shipped on any vessel to which this section applies unless he meets the physical qualifications contained in regulations to be prescribed by the Secretary of Commerce.

The Senate provided that no deck boy shall be held qualified to fill the place of ordinary seaman until he has had at least 6 months' service as deck boy, and the House managers agree.

The Senate provided that upon a muster of the crew, upon the sworn information of any reputable citizen of the United States that this section is not being complied with, such reputable citizen must be present, and the House agrees.

The Senate provided that if due to inability on the part of the Department of Commerce to carry out, within 6 months, the provisions relative to the surrender of former certificates of seamen and the issuance of new certificates, the Secretary of Commerce may extend the time for a period not to exceed 3 months. The House managers agree.

The Senate inserted provisions prohibiting any vessel subject to the section from being navigated unless all of the complement in the engine department above the rating of coal passer or wiper shall be holders of certificates of service as a qualified member of the engine department, with provisions for issuance of such certificates and qualifications, promulgation of rules therefor, and filing of copies in the local offices of the inspectors and in the central office in Washington. The House managers agree.

The House provisions required the boards of local inspectors without examination to issue to pursers, radio operators, electricians and chief and assistant stewards certificates of service in their respective capacities. The Senate struck out the designated classes and required the issuance without examination (except food handlers, who must be free from communicable disease) to all members of the crew except licensed officers of certificates of service for ratings other than as able seamen or a qualified member of the engine department, which certificates should authorize the holders to serve in the capacities specified in such certificates. The House managers agree.

The House bill provided for investigation and trial of certificate holders in cases involving incompetency, negligence, misconduct, or breach of discipline threatening the safety of a vessel or its passengers. The Senate changed this provision so as to make all certificates of service or efficiency subject to suspension or revocation on the same grounds and in the same manner and with like procedure as in the case of suspension or revocation of licenses of officers. The House managers agree.

The House bill made it unlawful to employ any person, or for any person to serve as purser, radio operator, or chief or assistant steward who did not have a certificate of service issued by a board of local inspectors. The Senate amended this provision so as to prohibit any person aboard any merchant vessel of the United States below the rating of licensed officer to serve without such certificate. The House managers agree.

The Senate inserted a clause providing that nothing in the section should be construed to impose, sanction or permit any condition of involuntary servitude nor to impair, restrict, or limit the right of any seaman to leave the service of any vessel when in a safe harbor. The managers on the part of the Senate and House agree to this provision with a change so as to provide that nothing contained in the section should be construed to impose, sanction, or permit any condition of involuntary servitude nor to prevent any seaman from leaving the service of any vessel when in a safe harbor to the same extent and with like effect as under the provisions of existing law.

The House bill made its section 2 take effect 3 months after its enactment. The Senate amendment makes this provision apply to its section 1 which contains sections 1 and 2 of the House bill. The amendment changes 3 months to 6 months after its enactment with right to further extension of not to exceed 3 months if it should be impracticable to furnish the certificates within the shorter time. The House managers agree.

SECTION 2

Section 2 of the Senate amendment was not in the original House bill, H. R. 8597, but it was in section 802 of H. R. 8555, the ship subsidy bill, and contains only a few minor changes from section 802 as passed by the House as a part of the subsidy bill. The changes proposed by the Senate appear in the amendment as agreed upon except (a) that fishing or whaling vessels or yachts are eliminated from the section because of the new section 8 in the amendment which exempts those vessels, and (b) that the exemption is made to apply also to vessels engaged in salvage operations, with a proviso that as to tugs and barges subject to this section when engaged on a voyage of less than 600 miles the provisions of existing law shall take effect and shall be continued as to this class of vessel. This section is made to take effect 6 months after the enactment of this act.

SECTION 3

Subsections (a) and (b) of this section are almost identical with section 803 of H. R. 8555, the ship subsidy bill, as it passed the House. There are a few minor changes which are agreed to. The amendment agreed to also fixes the time when subsection (b) shall take effect as 6 months as to vessels engaged in foreign and intercoastal voyages and 1 year as to all other vessels.

Subsections (c) and (d) provide, first, for the maintenance in Washington of copies of the data in the continuous discharge books, and, second, for the issuance of duplicates in case of the loss of the books. These subsections are agreed to.

SECTION 4

This section in the Senate amendment was new matter and is inserted in the amendment agreed to. The section provides for the inspection of crew quarters and the enforcement of laws and regulations applicable thereto. There is added by the managers on the part of the Senate and House respectively a provision making the section effective 90 days after the enactment of this act.

SECTION 5

This section is new matter inserted by the Senate and requires 75 percent of the crew in each department to be citizens of the United States, native-born or completely naturalized, in addition to the licensed officers who are required now to be American citizens. The new matter required an increase of 5 percent annually until the percentage should be 90 percent. The amendment as agreed upon requires 75 percent of the crew to be native-born or completely naturalized.

The Senate amendment permitted the Secretary of Commerce to reduce the percentage if such citizen seamen were not available, and the amendment agreed to changes the word "such" to "qualified."

SECTION 6

This section is new matter inserted by the Senate and contains penal provision. It is agreed to except that the provision against altering or changing, or attempting to change any certificate, license, or document is amended to permit the alteration or change to be made by anyone with lawful authority to make the alteration or change.

SECTION 8

This section is inserted by the managers on the part of the Senate and the House and exempts yachts, fishing and whaling vessels from the provisions of the act, but continues in full force and effect all provisions of existing law. This change is made because of many exemptions of vessels of these classes in various statutes of such a character and so complex as to require a complete study of the laws applicable to these vessels. This study is to be undertaken. Further, the method of operation, the character of service, and the terms of employment are such as to require separate consideration and special legislation particularly adapted to these vessels and to yachts. The Bureau of Marine Inspection and Navigation proposed to undertake the necessary study at once.

SECTION 9

This section is the separability clause found in many laws and is agreed to.

SECTION 10

The section authorizes necessary appropriations and is agreed to.

S. O. BLAND,
WILLIAM I. SIROVICH,
ROBERT RAMSPECK,
FREDERICK R. LEHLBACH,
RICHARD J. WELCH,
Managers on the part of the House.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. MARCANTONIO. Does this conference report provide for the continuous discharge book?

Mr. BLAND. The continuous discharge book was in the bill as it originally passed the House and in it as it passed the Senate and it is in the bill now.

Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to, and a motion to reconsider laid on the table.

RIGHT-OF-WAY OVER CERTAIN LANDS IN SOLANO COUNTY, CALIF.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10356) authorizing the Secretary of the Navy to convey a right-of-way over certain lands situated in Solano County, Calif., to the State of California for State highway purposes, with a Senate amendment, and concur in the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 2, strike out lines 13 to 25, inclusive, and lines 1 to 5, inclusive, on page 3, and insert:

"SEC. 2. Whenever in the judgment of the Secretary of the Navy or his duly authorized representative any emergencies exist which justifies it, he may assume exclusive control and management of said road and may then in his discretion prohibit, limit, or regulate traffic thereon.

"The easement referred to in section 1 hereof is granted to the State of California and accepted by it with the distinct reservation that the Secretary of the Navy may, in behalf of the United States, at any time he deems its interests so warrant, reacquire the said easement by eminent domain or otherwise, the amount of just compensation in such case to be paid therefor not to exceed the cost to the State of California of any improvements placed upon the property referred to in section 1 subsequently to the date of approval of this act."

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. DARDEN (at the request of Mr. ROBERTSON) on account of the death of his mother.

To Mr. KNUTE HILL, indefinitely, on account of death in family.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5368. An act to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes;

H. R. 8442. An act to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes; and

H. R. 12869. An act to liberalize the provisions of Public Law No. 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 1794. An act to effectuate certain provisions of the International Convention for the Protection of Industrial Property as revised at The Hague on November 6, 1925;

S. 2119. An act for the relief of Amos D. Carver, S. C. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased;

S. 2127. An act to amend section 4471 of the Revised Statutes of the United States, as amended;

S. 2712. An act to amend section 23 of the Independent Offices Appropriation Act, 1935;

S. 4552. An act to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation;

S. 4622. An act to amend section 2 of the act entitled "An act granting the consent of Congress to the Alabama State Bridge Corporation to construct, maintain, and operate bridges across the Tennessee, Tombigbee, Warrior, Alabama, and Coosa Rivers within the State of Alabama", approved May 26, 1928;

S. 4737. An act to provide for the sale of the Port Newark Army Base to the city of Newark, N. J., and for other purposes; and

S. J. Res. 278. Joint resolution to modify and extend the act entitled "An act to include sugar beets and sugar cane as basic agricultural commodities under the Agricultural Adjustment Act, and for other purposes", approved May 9, 1934, amended, and for other purposes.

EXTENSION OF REMARKS

TAXATION

Mr. JENKINS of Ohio. Mr. Speaker, this Congress is now considering the fourteenth tax bill that has been introduced and passed since the Roosevelt administration came into office. I should like to emphasize this fact for the purpose of clarifying the record. The Roosevelt administration has rightly acquired the reputation of being the most extravagant spender of public moneys in the peace-time history of this or any other country. I should like to emphasize that in addition to being a reckless spender, this administration

has the doubtful distinction of having been a reckless imposer of tax after tax.

It is indeed an extraordinary performance, Mr. Speaker. In 1932, when Mr. Roosevelt was seeking votes, he promised the people that taxes would be reduced if he were elected. He gave the country the impression that he fully understood the true nature of tax burdens. Let me quote from a speech he made at Pittsburgh October 19, 1932:

> Taxes are paid in the sweat of every man who labors. * * * If excessive, they are reflected in idle factories, tax-sold farms, and, hence, in hordes of the hungry tramping the streets and seeking jobs in vain. Our workers may never see a tax bill, but they pay in deductions from wages, in increased cost of what they buy, or (as now) in broad cessation of employment. * * * Our people and our business cannot carry its excessive burdens of taxation. * * *

He said in Sioux City on September 29, 1932:

> I shall use this position of high responsibility to discuss up and down the country, at all seasons, at all times, the duty of reducing taxes, of increasing the efficiency of Government, of cutting out the underbrush around our governmental structure, of getting the most public service for every dollar paid by taxation. This I pledge you, and nothing I have said in the campaign transcends in importance this covenant with the taxpayers of this country.

But what has happened? The estimated tax receipts for the fiscal year ending June 30, 1937, will be very nearly three times as much as they were in 1933. Here are the figures, all taken from official sources:

Year ending June 30—	*Tax receipts*
1933	$1,855,174,208
1934	2,954,038,131
1935	3,621,043,062
1936 (estimated)	4,228,036,000
1937 (estimated)	5,494,114,000

And here is a list of the laws involving increased taxation that have been passed during the Roosevelt administration:

Agricultural Adjustment Act of 1933.
National Industrial Recovery Act of 1933.
Nonintoxicating Liquor Tax Act of 1933.
Railroad Retirement Act of 1934.
Bankhead Cotton Act of 1934.
Revenue Act of 1934.
Bituminous Coal Conservation Act of 1935 (Guffey bill).
Liquor-taxing acts of 1934.
Revenue Act of 1935.
Social Security Act of 1935.
Railroad Retirement Act of 1935.
Kerr-Smith Tobacco Act of 1935.
Potato Control Act of 1935.
Revenue Act of 1936.

This imposing list does not represent the end. It represents merely the beginning of the taxes that will have to be imposed if Government spending continues at anything like the present rate. Even the President's own supporters recognize this fact, for the Democratic Members of the House of Representatives Ways and Means Committee, when they signed their report on the 1936 revenue bill, said: "This (the pending tax bill) will take care of the President's request until the next session of Congress, which can then act more intelligently in the light of conditions then existing."

There is one other thing, Mr. Speaker, which should be clarified and emphasized for the sake of the record. The Democratic platform of 1932 pledged itself to balancing the Budget with "revenue raised by a system of taxation levied on the principle of ability to pay." Mr. Roosevelt himself repeatedly stated that he was "against taxes on food and clothing, whose burden is actually shifted to the consumers of these necessities of life on a per-capita basis rather than on the basis of the relative size of personal income."

No more bitter joke has ever been played on the American people than that which the Roosevelt administration has perpetrated in the carrying out of this pledge. I do not make this accusation on the basis of figures compiled in a spirit of partisanship. I make it on the basis of the Treasury's own figures and the admission of the President himself. Mr. Robert Jackson, Assistant General Counsel of the Treasury Department, told the Senate Committee on Finance August 6, 1935:

> In 1930 we find that those taxes bearing most heavily on the well-to-do contributed * * * 68.2 percent of its (the National Government's) total internal-revenue and customs receipts, while miscellanous taxes and customs receipts, bearing most heavily upon the consumer, contributed only * * * 31.8 percent of such receipts. * * *
>
> In 1935 the taxes based on ability to pay contributed 38.7 percent of the internal-revenue and customs receipts * * * there has been an increase in the proportion of revenues contributed by taxes based on consumption to 61.3 percent.

Mr. Roosevelt, in that famous letter to Mr. Roy W. Howard, in which he announced to the businessmen of the United States that he was mercifully granting them a "breathing spell", wrote only last September:

> What is known as consumers' taxes, namely, the invisible taxes paid by people in every walk of life, fall relatively much more heavily upon the poor man than on the rich man. In 1929 consumers' taxes represented only 30 percent of the national revenue. Today they are 60 percent.

If that is what the New Deal means by helping the "forgotten man", if that is the kind of more abundant life that comes from new dealism, I, for one, Mr. President, will freely admit my preference for those much-maligned times which the President once referred to as the "horse and buggy" period.

INVESTIGATION OF FARM MACHINERY PRICES

Mr. LUCKEY. Mr. Speaker, I ask permission to extend my remarks and include therein a copy of the resolution I have introduced to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements:

HOUSE JOINT RESOLUTION 630

Joint resolution to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery.

Resolved, etc., That the Federal Trade Commission be, and it is hereby, directed under the authority of and in pursuance of the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, as amended, to investigate and report to the Congress the facts relating to—

(a) Whether any corporation engaged in the manufacture, sale, or distribution of agricultural implements and machinery, of whatever kind and description is, or within the past 3 years has been, violating any of the antitrust acts of the United States, and the nature, extent, and effects of any such violation;

(b) The existence and effect of any contract, agreement, combination, or conspiracy in unlawful restraint of trade and the existence of any unfair methods of trade or competition in connection with the manufacture, sale, and distribution of said agricultural implements and machinery;

(c) Whether and to what extent methods of price fixing, price maintenance, and price discrimination in violation of the antitrust acts exist in connection with the manufacture, sale, and distribution of said agricultural implements and machinery;

(d) Any developments and tendencies in the direction of monopoly and concentration of ownership or control of the means of the manufacture, sale, or distribution of said agricultural implements and machinery;

(e) The existence of any combination to restrict or control the manufacture or supply of agricultural implements or machinery or to raise or control the price thereof, or to restrict credit in the sale thereof;

(f) Whether and to what extent the present prices of agricultural implements and machinery are due to any violations of any of the antitrust laws;

(g) Whether and to what extent costs and profits of any corporation engaged in the manufacture, sale, or distribution of agricultural implements and machinery have been affected, enhanced, or maintained by unlawful combinations, agreements, or understandings, or any other violations of the antitrust laws, and whether and to what extent costs and profits of any such corporations have been misstated or misrepresented to conceal or promote violations of the antitrust laws;

(h) The extent of concentration of control of manufacture and distribution of such equipment in the hands of particular manufacturers, and the basis thereof;

(i) The costs, prices, and profits of manufacturers and distributors of agricultural implements and machinery;

(j) The distribution methods and dealer price spreads of margins entering into prices paid by farmers for agricultural machinery and equipment;

(k) The facts regarding the relative price movements of farm machinery and farm products since 1914;

(l) The facts regarding the relative price movements of farm machinery and implements and some of the machinery and implements of somewhat comparable material and labor;

(m) Any other pertinent facts regarding the present prices of agricultural implements and machinery, and the cause thereof; and

(n) What measures, legislative or otherwise, in the opinion of the Commission, are needed to correct conditions in the farm-implement industry adversely affecting the interest of farmers.

The purpose of this resolution is apparent from its title. It involves no appropriation of money. The Federal Trade Commission has all facilities necessary to make a complete investigation and report on each of the 12 points set forth in the resolution. This is a fact-finding investigation to produce sufficient data to enable Congress to enact such legislation as may be necessary.

The need for such an investigation is apparent to every farmer in the United States and to every layman who has studied the agricultural situation. For many years the price of farm machinery has been entirely out of line with the prices that farmers were receiving for their products. Is there any reason why an implement company in the Middle West should charge a farmer more for a two-row cultivator than it would charge a South American farmer for the same identical piece of machinery? The cultivator sent to South America must be transported by rail and water to one of our seaports and reshipped by boat to South America. Duty must be paid on it there, and then it must be shipped by rail or other conveyance to the South American farmer. In spite of the increased transportation costs and duty, there have been cases where the South American paid less money than the farmer who lived right outside the gates of the factory. That is making the American farmer pay for our export trade.

Our domestic farm-machinery market is and has been protected by a high-tariff barrier which excludes foreign competition. Our domestic market is and has been controlled by a virtual monopoly which forces up the prices demanded of our farmers. These two factors leave our farmers without any protection.

This resolution will produce the facts. That is all we want. Such facts will enable us to formulate logical, clear, and just legislation preventing discrimination and radiation and providing economic equality for our farmers.

EXPORTS OF AUTOMOBILES INCREASED THROUGH RECIPROCITY TREATIES

Mr. THOM. Mr. Speaker, in 1932, when we were desperately striving to lift ourselves out of the state of economic collapse, I frequently in speeches propounded this question: "What can be done in the way of trade-reciprocity arrangements as preached by President McKinley to open foreign markets to the American automobile?"

It seemed to me then that the revival of the automobile industry would lift our whole economic level, and particularly would it cure the unemployment troubles of the Sixteenth Ohio Congressional District, where so many of the larger factories are suppliers of material for automobile manufacture.

Further study of the export possibilities of this industry prompted me to make the following statement in the CONGRESSIONAL RECORD of June 7, 1934:

> To me there seems to be an important opportunity, in any reciprocity arrangements that are undertaken, to benefit our economic status by giving to the American automobile industry—the most efficient of our present-day manufacturing units—the chance to sell the transportation that, to my mind, will be bought during the next decade or so as never before in foreign countries, especially in the undeveloped parts of the world. My study convinces me that the motor-car industry for the next 5 or 10 years will determine the industrial prosperity of the United States. It has taken the lead in the present revival of business, and it was the one industry that fought to the bitter end the overwhelming forces of the depression. It, therefore, deserves, by reason of its tested efficiency, the aid of the American Government in its conquest of the automobile markets of the world, and I believe it can do the job if we will but help scale down the prohibitive tariffs and quota arrangements in foreign countries that make its competitive opportunities less favorable.

The Roosevelt administration has since moved to capture additional markets for the American automobile, and what is more it has succeeded in doing so. Under its policy of negotiating reciprocal-trade agreements begun in 1934 the tariff duties imposed against American cars in 10 countries have been reduced or frozen at the present rates.

The results are seen in the accelerated flow of American cars into export trade. In 1935 there were 565,000 units shipped abroad, an increase of 32 percent over 1934. The total value of this 1935 foreign trade was $239,000,000. It might be well to note that automobiles and their parts constitute 10 percent of our entire export trade, and in volume second only to raw cotton among all of our exports.

It is important to note the expansion of shipments to countries that have by reciprocal arrangements agreed to concessions in tariff rates.

Cuba, with whom a treaty was concluded effective September 3, 1934, bought from the United States, during the first year under the treaty, automobiles and parts valued at $3,275,652, as compared to a total purchase amounting to $1,381,158 in the preceding year of high tariff rates.

Belgium, whose agreement was effective May 1, 1935, bought of the United States in the first year thereafter automobiles valued at 251,201 francs as against a purchase amounting to 124,660 francs in the previous year.

Sweden, whose treaty became effective August 5, 1935, purchased from the United States in the first year $2,050,545 as against $1,300,315 in the previous year.

Haiti, whose treaty was effective June 3, 1935, bought in her first year automobiles valued at $140,219 as against a value of $104,684 for similar purchases in the preceding year.

In other countries affected by reciprocal treaties the time of their existence is too short to measure the result upon trade of reduced duties.

The nature of the benefits to our automobile export trade carried in 10 of the 14 trade treaties so far executed may be summarized as follows:

Cuba agreed to a reduction of 50 percent in the duty on the cheaper automobiles and reduced the duty on higher priced cars by amounts ranging from 12½ to 31 percent; on trucks the reductions ranged from 6 to 12½ percent; on chassis an average of about 25 percent; and on parts, accessories, and motorcycles, roughly 12 percent.

Brazil agreed to reduce the duties on passenger automobiles, trucks, chassis, parts, accessories, and so forth, by 20 percent, and agreed not to increase the duty on motorcycles.

Belgium agreed to reduce the duty on passenger automobiles by 15 percent, and on parts—including engines and accessories—by amounts ranging from 65 to 85 percent.

Haiti agreed not to increase the former rates of duty—averaging about 15 percent—on automobiles, busses, trucks, and accessories during the life of the agreement.

Sweden also "bound" the import duties—ranging from 14 to 20 percent—on automobiles, chassis, parts, and so forth.

Canada reduced the tariff on cheaper automobiles by 12 percent and on more expensive cars by 25 percent; on engines by about 9 percent; and on busses, chassis, motorcycles, and so forth, by 25 to 30 percent.

The Netherlands agreed not to increase the duties on imports—into the Netherlands or the Netherland Indies—on automobiles and automotive products.

Colombia conceded reductions in the duties on automobiles, trucks, busses, parts, and so forth, ranging from 20 to 50 percent.

Switzerland agreed to double its quota on the importation of American automobiles; that is, 4,812 units will now be admitted annually—instead of 2,406—on which the import duty has been "bound."

Honduras agreed to continue to permit American automobiles, trucks, and busses to enter the country free during the life of the agreement.

JOE BYRNS, OUR SPEAKER AND OUR FRIEND

Mr. RICH. Mr. Speaker, I take this occasion to pay tribute to the late Speaker, JOE BYRNS.

JOE BYRNS was our colleague and my friend. I have known him for 6 years in the House of Representatives, and during that time I did not know of him doing an unmanly or ungentlemanly deed. I never heard him say one word that

anyone could take offense at, because it was unbecoming a real man. JOE BYRNS was honest, conscientious, able, and capable; JOE BYRNS was attentive to the duties of his office—he was a great Speaker and a good man.

If there was any Member of the House he had occasion to discipline for being unduly zealous in remarking on the New Deal and the Democratic Party I probably am the one, yet with all the disturbance to the harmony and good order caused by Members trying to gain recognition he was always kind and considerate. JOE BYRNS as presiding officer was calm, deliberate, and displayed tact and resourcefulness. He was my friend. He was just and fair.

Many times the late Speaker was compelled to count for a quorum, and if he found the membership short of a quorum by only two he pronounced it so and ordered a call of the House.

Mr. Speaker, we all loved him; we admired him; we shall miss him from our midst. Mr. Speaker, you now are trying to fill his place. We only ask you to emulate him and we can ask no more of you. We realize that JOE BYRNS' services are over for his constituents, for his State, and for his country, but his memory will ever live in the hearts of all the people who knew him. He will be missed at the Capitol in Washington and by all. But while we cannot see him, yet we know he has gone home to Heaven where his work and labors are over, where all is peace, happiness, and contentment. We hope some day to join him.

We learned to know and admire his dear wife and we all know what a great loss she has sustained, and our prayers go up to Almighty God to comfort and protect her.

Morning and evening star;
Then comes the call to go;
A friend moves on and then a little while
And we must sail also.
Let's have no tears or mourning at the shore
When we put out to sea;
The tides that ebb and flow will waft us o'er,
And there will surely be
A joyous welcome from our friends who wait
On that blest shore;
And we will join them in that blissful state
To part no more.

THIS ADMINISTRATION HAS WRECKED THE DAIRYMEN

Mr. CULKIN. Mr. Speaker, the Members of this House will search in vain to find a historical parallel for the sectionalism which has resulted in grave economic injury to the 4,000,000 American dairymen. The President of the United States, the Members of this House and Senate, Secretary of State Hull, and Secretary of Agriculture Wallace, have by their affirmative acts of the past 2 years justified this charge. The story of King George the Third's treatment of the American colonists actually pales into insignificance in comparison with the wrongs inflicted on this soil-conserving group of husbandmen by this administration. The economic persecution of the Poles under the old Russian regime, brutal as it was, does not equal in savagery the methods by which the dairymen have been ground down and their difficult condition aggravated by the leaders of this Democratic administration.

The President preaches his good-neighbor policy for the rest of the world. In the United States he applies the doctrine only to States where Democratic majorities are probable. These areas are the beneficiaries of the lunatic spending policy of the administration with the money that has been taken from anti-New Deal localities where the leanings of the people are Republican. The President has treated the dairying States like captured provinces and has turned loose on them a group of nitwit carpetbaggers a thousand times more vicious and anti-social than the post Civil War patriots who plucked what was left of the fallen Confederacy.

Permit me to review briefly the President's betrayal of this great branch of agriculture.

In April 1933 we passed the Agricultural Adjustment Act, which included dairy products. The Secretary of Agriculture in administering this act has done nothing to alleviate the condition of the dairymen but in fact aggravated it. Secretary Wallace seems to have an abiding fear for the wheat, corn, and cotton farmer. He never understood the problems of the dairymen and delegated their situation to Messrs. Tugwell, Izekiel, Frank, and Beam. All of these gentlemen are admirers of the present regime in Russia. They started out with the theory that milk should be nationalized and then sought to fix the price of fluid milk in the various milk sheds of the country based on the fluctuating price of butter in the Chicago market. I was familiar with the situation that developed at that time and my conclusions on it are borne out by the articles written by Mr. George N. Peek, which are now appearing in the Saturday Evening Post. These articles furnish full and complete corroboration of the theory that men with communistic leanings were in command in the dairy section of the A. A. A.

In any event these economic playboys, who did not know one end of the cow from the other, started out with the obvious initial purpose of depressing the price of fluid milk, regardless of transportation and production costs. Time went on and the A. A. A. was torpedoed and sunk by the United States Supreme Court. The dairymen then had a period of peace, but it was short-lived.

In December of 1935 the President negotiated a trade-agreement treaty with Canada, and the dairymen were again placed on the defensive. This treaty was made pursuant to the Trade Agreements Act of June 12, 1934. Under this act the President was authorized to enter into trade agreements with foreign nations, and he might do so without the concurrence of the Senate and House. Never under a limited monarchy, and certainly not under any existing form of popular government, was any such power delegated to the Executive. Under this power and by virtue of these treaties the pattern of America, as regards industry and agriculture, is being changed. Neither the Senate nor the House of Representatives have any part in the making of these trade agreements, which, to my mind, spell certain disaster to the future of America. It is my belief that the statute in question is unconstitutional, and that the Supreme Court will so find when the pending cases are reached.

Under this Canadian treaty which went into effect on January 1, 1936, the duty was reduced on Cheddar cheese—which is the common American type—2 cents a pound and 27 percent ad valorem, and Canada was given a quota on cream and cattle. The result of this cut of the tariff on cheese is now apparent.

In March 1935, under the old tariff schedule, Canadian exports of cheese to the United States amounted to 14,700 pounds.

In March 1936 Canadian exports of cheese to the United States amounted to 1,525,000 pounds.

In the first quarter of this year cheese exports from Canada increased to 3,327,895 pounds, compared with 349,000 pounds in the corresponding first quarter of last year, an increase of 851 percent.

In the other trade agreements the effect of this tariff policy is no less disastrous to the dairymen. In the treaties with France, Finland, and Switzerland, the duties on dairy products have been lowered from 20 to 35 percent. Production costs in all these other countries, including Canada, are not more than one-half of what they are in America, so that the cheese market of America is now being flooded with these imports.

I have stated that this treaty went into effect on January 1, 1936. At the present rate of imports it will drive American cheese from the market. It has already compelled a reduction of price which spells near ruin to the American cheese maker. It should be borne in mind that milk is a commodity which can readily be shifted from fluid milk to butter or cheese. For this reason I have always contended that the dairymen of New York have a common cause with the dairymen from Wisconsin and Minnesota and Iowa. The American dairymen are being driven out of the cheese market by this Canadian competition, and will be forced into butter production or will go into the fluid-milk field.

From every angle the outlook is most disastrous for the dairyman, whether he is dealing in fluid milk, butter, or cheese.

I have introduced a resolution in the House today requesting the President to cancel this tariff arrangement on cheese, and I am inserting a copy herein:

[House of Representatives, 74th Cong., 2d sess.]

Resolved, etc.—

Whereas pursuant to the Tariff Agreement Act of 1934 the President of the United States entered in a tariff agreement with Canada of date November 18, 1935, and effective January 1, 1936, whereby the tariff on cheese was reduced 2 cents per pound and 27 percent ad valorem, and a quota given to Canada on cream and cattle; and

Whereas the importations of cheese into the United States from Canada have gone from 349,000 pounds in the first quarter of 1935 to 3,327,895 pounds for the corresponding quarter of 1936 resulting in a disastrous loss to the American dairyman; and

Whereas at the time of the promulgation of said treaty the President stated that the public might have every assurance that Canada and the United States would join in correcting any inequalities in case it developed that any such inequalities resulted: Therefore be it

Resolved, That the House of Representatives respectfully request and urge the President of the United States that the provisions of said treaty, so far as they relate to cheese, cream, and cattle, be canceled, annulled, and abrogated.

I do not believe the President will abrogate this treaty for obvious reasons. There are two men in the administration whom the distinguished President holds in awe. One of them is Secretary Hull, who negotiated this nefarious treaty, and the other is Professor Tugwell, of the Resettlement Administration. Secretary Hull does not now nor ever did believe in a protective tariff. He is an economic internationalist, first, last, and always. Professor Tugwell is also an internationalist, but with a Russian tinge, and has boondoggled away $290,000,000 of the people's money in communistic experiments.

I repeat that the administration and the President are partisans so far as the dairymen are concerned. They fully realize that the dairymen live largely in the Republican States and the Farley type of mind that dominates the administration is not much concerned about the economic and political needs and demands of groups with a Republican viewpoint. In fact, I definitely charge the administration's executive and legislative branches with political bias in connection with the dairymen. I shall later give you definite and concrete examples of this.

On January 28 of this year a meeting of House Members representing dairy constituencies was called for the purpose of adopting a program for the relief of the dairymen. Some 73 Members from dairy districts in the country attended the meeting and their approach to the solution of these questions was honestly nonpartisan. This meeting passed a resolution which carries in it a program of legislation intended to give aid to the dairymen. This nonpartisan group, through its executive committee, has had repeated meetings for the purpose of promoting this program, but has been blocked at every turn by the administration-controlled leaders and committees of the House. Let me give you the history of these partisan performances.

(a) We sought to obtain a provision in the Soil Conservation Act to protect dairymen by requiring that any land taken out of production of other basic crops should not be used for pasture or forage to increase production of dairy products. This was what happened under the A. A. A. The majority leaders in the House fought this program bitterly and defeated it, despite the fact that the South has received more than a billion and a half dollars from the Federal Treasury in various types of handouts and the northern and eastern portions of the country, while paying the shot, have received practically nothing.

(b) We sought the extension of the Lenroot-Taber Act—which prohibits the importation of cream and milk into the United States—to all dairy products unless such products have been produced by dairy herds under official tests for bovine tuberculosis. The Democratic-controlled committee of the House refused to give us a hearing on this bill, although more than $300,000,000 has been spent by the State and Federal Governments for the eradication of tuberculosis in the United States.

(c) We sought an amendment to the Reciprocal Trade Agreement Act to provide that such agreements should be ratified by the Senate of the United States. The Democratic leadership of the Ways and Means Committee of the House refused to give us a hearing on this proposition, despite the fact that every other nation with whom these treaties have been made, whether European, South American, or otherwise, require the ratification of the treaties by their legislative assemblies.

(d) We sought to obtain proper appropriations for the eradication of bovine tuberculosis and Bang's disease. The Democratic controlled House committee denied us this modest request, and the current appropriation is inadequate for the carrying forward of the present program for disease control. We asked for an additional $11,000,000 for this purpose, and were given three and a half. We got that amount only after a savage and protracted struggle.

(e) We sought to obtain an additional excise tax on foreign fats and oils. Again the Democratic chairman of the Ways and Means Committee refused to even give us a hearing on this proposition.

(f) We sought to obtain an additional 5-cent tax on all oleomargarine manufactured in the United States. This proposition did not even reach the hearing stage in the Agricultural Committee as the cotton-oil group, who are interested in butter substitutes, were in command.

The President promised agriculture, in the campaign of 1932, that he would not lower the tariff on agricultural products. In his Baltimore speech of October 1932, the President said:

> I know of no effective excessive high duties on foreign products. I do not intend that such duties shall be lowered. To do so would be inconsistent with my entire farm program.

This pledge went overboard like every other Presidential and Democratic promise to the people.

Secretary Hull and Secretary Wallace by their policies have not only abandoned any attempt to export American agricultural products but they have in fact by their precept and example encouraged the importation of crops grown on foreign soils. From the beginning this Republic has been self-contained in an agricultural way. By reason of the application of the Wallace doctrine of scarcity whereby 9,000,000 pigs were slaughtered for fertilizer and 35,000,000 acres of crops were plowed under we are now importing great quantities of agricultural products. These imports having found the trail to the American market are now and will continue to be a menace to American agriculture and the maintenance of a proper price structure for our farmers.

I found a powerful editorial in the May 15, 1936, National Union Farmer, an authoritative farm publication condemning these administrative policies and showing the amount of these agricultural imports for the year 1935. It is as follows:

FARM IMPORTS ALARMING

Under the theory that we are producing a surplus of farm products, the farmers in this country were induced to take around 30,000,000 acres of farm land out of production, so as to produce less. After 3 years, they found they were providing an abundant American market for foreign-farm products.

Foreign imports for the year 1935 and the percentage of increase over 1934 tell the story of what happened. Some 202,000,000 pounds of wool were imported, an increase of 85 percent, representing wool from 25,000,000 foreign sheep; some 17,500,000 bushels of flax, an increase of 24 percent, representing flax from 1,750,000 acres of foreign land; 27,400,000 bushels of wheat, an increase of 255 percent, this wheat representing 1,830,000 acres of foreign land; 42,200,000 bushels of corn, an increase of 1,361 percent, representing more than 1,000,000 acres of corn land; 9,600,000 bushels of rye, an increase of 27 percent, representing 640,000 acres of foreign land; 364,623 head of cattle, an increase of 532 percent; 166,000,000 pounds of cottonseed oil, an increase of 1,720 percent over 1934. There was imported in 1935, 22,674,000 pounds of butter, an increase of 1,948 percent over 1934.

The total dairy imports for 1935, in terms of milk, amounted to 1,116,000,000 pounds. At 4,000 pounds of milk per year for the average cow, the dairy farmers of this country gave away to 279,000 head of foreign cows. These cattle consumed feed and pasture from several hundred thousand acres of land. Surely a governmental program in which our domestic market was given to foreign farmers can be of no benefit to American agriculture.

Under the absurd and fatal practices of the Secretaries Wallace and Hull the American wheat, corn, and dairy farmer

has been sold down the river. The corn, wheat, and cotton farmers have been given an annual bonus from the Federal Government of $500,000,000, but they have lost a large part of the American market and all the foreign market.

With the prices for farm products what they are, the farm income of American farmers should have been at least $8,000,000,000 in 1935. It amounted to $5,000,000,000 in 1935, and will remain at that figure or go lower unless the psychopathic performances of Secretary Hull and Secretary Wallace are thrown in the discard by the voters of America.

This can only be accomplished by the election of a Republican House and a Republican President. It can be accomplished by the election of Governor Landon to the Presidency and backing him up with a Republican majority in the next House. The Republican national platform on which Governor Landon is running contains the following declarations on the American farmer and more particularly the dairyman:

Our paramount objective is to protect and foster the family type of farm, traditional in American life, and to promote policies which will bring about an adjustment of agriculture to meet the needs of domestic and foreign markets. As an emergency measure during the agricultural depression, Federal benefit payments or grants-in-aid when administered within the means of the Federal Government are consistent with a balanced Budget.

That an agricultural policy be pursued for the protection and restoration of the land resources, designed to bring about such a balance between soil-building and soil-depleting crops as will permanently insure productivity, with reasonable benefits to cooperating farmers on family-type farms, but so regulated as to eliminate the New Deal's destructive policy toward the dairy and livestock industries.

To protect the American farmer against the importation of all livestock, dairy and agricultural products, substitutes therefor, and derivatives therefrom, which will depress American farm prices.

To provide effective quarantine against imported livestock, dairy and other farm products from countries which do not impose health and sanitary regulations fully equal to those required of our own producers.

We will repeal the present reciprocal trade agreement law. It is futile and dangerous. Its effect on agriculture and industry has been destructive. Its continuation would work to the detriment of the wage earner and the farmer.

With this platform as its compass the incoming Republican administration under Governor Landon will end the period of fatal experimentation and sectional Government and return to a sane national policy whereby all of America may go full steam ahead in the way Providence intended. I am assuming, of course, that the dairymen and, indeed, all farmers wish to free themselves from the burden of the partisan crackpots and theorists who are now in command and are destroying American agriculture. The issue is, of course, in the hands of the people of America. I have faith in their judgment and, based on that faith, I predict the overwhelming election of Landon and Knox, thus insuring permanency to our free institutions and prosperity to the American farmer and American worker in industry. [Applause.]

WILLIAM B. OLIVER

Mr. BOYLAN. Mr. Speaker—

What might have been we know 'tis not;
What must be must be borne;
But what hath been shall ne'er be forgot—
Not in the days to come.

We are sent here by our people to represent them. Here, we meet Members from the North, the East, the South, and the West. We associate with one another. We observe in our daily routine the outstanding and varied traits and characteristics of our colleagues. From this association we learn to admire and respect them. In all fields of human endeavor, however, there are outstanding men, men who rise above the ordinary, and who indelibly impress us with their particular gifts of mind and person.

The friendships we make in the House through association with our colleagues is really the only permanent and lasting value that we derive from serving in Congress.

Today I should like to pay a little tribute to one of these outstanding men—our friend and colleague WILLIAM B. OLIVER, of Alabama.

To our great sorrow, he has determined to retire from Congress at the end of the present session, after serving the people of his district in an outstanding manner as their Representative from the Sixth District of Alabama for the past 22 years.

Mr. OLIVER is a native of Eutaw, Ala., where he received his early education. He later attended the University of Alabama, where he received degrees from both the college of arts and sciences and the school of law. He also received the honorary degree of LL. D. from the University of Alabama and the National Law School, of Washington, D. C. He also attended that great university founded by the third President of the United States, Thomas Jefferson—the University of Virginia.

In his early manhood WILLIAM B. OLIVER moved to Tuscaloosa, Ala., and entered the practice of law. From 1898 to 1909 he was solicitor for the sixth judicial circuit of Alabama. He resigned the office of solicitor in 1909 to accept the post as dean of the law school of the University of Alabama, and resigned the deanship in 1913 to become a candidate for Congress.

During his long and continuous service in the House he has been an important member of the Appropriations Committee, and for the past 4 years has served as chairman of the Subcommittee on Appropriations—State, Justice, Commerce, and Labor.

As a new Member I can distinctly recall the favorable impression made upon me by Mr. OLIVER. After observing him daily for a few months I formed the opinion that to me he typified in his person all the splendid attributes of a southern gentleman. Qualities of his mind so ably demonstrated in his discussion of matters under consideration by the House attracted everyone. In addition he possessed the rare gift of eloquence in such a marked degree that whenever he addressed the House the benches were filled.

I know we all regret his decision to end his service in Congress. For him goes out our every good wish that he may enjoy the fruits of his busy life for many, many years in his beloved Southland, and that these years may be filled with peace, consolation, and happiness. An old friend has penned the following lines as a further tribute to him:

PASSING OF THE OLD LANDMARKS

Tho we've many noble statesmen
In our Congress Halls today,
Honored for their faithful service,
Time's decree all must obey.
Yet when one of these immortals
Hears the still, small voice, to cross
O'er the Great Divide, the Congress,
And the Nation, feels the loss.

We lose, likewise, when a statesman,
That up thru the years has wrought
Nobly for our common country—
As a trusted statesman ought—
Fails to offer for election
To succeed himself again;
And methinks we just as deeply
Feel the loss that we sustain.

In these "latter days" of danger,
On the rolling seas of fate,
Statesmen, ruled by sacred honor,
Should direct our Ship of State—
In these old landmarks this virtue
Kept them faithful, firm, and just—
And the lives they lived were sermons,
From the text, "In God We Trust."

—*Horace C. Carlisle.*

THE PREVENTION OF PRICE DISCRIMINATION

Mr. CREAL. Mr. Speaker, from time to time during this administration legislation has been enacted directly beneficial to various classes and occupations—the farmer, laborer, home owner, soldiers, and others.

While the small merchant has benefited in a general way by this distribution of purchasing power among his patrons, no direct aid will benefit him so much as the passage of the Robinson-Patman bill to prevent price discrimination. The mail-order house and the chain store have gradually but surely so far encroached on the average merchant that the

day of his final destruction could be plainly seen in the next few years.

He could not compete with these prices because he was discriminated against in making his purchases. Now, he may purchase a small quantity at the same price as a mail-order house purchases by the million-dollar purchases, when this law becomes effective.

Wholesalers will be able to make purchases on terms of quality the country over. This law does not fix a price but prevents a discrimination between customers, and it was this discrimination that was squeezing to death the independent merchant. The giant monopolies, the chain stores, and mail-order houses were gaining such headway until eventually they would have it all, and then the few giants left would devour each other until only a few of them controlled it all.

Then is when the people would feel the pinch—as soon as they got complete control and laid low all competition the people would be at their mercy on prices.

We need the independent merchant and must do something to protect him from the giant oppressors who are slowly but surely putting him out of business. Much false propaganda has been used to defeat this bill. The merchant has been told that he could not sell one article for 15 cents and two for a quarter, and a lot of other "hooey" of this kind, to try to get a misinformed opposition to the bill. But there are none so foolish as not to know who it is that opposes the measure and who is intended to be benefited. It is for the protection and preservation of the independent merchant, large or small. They are taxpayers of their communities and the ones who keep the home fires burning in their respective communities. This is the first legislation that ever took notice of his precarious condition and attempts to give him a new lease on life.

HOUSING BILL

Mr. DICKSTEIN. Mr. Speaker, the bill that Senator WAGNER introduced in the Senate and which seeks to alleviate existing housing conditions in the United States deserves the careful study and consideration of this House. This bill, a very intelligent piece of legislation, states the following purposes in its preamble:

There exists in urban and rural communities throughout the United States slums, blighted areas, or unsafe, unsanitary, or overcrowded dwellings, or a combination of these conditions, accompanied and aggravated by an acute shortage of decent, safe, and sanitary dwellings within the financial reach of families of low income.

These conditions are inimical to the general welfare of the Nation by (a) encouraging the spread of disease and lowering the level of health, morale, and vitality of large portions of the American people; (b) increasing the hazards of fire, accidents, and natural calamities; (c) subjecting the moral standards of the young to bad influences; (d) increasing the violation of the criminal laws of the United States and of the several States; (e) impairing industrial and agricultural productive efficiency; (f) lowering the standards of living of large portions of the American people; (g) necessitating a vast and extraordinary expenditure of public funds, Federal, State, and local, for crime prevention, punishment and correction, fire prevention, public health, service, and relief.

The failure to remedy the acute dwelling shortage has also produced stagnation of business activity in the construction, durable goods and allied industries, thus impeding business activity throughout the Nation and resulting in widespread and prolonged unemployment, with its injurious effects upon the general welfare of the Nation.

Private industry alone has been and now is unable to overcome the obstacles in the way of relieving the shortage of decent, safe, and sanitary dwellings for families of low income, and the several States and their political subdivisions have been, and now are, unable adequately to aid in remedying this condition without financial assistance.

It is hereby declared to be the policy of the United States to promote the general welfare of the Nation by employing its funds and credit, as provided in this act, to assist the several States and their political subdivisions to alleviate unemployment, and to remedy the unsafe and unsanitary housing conditions, and the acute shortage of decent, safe, and sanitary dwellings for families of low income that are injurious to the health, safety, and morals of the citizens of the Nation.

Since the World War there has also been a potential demand for new housing; and particularly since the slump in real estate during the depression, a condition of affairs had come to exist which makes it necessary to build more and more houses for the benefit of our people.

That is shown by comparison of the best available data on housing needs in 1920, the year when the post-war housing shortage was greatest, and 1936.

The Bureau of Labor Statistics data show that only about one-sixth as much new housing was built from 1930 to 1935 as in the period from 1921 to 1930 although the increase in the number of families, according to normal population trends, should have been 88 percent of the average rate from 1920 to 1930.

How much new construction can be expected on the basis of the present potential demand? On the assumption that the housing slump will have been offset by new building during the next 10 years and that housing will be maintained equivalent to the 1929 standards, it is estimated 760,000 new dwellings will be the average annual construction from 1936 to 1945. Construction forecast for this year is 300,000 units.

What factors contribute to the present potential demand for housing?

Housing officials give the following explanation:

First. Widespread "double-up" of families.

As soon as they are financially able to make the change, many families which have lived together since 1929 will seek separate quarters. This was shown by the real-property inventory of the Commerce Department, covering one-seventh of the urban population. It was found that 7 percent of all the families canvassed reported that they were living with other families but desired to take up separate quarters as soon as they could afford them.

Second. The large marriage reserve.

After 1929 the marriage rate dropped sharply. Census figures show that this postponement of marriages is offset in times of returning prosperity by a rise in the marriage rate. The increased number of marriages during the next few years is expected to be a factor in increasing the demand for houses.

Third. Stagnation of building during the depression.

Residential building during the period from 1930 to 1935 was only about one-sixth of the average from 1921 to 1930.

Fourth. The desire of home owners to move to suburbs and to escape from rundown neighborhoods.

Development of suburban residential areas is expected to continue as a factor in motivating construction of new houses. Also in areas where business has encroached, with returning prosperity home owners will move to more favorable locations.

Fifth. The net population movement from the farms to cities.

First reversal of the movement from the farms to the cities occurred from 1930 to 1932 when many of the jobless were forced back to the farms from which they had migrated. Since 1932 the tide of migration again has flowed to the urban areas.

Sixth. The tendency toward reduction in the size of families.

Removal of older children to separate quarters, a tendency for relatives to seek their own quarters rather than to live together, and a growth in the percentage of adults in the population have contributed toward a reduction in the average size of the family. This trend is expected to continue.

The far-reaching plan which the framers of the bill have set themselves deserves our utmost cooperation, and it is up to the House to give this measure the support it deserves.

We all agree on the necessity for action. It is proposed to set aside $976,000,000 for slum clearance and new housing over a period of 4 years. Personally, I believe a larger sum could well be appropriated for this purpose.

While I do not believe that this bill will adequately solve the problem of slum clearance and new modern housing at low rates, still I believe it is a step in the right direction. We must not let anything stand in the way of its passage and successful application.

It is particularly close to my heart as a representative of this district to see to it that our people get adequate housing in modern buildings at low rents. The problem before Congress is to push forward legislation which will make this a better world to live in and give the average citizen a happier life.

Our President has stated in many public addresses and over the radio that he believes that the aim and object of government should be the creation of a fuller life for our people. If our citizens are better housed and are given modern homes to live in their lives will be happier and they will take a great pride in being citizens of this glorious country of ours.

THE CONSTITUTION MUST BE AMENDED

Mr. AMLIE. Mr. Speaker, when the present administration took office 3 years ago, it embarked upon a far-reaching program of legislation designed to stimulate business and improve the living conditions of the American people. In the course of the past year we have, however, seen most of this legislation declared to be unconstitutional by the Supreme Court. When the Democratic national convention is held in Philadelphia next week, the paramount problem that will confront it will be the question of a far-reaching constitutional amendment designed to give to Congress the power to deal with economic conditions. Before entering upon a discussion as to what such an amendment ought to provide, I should like to call the attention of the House to two joint resolutions that have already been proposed for the consideration of this body.

One is House Joint Resolution 440 introduced by Representative MARCANTONIO on January 8, 1936, commonly known as the workers' rights amendment. The other resolution is Senate Joint Resolution 249 introduced by Senator BENSON, of Minnesota, on February 24, 1936. Both of these resolutions would give to the Congress of the United States the power to regulate conditions affecting production and distribution of goods and services and would also give Congress the power to create agencies for the production of such goods and services. In my opinion either of these proposed amendments would be adequate to meet the immediate needs.

If, however, we are to consider the nature of an adequate constitutional amendment, it seems to me that it would be well to consider what further power, if any, ought to be incorporated in an amendment designed to grant to the United States Congress powers sufficiently broad to permit an adequate consideration of economic conditions by the representatives of the people. I should like to suggest, therefore, for your consideration an amendment substantially as follows:

HUMAN-RIGHTS AMENDMENT

Resolved by the Senate and House of Representatives of the United States in Congress assembled (two-thirds of each House concurring therein), That in order to permit Congress, as the elected representatives of the people of the United States, to take action necessary to bring to the people of the Nation the abundance which full-capacity use of its natural resources, its machinery of production, and the skill of its people make possible, the following amendment to the Constitution, to be designated as the human-rights amendment, be, and is hereby, proposed to the States, to become a valid part of the Constitution when ratified by conventions in the several States as provided in the Constitution:

"ARTICLE —

"SECTION 1. Congress shall have the power to enact laws providing for the ownership, operation, and management, through instrumentalities of the Government of the United States, of business, manufacturing, commerce, industry, and banking, and shall have the power to purchase and condemn by eminent domain such enterprises.

"SEC. 2. Congress shall have the power to regulate, limit, and prohibit the labor of persons under 18 years of age; to regulate hours and conditions of labor and to establish minimum wages in any employment; to regulate production, industry, trade, and commerce; to provide for the support of children, mothers, aged, sick, and other persons not gainfully employed in the form of periodic grants, pensions, benefits, compensation, and indemnities from the Public Treasury or through contributions; and to provide for the economic and social welfare of the people of the United States.

"SEC. 3. Congress shall have the power to lay and collect taxes on gains, profits, and incomes derived from securities issued either before or after the ratification of this amendment under the authority of the United States, the authority of any of the several States, and the authority of any subsidiary government of any State, including municipalities, as well as the right to make direct levies on capital.

"SEC. 4. Nothing contained in the fifth or the fourteenth amendments to this Constitution relative to the taking of property without due process of law shall be construed to impose any limitation on the legislative power of Congress and the several States with respect to any of the subjects referred to in this article."

FOR AN ERA OF ABUNDANCE

A constitutional amendment in substantially the same form as the foregoing would, in my opinion, give Congress the power necessary to bring about by constitutional and democratic means the era of full production and plenty for all which modern technology, the skill of our people, and our great natural resources make possible.

Section 1 would give to the Federal Government the power to set up agencies for the production and distribution of goods and services to the citizens of the United States.

Not only is this power necessary in order to release the great potential productive power of which our country is capable but it is also necessary that Congress should have this power if it is to deal with problems that will confront it in the very near future.

Under the New Deal the Government of the United States has embarked in the Tennessee Valley upon the greatest social experiment ever attempted by the Government of this country. Not long ago the constitutionality of a part of that project was before the Supreme Court for consideration. In this decision the Supreme Court upheld the right of the Government to operate the power plant at Wilson Dam and to build transmission lines for the disiposal and sale of the surplus power generated there. The Court, however, went out of its way to make it plain that they were not passing on the whole problem of Government ownership and operation of power projects but only upon the Wilson Dam itself. They upheld the activity of the Government in regard to the Wilson Dam because the Wilson Dam was originally built for purposes of aiding navigation and insuring national defense.

T. V. A. MAY BE INVALIDATED

But Wilson Dam is only a small part of the Tennessee Valley project. Within a year the water that flows over Wilson Dam will also flow over the Norris and Wheeler Dams in a great power project. Within 10 years, 10 great dams will have been completed for the purpose of utilizing the same water in a great coordinated power development that has as its objective not the aid of navigation nor the insuring of national defense, but rather the improvement of the social standards of the people who live in the Tennessee Valley region.

It seems almost certain that before long the cases that have been brought by 19 utility companies will be decided against the interests of the people in the Tennessee Valley, and the T. V. A., the greatest social experiment ever attempted by the Government of this country and the one part of the New Deal program which looks in the direction of abundance for all, instead of planned scarcity, will be cast aside.

The power to set up agencies for the production and distribution of goods and services is important for an even more urgent reason. About a year and a half ago the Federal Emergency Relief Administration determined that where $163,000,000 a month was spent for relief the same standards of relief could be granted for $60,000,000 a month if the unemployed were permitted to contribute their own labor toward their own support. Furthermore, the F. E. R. A. found that if the sum of sixty millions were increased to seventy-eight millions, then the standards of people on relief could be raised 35 to 40 percent. This would have raised the living standards of people on relief above the standards of people normally employed in industry.

FIFTY DOLLARS A MONTH WASTEFUL

It is unfortunate that public opinion is not willing to support an adequate standard of relief for the unemployed. A recent survey conducted by the Poll of Public Opinion showed that 65 percent of the people interviewed believed that the Federal Government ought to turn relief back to the States and municipalities.

The Republican Party in its platform has taken the same position. It holds that the New Deal has destroyed the morale of many of our people and made them dependent upon Government. It favors the withdrawal of Government from competition with private pay rolls. Apparently, the Republican Party holds that industry has really competed for the services of the 12,000,000 wage earners who have been unemployed during the past 6 years. The Republican Party apparently regards as unfair competition the fact that the Government for the past 8 months has given three and one-half millions of these people work at an average of $50 a month.

They refer to the frightful waste and extravagance of the New Deal.

But in the administration of relief only 3.6 percent of the money spent goes for administrative purposes. Moreover, 95.5 percent of the people employed on W. P. A. projects are taken from the relief rolls. The only fair inference to be drawn is that the Republican Party considers the payment of $50 a month to unemployed heads of families as frightfully extravagant and wasteful. The Republican Party platform further considers balancing of the Budget "not by increased taxes, but by cutting expenses drastically and immediately."

CUTTING BUDGET MEANS CUTTING RELIEF

Members of Congress realize that the present income of the Federal Government is merely sufficient to pay for the operating costs of the various departments, including the payment of interest and the maintenance of the Army and Navy.

If we are to balance the Budget not by raising taxes but by reducing expenditures, this means that we shall have to do away with relief and all the other so-called "emergency" agencies.

In short, the Republican Party is determined that we shall return to the relief situation that existed when Herbert Hoover was in the White House, when the average relief check per family per month amounted to $8.

A proposal of this kind is almost too inhuman to contemplate. The relief program of the New Deal is pathetically inadequate. The statement was made at the recent national conference of social workers held in Atlantic City that death certificates in a certain county in Colorado showed that 79 people had died during the past year from starvation.

I believe this statment to be true. After I heard of this situation I communicated with the head of the Catholic Charities for the State of Colorado, and this gentleman, who is thoroughly reliable, furnished me with 10 verified death certificates from Denver County, in which certificates starvation, malnutrition, emaciation, and undernourishment, and so forth, were given as the causes of death.

Recently the Governor of Pennsylvania stated that physical examinations given to 59,000 school children in the city of Pittsburgh showed that 45,000 were victims of malnutrition and defects traceable to slow starvation.

MILLIONS PERMANENTLY UNEMPLOYED

No one conversant with the facts believes that the twelve to fifteen millions of our now unemployed will ever find reemployment in private industry. Students of the subject agree that during the last 7 years output per man-hour in manufacturing has increased by 30 percent. This means that we could go back to the industrial activity of 1929 and still have eight to ten million unemployed people.

We have now waited 7 years for industry to give these people jobs. In view of present indications it is quite certain that the great majority cannot expect to find reemployment in private industry. If, on the other hand, the public is not willing to provide the funds to maintain these people on relief, then there is only one alternative, and that is for the Government to take steps to enable these unemployed people to be gathered into a Nation-wide self-help, cooperative system financed and sponsored by the Federal Government so that these people may be enabled to contribute their own efforts toward their own support.

But if this is to be done, it is necessary that the Federal Government be given the necessary power.

THE EXTRAVAGANCE OF UNEMPLOYMENT

While the Republican Party platform speaks of "frightful waste and extravagance", it is only too clear that the waste and extravagance of this depression is not to be found in the sums of money that have been spent by the New Deal in trying to keep victims of the depression alive, but rather in the frightful waste and extravagance that has resulted from the unemployment of these 12,000,000 wage earners for a period of 6 or 7 years; the waste and extravagance that has resulted from the operation of our productive plant at approximately 50 percent of its actual capacity for the last 6 or 7 years. It has been estimated by a Government-sponsored study that since the depression began we have failed to produce goods and services to an estimated value of more than $350,000,000. This is more than the total value of all property in the United States at the present time, whether it be real, personal, or mixed. The real waste of this depression is to be found in the fact that for more than 6 years we have wasted 24,000,000,000 man-hours annually. According to a competent Government engineer, these man-hours, if converted into engineering projects, could have built 20 Boulder Dams, 10 transcontinental cement highways, 5,000,000 modern 6-room houses, and an automobile, radio, and refrigerator for each of the 30,000,000 families in the United States for every year during the past 6 years.

THE PROBLEM OF NONPRODUCTION

This is not saying that the people who are unemployed would have the necessary skill to carry on the particular type of work required, but it is saying that translating the unemployment of these people into man-hours this is what could have been done each and every year since the depression started had an equivalent number of man-hours been converted into these projects under current engineering practice.

The American people are becoming aware of the fact that our great problem is the nonproduction of goods and services. In the State of Washington the Democratic Party has come out on a platform calling for production for use. There is obviously no other solution for our economic difficulties—but this solution is not possible unless the Constitution is amended to give Congress the power to set up agencies for the production and distribution of needed goods and services.

The second section in the article seeks to give Congress the power to regulate the conditions affecting the production and distribution of goods and services. This power will have to be vested in the Congress if child labor is to be prohibited, if minimum wages and minimum hours are to be established, and if adequate provision is to be made for the support of children, mothers, the aged, the sick, and other persons not gainfully employed. The Supreme Court has made its position definite and certain in regard to what it will do on any attempt on the part of Congress to legislate on these matters, unless a constitutional amendment is first adopted which will give to Congress this power.

When President Roosevelt states that in his opinion everything can be done that needs to be done under the Constitution as it now stands, it merely means that he now considers such legislation as the N. R. A., the A. A. A., the Guffey coal bill, and other measures of this kind as unnecessary, and that in the future he will only ask Congress to confine itself to those limited powers that have been left to it by the decisions of the Supreme Court.

PLANNING FOR SCARCITY

This amounts to a surrender of even those limited ideals which the New Deal tried to realize. This statement on the part of the President means that there will be no

fundamental difference between the New Deal and the Old Deal except that the New Deal will stand for boondoggling, while the Old Deal proposes to go back to the dole administered by the States and local municipalities. Unless the Constitution is amended, it becomes impossible to plan for abundance through full production. The only planning that will be possible will be limited planning for scarcity in order to maintain the profit system.

The third section provides for direct levies on capital and the taxing of income from tax-exempt securities. It is essential that both of these powers be granted to the Congress of the United States.

At the present time the public indebtedness of the United States, local, State, National, and guaranteed, amounts to approximately $50,000,000,000. The corresponding indebtedness of Great Britain, however, is $52,000,000,000. In view of the fact of our greater population, income, and wealth, our indebtedness would have to be from two to three times as great as that of the United Kingdom to be comparable.

This, however, is not possible if our indebtedness is to be in the form of tax-exempt securities. For instance, if a wealthy man owns a million dollars in tax-exempt securities paying an income of $40,000, this is fully as great a load to the State as though the indebtedness were twice as great, provided the income from these securities could be taxed. In England, for instance, if a man has his wealth in government bonds, a large part of his income is taken back by the state in order to pay the interest on these bonds as they accrue.

WEALTH ENTAILS RESPONSIBILITY

In this country we have gone on the theory that we must offer special inducements to the people of wealth in order to persuade them to buy the bonds of our country. In England the people of wealth have been forced to recognize that wealth also entails social responsibility—that if their wealth is to be preserved they must be prepared to meet their obligations to society. In other words, that a stable government is not possible unless every effort is made to alleviate social distress.

It would perhaps be no exaggeration to say that a government without tax-exempt securities could finance and carry a national indebtedness twice as great as that carried by a government whose securities are exempt from taxation. In other words, in the tax-exempt country a man might derive $40,000 net income out of a million dollars invested in tax-exempt bonds, where in another country permitting the taxation of all securities it would be necessary for him to own $2,000,000 in securities to derive the same net income; the taxing of the income from tax-exempt securities becomes merely a way of reducing the interest rate.

In this country the people of wealth are reluctant about buying Government securities, and as a result we have followed the practice of making our offers more and more attractive.

If we should reach the point where people of wealth would decline to buy our Government securities, we should then be faced with the alternative of simply having the Treasury Department issue the bonds, then take over the Federal Reserve System and sell these bonds to our centrally owned Government bank. This, to the orthodox banker, means inflation, pure and simple. Still it is certain if we do not have the power to tax presently exempt securities that we shall reach this point much sooner than would otherwise be true.

THE CAPITAL LEVY

The power to levy on capital is another instrument that in England has served to persuade the people of wealth to meet the obligations which the ownership of wealth entails. For many years it has been the advocacy of a capital levy that has brought about the most bitter opposition to the Labor Party and its program. Nevertheless, this same threat of a capital levy has also been the principal reason that England is able to carry a national debt comparatively three times as great as our own.

The advocacy of the power to levy on capital and to tax presently exempt securities is fundamentally a conservative proposal. It opens the door for an evolutionary change into a production-for-use system and it at least permits the improvement of economic conditions for the time being. For instance, if this country were to engage on a great public-works program, entailing an increase of its national debt to $100,000,000,000, this would simply mean that we should have public buildings, parks, roads, houses, and so forth, which we do not now have, to the approximate value of $70,000,000,000. While the figures on paper might indicate that the Government was $70,000,000,000 poorer, this is after all merely a matter of bookkeeping. From a physical standpoint we should have $70,000,000,000 more in the way of stone, mortar, structural steel, and other tangible evidences of work accomplished. Physically, we should be $70,000,000,000 better off than we are at the present time and if the Government found that it was not desirable to carry such a big debt load, with the power to levy on capital the Government could simply require that the 2 percent of our people who own 80 percent of our national wealth surrender to the Government for cancelation some of its evidences of indebtedness. Actually this proposal is in the line of conservatism and evolutionary change rather than in the line of revolutionary and violent change.

SHARING THE WEALTH

During the past few years there have grown up in this country strong groups that believe that we must share our national wealth.

No informed economist will quarrel with these people about the fundamental soundness of their viewpoint. They may disagree about the feasibility of specific methods. The power, however, to levy on capital and tax all income is the one way that the objective of the "share-the-wealthers" may be accomplished; but it can only be done after the Constitution has been made into a permissive instrument granting Congress broad power to deal with the problems presented by a decaying profit system.

POWER NOT DANGEROUS

But whenever it is proposed to give Congress the power to enact legislation designed to bring about planned production for plenty the objection is always raised that it is dangerous to give such broad powers to the representatives of the people. What would happen, is asked, if Congress should lose all judgment and simply run wild?

The answer to this objection is to be found in the fact that Congress now has full power to destroy within its hands. This power to destroy is vested in Congress by the Constitution. It is inconceivable that even the Supreme Court would ever attempt to take away this power.

I am referring, of course, to the fact that Congress has full power to spend money for these purposes that have been traditionally recognized as a proper field for Government spending.

Whether this be by way of a large public-works program, the building of the biggest army and navy in the world, the waging of foreign war, the creating of a great bureaucracy with every supporter of the administration on the pay roll, or by some other approved method, it must be conceded therefore that there is no limit on the amount of money that Congress and the Chief Executive may spend if they so desire.

POWER TO INFLATE

In order to pay for this spending Congress may impose taxes of a kind that would absorb all income above a certain point. Congress might also levy excise taxes that would virtually take from certain sections of the people most of their present income, or if this should fail, there is then no limit on the extent to which this Government might borrow, and if people should finally become unwilling to buy Government securities, then the Government could simply take over the Federal Reserve System, causing the Treasury to issue securities which the Federal Reserve System would

buy at par. In other words, the Congress and President have the power to embark on a program of pure inflation if they should ever desire to do so. If they so desired they could issue fiat money to any extent that they might choose.

Congress, therefore, through the wrecking of the national currency, through inflation, has the power to destroy orderly processes of Government and economic life any time it decides to do so. In short, there can be no question about the full and complete destructive power that Congress has at the present time.

The decisions of the United States Supreme Court in the N. R. A., the A. A. A., the minimum-wage case, the railroad-pension case, the Guffey coal bill, the "hot oil" case, and so forth, have virtually amounted to holding that the Congress of the United States is restricted in its power to deal with economic problems save and except by bringing about inflation. In other words, as matters now stand Congress cannot go far without bringing upon the country disastrous consequences.

Whether Congress would use broad economic power intelligently or not remains, of course, to be seen. Power of this kind can obviously be used constructively or destructively. If, however, we believe in democratic government, we cannot expect to meet and cope with critical problems unless power is granted the representatives of the people to carry out their mandates. As matters now stand the Federal Government obviously does not have this power.

HAS POWER TO DESTROY SUPREME COURT

Whenever it is proposed to give Congress broad permissive power, this suggestion is always construed, by the representatives of the vested interests, as an attack upon the Supreme Court and American institutions. As matters now stand Congress has the power to destroy the Supreme Court if it should decide to do so. In the first place Congress has the power to determine how many justices there shall be on the Supreme Court. The number of justices has been varied many times in the history of the country as political circumstances have seemed to require it. We have tended to forget that the Supreme Court has been a political football from its very inception. Congress could increase the number of justices to 50, to 100, or to any number necessary in order to insure getting the type of legal opinion that would harmonize with the viewpoint of Congress and the Executive.

Congress could arbitrarily fix a retirement age that would get rid of justices that might be considered undesirable because of superannuation. The Congress might fix a term of service and provide that members must automatically retire after having served a specified length of time. The Congress of the United States might refuse to make any appropriations for the performance of the functions of the Supreme Court, and, of course, it must be remembered that except in a few cases where the Supreme Court has original jurisdiction (the Court in all other matters has only appellate jurisdiction), the Congress may limit the extent of this appellate jurisdiction in any way that it sees fit.

Therefore, except in cases involving original jurisdiction, the Supreme Court in the final analysis has only that power which Congress permits it to exercise.

These are only a few of the methods, that come to my mind, by which Congress could dispose of the Supreme Court if it were inclined to do so. The proper method, however, in view of the practice that has grown up, and been sanctioned by the people of the United States, is to submit to them the question as to whether the Constitution shall remain a legalistic strait jacket or be made into a broad permissive instrument that would give the representatives the power to carry out the wishes of the people.

REPUBLICAN PLATFORM IGNORES QUESTION

The Republican platform recently adopted at the national convention of the Republican Party held at Cleveland does not recognize that there exists any need for greater legislative power either on the part of Congress or the State legislatures in order to deal with the crisis. The Republican nominee, however, has indicated that if it should become necessary, he would advocate a constitutional amendment granting this power to the several States.

This presents the rather idle question as to how bad conditions in his mind would have to become before he considered it desirable to have legislation on the subject of child labor or minimum wages and maximum hours for women employed in industry.

The proposal, however, that the conditions of workers should be improved by legislation by the several States is palpably dishonest. In the first place it is generally recognized by labor representatives in the Northern and Eastern States that the legislatures of those States have now gone so far in the matter of social legislation that industry finds it advantageous to move its plants into Southern States, where social legislation affecting hours, wages, and conditions of labor is virtually nonexistent.

The Northern and Eastern States cannot, therefore, proceed further with advanced labor legislation without speeding the rate at which industry is moving out of these States into States without legislation designed to protect the workers.

On the other hand, it cannot be expected that these States backward in the field of labor legislation will proceed to enact protective measures, since it would be certain to retard the movement of industry into these States.

This attitude was well exemplified in a certain State, where an effort was made last year to amend the laws of the State in such a way as to permit the installation of sewers in milltowns. This attempt, however, was defeated, even though it is common knowledge that open privies are a menace to health in urban communities.

The announced position of the Republican candidate can therefore not be construed as a genuine effort to face a social problem, but rather an attempt to appeal to psychological lag after the issue of State rights is no longer a matter of protecting the common man against exploitation, but has rather become an assurance to the great corporations that they will be permitted to exploit without let or hindrance from either Federal Government or the governments of the States.

DEMOCRATIC PARTY MUST FACE ISSUE

When the Democratic Party holds its convention in Philadelphia next week, it will be forced to recognize that most of the legislation enacted during the past 3 years and designed to carry into effect the so-called New Deal economic program has been declared null and void by the Supreme Court.

In a recent speech at Little Rock, Ark., President Roosevelt expressed it as his opinion that it would be possible to attain the objectives of the New Deal without amending the Constitution.

It might be assumed from this that the measures declared unconstitutional were a mistake in the first place and should not have been enacted into law. If this is the case then the New Deal is approaching perilously close to the position that has been preempted by the Republican Party ever since the Civil War.

We have at the present time certain movements in this country that have proposed different plans for dealing with the problems that have been created by 7 years of acute economic crisis. If the plans of these organizations are analyzed in terms of the Supreme Court decisions for the past 2 years, it will be readily ascertained that none of these organizations can hope to enact their proposals into law unless broad permissive powers are first granted to the Congress of the United States.

It would seem reasonable to assert, therefore, that before any of these movements can give their support to the candidacy of any individual for the Congress of the United States, the first requirement must be that this individual shall be willing to support an amendment to the Constitution sufficiently broad to give Congress the power to enact into law the program which the particular organization is sponsoring.

Without regard to the differences of opinion that exist between the sponsors of these various economic programs, it is imperative as a first step that the issue of a constitutional amendment in the form of an enabling act to the Congress of the United States be presented in each congressional election in 1936.

FOREIGN COMPETITION WITH DOMESTIC SUGAR PRODUCERS—BLACKSTRAP MOLASSES

Mr. GILCHRIST. Mr. Speaker, this resolution (S. J. Res. 278) extends the sugar quotas for 1 year. I am aware that it will pass. However, I want to call attention to certain facts at this time, so that future legislation may remedy the faults that are embodied in the present proposal.

A similar House resolution was before our Agricultural Committee, and the present Senate resolution retains sections 1 and 2 only of the House resolution and eliminates the other sections. But even now in its present condition it is undoubtedly contrary to constitutional limitations because it is a direct and undisguised attempt under the quota system to limit and regulate the volume of production of sugarcane and sugar beets in and among the several States by an act of the Federal Congress. It is, therefore, in direct conflict with the opinion of the Supreme Court in the case of Butler against the United States handed down on January 6, 1936, which holds that the production of agricultural commodities in the several States is not subject to the control of the Federal Government. I quote one paragraph from that opinion:

> Until recently no suggestion of the existence of any such power in the Federal Government has been advanced. The expressions of the framers of the Constitution, the decisions of this Court interpreting that instrument and the writings of great commentators will be searched in vain for any suggestion that there exists in the clause under discussion or elsewhere in the Constitution, the authority whereby every provision and every fair implication from that instrument may be subverted, the independence of the individual States obliterated, and the United States converted into a central government exercising uncontrolled police power in every State of the Union, superseding all local control or regulation of the affairs or concerns of the States.

I believe that we can accomplish everything that this resolution proposes without violating our fundamental law.

I complain also because there were no hearings in the committee and those who may have been in opposition were given no notice and no chance to be heard. The resolution is now before us upon ex parte statements and one-sided arguments and because of the requests of certain producers and refineries who were the only people consulted so far as I know. I hope that hearings will be had at the opening of the next session and that everybody will be given an opportunity to be heard so that the Congress and the country can be informed of all of the facts.

Sugar is a nonsurplus crop. It is a cash crop. In storage and in warehouse it is a better collateral than almost any other agricultural commodity. The United States and the Virgin and Hawaiian Islands produce only 30 percent of our continental consumption, while 70 percent is brought here from foreign and nonterritorial offshore areas. We should encourage the production here at home of all the sugar that we can produce economically and we must look forward toward giving the American market to the American producer.

We grow sugar in Iowa. We have a rich and adaptable soil. We have rainfall and do not depend upon irrigation. We are nearer to the large consuming markets and we ought to get some cheaper freight rates than other areas, although the base system—Pittsburgh-plus system—prevails to our disadvantage. Future legislation should correct evils in this respect. I repeat that so far as is possible we should give the American market to the American producer, but this resolution really results in giving 70 percent of our market to offshore foreign and nonterritorial populations.

But all sugar legislation should do what this resolution and what present legislation fails to do—that is, give protection to American farmers against competition with the half-clad, half-fed, half-civilized peon labor of foreign countries. Industrial alcohol, for example, should be distilled from home-grown corn and vegetables and not from cheap blackstrap and garbage sent here by foreign opulent sugar refineries of the West Indies.

The volume of importation of molasses has grown in recent years, and in 1935 it amounted to nearly 250,000,000 gallons of a value of nearly $12,500,000. During the first 3 months of 1936 the importation was approximately 28,500,000 gallons. Molasses importations represent a loss to American farmers of more than $12,000,000 per year. We could use 1,000,000 acres of corn land in producing 41,000,000 bushels of corn in the manufacture of alcohol if such corn was not displaced by approximately 248,000,000 gallons of molasses now imported for such purpose.

If we would prevent the importation of this item alone, we would take care of every bushel of our surplus of corn. It is an interesting and significant coincidence that all of our surplus corn could be used here in the distillation of industrial alcohol if importations of blackstrap were embargoed or prevented by a sufficient tariff.

Two years ago in the committee I proposed an amendment which would have limited the importations of blackstrap for distillation purposes down to the quotas based on pre-war and pre-Volstead conditions. At this time when we are limiting American production it seems ridiculous to give this opportunity to foreigners, and in speaking on the question, among other things, I then said:

> If you really want to restore the farmer's buying power, you will give him the American market. If you really want to make him prosperous, you will allow him to raise and sell his products. If you want cheap foreign labor to displace him in the economic structure, then you will continue to favor the American Molasses Co. of Boston, and the big sugar refineries, who control the present situation, and the lobby which has been here before Congress representing them. You will continue to uphold the big banks that have large investments and loans in foreign sugar refineries and sugar plantations. How about the Chase National Bank, the National City Bank, and the Bank of Montreal? As Congressmen, whom are you going to be for? That is a question which you will have to answer sooner or later, because the time is coming—and I hope it will come soon—when you cannot hide behind a rule which prevents discussions and amendments and also prevents justice to American farmers.

This importation is a very small fraction of agricultural products allowed to come into this country in competition with the home folks who are trying to live a home life on our family sized farms. This legislation and all future sugar legislation should have them in mind.

THE ANTILOBBY BILL

Mr. MARTIN of Colorado. Mr. Speaker, the House yesterday vindicated itself as a deliberative body. It demonstrated the value of frank and candid discussion of a legislative measure. The House of Representatives is overwhelmingly in favor of legislation to safeguard against secret and corrupt lobbying of the character shown to have been carried on in connection with the holding-company bill at the last session of Congress. In the debate yesterday it was disclosed that we were dealing with a bill which would have been a virtual denial of the right of the citizens of the country to petition Congress or be represented before it in behalf of or in opposition to legislation.

I had received letters of protest from members of the Townsend movement, claiming that the bill aimed at their movement. I sought to allay their fears by assurances that it did not. Yesterday in debate it was admitted by proponents of the measure on the floor that it did. I had it admitted in answer to a question of my own. I stated in substance to a proponent of the bill that, as I understood it, the objection was not that the representatives of any organization or movement would have to register and state what they got and who they got it from and what they did with it, but that great popular movements would virtually have to register their entire membership in Washington and every cent that all the members contributed to the movement.

The answer in substance was that those organizations throughout the country whose principal business it is to influence legislation, and who collect money for this purpose, must show from whom they collected it and how much they got and what they did with it.

My rejoinder to this explanation was that it would be impracticable and that we had as well pass a law prohibiting them from lobbying and be done with it.

The statement was further made by the proponents of the bill that it did reach the American Federation of Labor and all patriotic organizations or anyone else who hires and sends a lobbyist to Washington to influence legislation either way.

Section 2 of the proposal submitted to the House makes this clear. It would work in this way, taking the Townsend movement as an illustration: The movement would have to file with the Clerk of the House and the Secretary of the Senate the names of all persons who contributed to the movement for the purpose of influencing legislation at Washington and the amount contributed. This would mean every one of the millions of members of the movement, and this report would have to be made monthly. It would be the same with all other popular movements to influence legislation. I single out the Townsend movement only by way of illustration.

Paradoxically enough, the great corporations at whose practices this legislation was presumed to be aimed would not have to do this. They are not organized principally to influence legislation. Only their lobbyists would have to register, give the name of their employer and the amount of money they received, and what they did with it. This is as it should be. The same should be required of all other representatives lobbying on legislation. But when to this you add the requirement that the names of the members of organizations of millions of voters, each of whom makes some contribution, be it a dime or a quarter, must be registered at Washington, together with the amount contributed, plus monthly reports, it should require no argument to show that this is not only impracticable, but impossible. Whether this was intended or not, there can be no dispute about the result.

The conference report brought in these provisions of the bill. I voted against the report on the roll call. It was rejected by a vote of 264 to 77.

ABRAHAM LINCOLN MISQUOTED

Mr. COCHRAN. Mr. Speaker, I have read from time to time, with a great deal of interest, a statement attributed to President Abraham Lincoln in which he was alleged to have prophesied that if the growth of monopolies continued in the United States it would be most destructive to the country, or words to that effect.

Knowing that from time to time quotations of this character are not based upon facts, before repeating it I thought I would inquire of the Librarian of Congress if he could advise me when and where such utterances were made. For the benefit of those who desire to be accurate I submit a letter I have received from the Library of Congress, which is self-explanatory:

LIBRARY OF CONGRESS,
OFFICE OF THE LIBRARIAN,
Washington, April 16, 1936.

Hon. JOHN J. COCHRAN,
House Office Building.

DEAR SIR: For the Librarian, pray let me acknowledge your letter of April 15, enclosing a newspaper clipping giving the statement "I see, in the future, a crisis approaching", etc., attributed to Abraham Lincoln, and asking for the book containing this statement.

The Library of Congress from time to time has been in receipt of letters making inquiry regarding this statement, but our people here have never been able to find it. In her book, Personal Traits of Abraham Lincoln, Miss Helen Nicolay, daughter of John G. Nicolay, who was one of President Lincoln's secretaries, writes as follows:

"My father once made a list of a dozen or more spurious quotations and allegations concerning Lincoln, but the one he was most often called upon to deny was this:

"'Yes; we can all congratulate ourselves that this cruel war is drawing to a close. It has cost a vast amount of treasure and blood. The best blood of the flower of American youth has been freely offered upon our country's altar that the Nation might live. It has been a trying hour for the Republic, but I see in the near future a crisis arising which unnerves me and causes me to tremble for the safety of my country. As a result of the war, corporations have been enthroned, and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands and the Republic is destroyed. I feel at this time more anxiety for the safety of my country than ever before, even in the midst of the war. God grant that my fears may prove groundless!'

"This alleged quotation seems to have made its first appearance in the Presidential campaign of 1888, and it has returned with planetary regularity ever since. Although convinced by internal evidence of its falsity, my father made every effort to trace it to its source, but could find no responsible respectable clue. The truth is that Lincoln was no prophet of a distant day. His heart and mind were busy with the problems of his own time. The legacy he left his countrymen was not the warning of a seer, but an example of obligation to face their own dark shadows with the sanity and courageous independence he showed in looking upon those that confronted him."

Very truly yours,

WILLIAM A. SLADE.

THE NEW DEAL

Mr. HANCOCK of North Carolina. Mr. Speaker, under leave to extend my remarks, I insert the following address by me before the Wilsonian Democratic Club of Forsyth County, in Winston-Salem, N. C., June 3, 1936:

Mr. President, members of Wilsonian Democratic Club, and friends, built as I am, it would be difficult indeed to pretend indifference to the warmth of your greeting. I thank you for it and rejoice in the opportunity given me to talk to my friends in this splendid community just at this time. I am also deeply appreciative of the generous words of presentation spoken by my friend and your good friend, Fred Hutchins. Fred is primarily interested in my candidacy for renomination to Congress, not because of our warm friendship but because of the more important fact that he knows that I shall continue unswervingly to represent all the people of this community rather than a few selected groups.

I am not here because of any fear of the outcome in the primary, though I recognize that some of the influential citizens of this community have been quietly fighting my candidacy several months while I was in Washington trying to carry on my work and perform my duties. This is their right so long as their campaign is waged on a high plane and in the open daylight. With the diversity of interest in this great district, it would be miraculous if any human being could always act in a way to please all the people. My record will speak for itself, and on it I stand tonight. The mistakes which I have made have been of the head and not of the heart, and I have no apologies to offer anyone.

It makes me feel mighty good to know that I can face every man, woman, or child in the district and greet no single accusation of having broken a promise. Furthermore, no one can truthfully charge me with belonging to any group or class of our citizens. I am a free man, and I am striving to keep you and yours free, both economically and politically.

Six years ago I was Granville County's candidate for the nomination to the House of Representatives from the imperial Fifth District. On three different occasions I have been honored with a vote of confidence by the people of Forsyth County. Today, after 6 years of valuable experience and, I believe, effective representation, I seek a fourth term, but I come now, not alone as a candidate from Granville, but the candidate from the entire Fifth District. Every county in the district, by a sizable majority, has expressed its confidence in me and my record. But, after all, this office belongs to the people and the holder is merely a trustee for a limited time. If the duties and responsibilities have been faithfully and effectively carried out it would seem but natural and right that the trust be renewed or extended. If the duties and responsibilities of the office have not been faithfully and effectively carried out it is the duty of every good citizen to seek another trustee.

If I am your choice I want your vote as an expression of your good will and confidence. I am deeply interested in the welfare of the social and business life of this community, which might be termed "the hub" of my district. I recognize that your stakes are heavy and that effective representation in Washington has a bearing upon the social and economic well-being of every person in the county. Please remember that you can have no problem which will be alien to my best interest. No man, woman, or child in the county has ever sought my aid or assistance that I did not quickly and cheerfully lend it.

The primary reason of my presence here tonight is to try to promote my candidacy, and I know of no better way to do it than to talk to you frankly about the New Deal—its meaning, its objectives, and its accomplishments. It would be foolish for me to expect all who hear me to agree with what I say or to enjoy my saying it; and I shall therefore expect and be prepared for a volley of criticism from those few here who have long planned my ouster, largely because my actions have on every occasion demonstrated my abiding interest in the welfare of all the people. As a matter of fact, I like constructive criticism, and I know I need it, especially

when it is prompted by a good motive. Some of those, however, who have criticized and will continue to criticize my actions are without this type of motive and have never lifted their hands to help me in my work or help me in a way whereby I might help you. Even they must admit, however, that I have been fair and aboveboard in all my actions. I seriously question whether my most severe critic could have done a much better job than I have done. Of course, if I am wrong in this surmise, there is a way to prove it. That way and opportunity presents itself every 2 years.

Now let me speak my mind: Though I love to be liked and respected by all men and have many friends who often disagree with me and my attitude toward public questions, I want everybody to know that I am absolutely indifferent to the support of any man who has actively allied himself with the Liberty League. Surely no one here will misunderstand that statement and its implications.

Before coming to the main theme selected for my discussion tonight I want to touch briefly on a few side lights of this campaign. On one of my recent visits here I could not but be laughingly amused at the big ad on the big building across the street. I heartily agree that our district needs a man in Congress, but, my friends, I cannot swallow the balance of that statement. Here is the true situation: With the exception of a group of my opponent's personal friends, kinspeople, and associates here and in the district and those who are opposed to the underlying principles of the New Deal and our matchless and beloved leader, Franklin D. Roosevelt, there can be discovered but few, relatively speaking, who will not agree that the district has a man in Congress now who is willing and capable of effectively representing the best interests of the district.

My attention has been called to a statement which my opponent made the other night at a county rally. He is reported to have said, in connection with the position he recently held in Washington, that Mr. Farley asked him to take it, and that it was accomplished without a recommendation from anybody. Certainly this statement was made inadvertently, for, before his appointment was cleared, he came to me in the company of your distinguished fellow townsman, Mr. R. M. Hanes, and requested that I endorse him. At Mr. Hanes' and his request, I sent a telegram to General Farley recommending him for any position which he was qualified to fill. I claim, however, no credit for the success of his effort. But, lo and behold, he had hardly warmed his administrative chair before he turned on me with a vengeance and did everything he could to nominate the good lady from Rockingham County in the 1934 campaign to take my place. Reserving other comments—"That's gratitude!"

There is another gentleman here who apparently has the same conception of that virtue. You know, my friends, I don't mind a man coming out in the open and criticizing my record and fighting me with all his might and power, politically, but there is something in my nature that makes me detest an enemy who will pose as a friend.

This gentleman is a candidate for the State legislature; why he is interested in seeking this office, you might well inquire. Notwithstanding his assurance of friendship and support for me on several occasions, he has been going around the district conniving with a prospective opponent to bring about my political destruction; why, I even secured his son a position with an agency of the Government, at his request, and I was busily engaged in trying to get him another position at the same time he was, as my friend, planning my downfall. Friends here have reported to me of his activities and that of another gentleman, high up in the leaf department of a great industry. You know, I have some little knowledge of the way some men connected with the big organizations carry on their political manipulations, and I will let you in on it one day pretty soon.

Often I overlook things of this kind and take them as a part of the game; but I could not, in fairness to myself or friends, let him get by with these unpardonable tactics. I am also familiar with the quiet and undercover opposition from a few other supposedly good friends. I challenge them all to come out into the open and put their cards on top of the table, as any true and courageous man should do if he is to continue to hold the respect of his fellow men.

This is a day of unusual political thought and strange happenings. Ours has become a surging Democracy, and unquestionably we are on the verge of vast economic and social changes. The political currents run deep and turbulent. We should face the situation realistically, but it is no time for good men and true to get excited or indulge in fulminations. Clear thinking and bold speech are essential if we are to make the best of a puzzling situation. On the other hand, there is little wonder that a political upheaval seems to be in the making in certain parts of the Nation, and especially when some of your prominent businessmen, fashioners of public thought and community builders, lend their financial and moral support to the campaign of Governor Talmadge for no other purpose, in my opinion, than to belittle and derogate the constructive work of our President.

I shall later on refer to a few more side lights, but there is now something more important and interesting to talk about. So let's get to it.

Now, first let us consider together the meaning of this thing we call the New Deal. I admit that there is no unanimous agreement, even among the leading New Dealers, as to what the New Deal is or ought to be. Such an agreement would of itself be contrary to my conception of it. Any observer, therefore, has the right to describe the New Deal from any standpoint he may choose. From my own viewpoint, the New Deal is the early stage of the final effort of the American economic and political system to throw off the shackles of ruthless and high finance which has resulted in making a few men masters and millions slaves. In all its various aspects the New Deal is related to this central line of progress.

Broadly stated, it has before it two great goals: The abolition of dire poverty and the equality of economic opportunity. Toward a social order in which there will be no dire poverty, no exploitation and no lack of opportunity New Dealers shall ever travel. No sane and good man will agree that poverty and distress should abound in an age of plenty. There can be no other conclusion as long as this condition exists, but that the minorities are under the system robbing the majority. For fear of being misunderstood, I want to make it clear to all those who may be listening that I do not subscribe to the notion that an economic millenium can be created by an act of Congress. To hold such a notion is a cruel and vicious error which can result only in disappointment and discontent, or eventual revolution. We shall the sooner reach the goal above stated when the American people understand that the way to economic independence and social enjoyment will come through the performance of work and helpful services. This country will be what we make it by our own efforts. The great objectives will be realized through the progress of education, through research and invention, through increasing control of natural resources, and through fair yet effective regulation of business within reasonable bounds. This, of course, involves control, in its broad sense, of our monetary policies, upon which the well-being of every citizen is more or less dependent. It is, therefore, high time that the American people should understand that poverty cannot be abolished by law, that hard work cannot be eliminated by statute, and that no government can create an ideal economic system.

The essential elements of the New Deal may be said to be the lines of action that look toward the elimination of financial centralization and the restoration of economic freedom. Looking through the inevitable confusion of action since the dark days of the Hoover administration and the "hang-over" following it, we can now see at least four coordinate lines of progress: First is effective regulation and supervision of the securities markets and of the banks. Reviewing the first 30 years of this century, we realize that the rulers of finance exercise their power largely by two of these instruments. From the battle between Morgan and Harriman over the Northern Pacific down to the great pool operations of the 1929 boom, the giants have fought their battles in Wall Street to decide who should have the right to stick the farmer, the worker, the small investor, and the consumer. Though few people realize it, the banks enjoy the function of creating and destroying money and of deciding who shall have the use of credit for business purposes. These are large powers, and they have been used in ways that caused lasting trouble, human misery, and far-reaching economic dislocations. Mitchell and Wiggin are gone, as are many others of their kind, but not before they had contributed largely to the sufferings of their countrymen. Most of our bankers were honest and are honest now, but no one can truthfully deny that they have played favorites in granting the use of credit. They have assisted in the concentration of financial power, and they have helped to float bonds that sent many a man to eternal sleep or to the poorhouse.

When the times were dangerously booming, honest bankers inflated credit for their own profit and the Nation's loss. When times were desperately hard, honest bankers destroyed $10,000,000,000 of money. They had to do it by force of circumstances and because of the system under which they operated. Banking is too big a job, with the public interest too much at stake, to be left free to follow the lure of short-term profit. The Nation, acting through its central Government, must control the expansion and contraction of the volume of money which is accomplished through open-market operations. Do you realize that when the Government buys or sells bonds and securities, it is in effect buying and selling money. When it buys, the volume of money is increased and the cost decreased, and when it sells, the volume is decreased and the cost increased. It is truly the exercise of the super-sovereign power of a nation. The Government must also oversee in proper ways the allocation of credit for the protection of small-business men.

The abandonment of the gold standard, citadel and shrine of high finance, was the first and most important step toward the accomplishment of this first line of progress. For with the recapture of the Nation's gold supply the financial tycoons can no longer strike chills to the marrow of those who propose action in the national interest by threatening to draw out their gold and leave us flat. They have lost their sacred calf and have been snubbed by the Supreme Court when they have tried to get it back.

The second main function of the New Deal concerns itself with the distribution of income: Capitalism, which the New Deal has saved, is supposed to have its own internal mechanism for distributing income through wages and dividends. Under the domination of high finance, however, it is evident that this mechanism is failing to work. Even before 1929 several million Americans were unemployed, kept from starving by charity, kept from producing useful goods and services by the policies of the lords of finance. The few million stockholders of American industry were getting good dividends, but only the insiders had any power of control. The proof of the failure of this distribution system is the fact that poverty increased on one end and wealth on the

other. Under this system one-fourth of 1 percent of all the corporations in the United States control one-half of all corporate wealth and are thus able to fix prices on many of the most essential things in our daily living. The purpose of a more equitable distribution of the Nation's wealth production should be clearly understood. At this point let me state that I for one have no patience, but rather contempt, for the view that every man who has a dollar or wants to make one is a public enemy. At the same time, I have no patience, but utter contempt, with that man who, blessed in a worldly way by the opportunities of living in America, snugly wraps the mantle of selfishness about him in a cowardly refusal to wager on our common future. Do not let such a man tell you he is afraid of confiscation, afraid of socialization, or afraid of Government in business.

Remember the only certain thing about government is that it will change. It is not something, but it is for something. Politics is its science. Politics is the living breath of representative democracy. Politics is the treatment of social and economic problems in a democracy. Politics of a sort has been the lot of this Nation since Cornwallis surrendered. Politics troubled the last days of George Washington, harrowed the earned leisure of Lincoln, and ruined the evening of Woodrow Wilson's life. Had the businessmen of those earlier days abandoned their jobs and committed industrial suicide because of politics, this Nation would never have advanced an inch. All of us should know that every legislative step of importance since the Constitution was written was claimed by critics as foreshadowing doom. And after every attack of nerves and the jitters immeasurable progress resulted.

Unless our working people can have larger incomes, industry cannot run, and unless the great unpropertied middle class can be propertied, we can have no hope of a stable and happy economic order. Liberty is meaningless as long as the large majority of our people live close to the bread and butter line. All fair-minded men must admit that there is something fundamentally wrong with an economic system which permits the income of one man in the high brackets to exceed the income of forty-two hundred in the low brackets. A persistence in this order of things will force the Nation into an unhappy form of government, such as exists in certain European countries.

I know that the poor cannot be made rich by giving them their pro-rata share of the wealth of the Nation. Even such a thought does violence to the concept of a true democracy. And whenever the door of opportunity does not stand ajar to the man of talent, courage, and ingenuity, an alien form of government with its destruction of the liberties of a free people will supersede the great American democracy. It is certain, however, that a more equitable distribution of the national income can be brought about by cutting down the power of the rich to prevent the use of our resources. Remember, concentration of wealth cannot but create artificial scarcity, which will eventually bring on economic chaos and revolution.

The third line of progress of the New Deal is in the direction of personal security. One of the principal causes of the overconcentration of wealth is the pathetic and hopeless struggle of the great middle class of our people to save money for a rainy day. For years and years these savings went into financial institutions where they became the football of high finance. Savings in small sums are weak and helpless, but gathered into large funds they offer temptations to graft and even more to honest but mistaken manipulations that destroy business property. The savings of the poorer classes of our good people not only go to increase power of the rulers of high finance, but they also help, under our financial system, to overload the business world with debts, for every investment is a debt. The New Deal, therefore, by appropriate legislation is developing means for guaranteeing basic economic security to all the people.

The fourth necessary line of progress, in my opinion, must be directed toward industrial decentralization. The insufferable and inexcusable instability of business, caused by periodical booms and depressions, is brought about by centralization of ownership, of control, and of geographical location. All three are, of course, connected but different. The rural areas are drained of small industries which are essential to their economic health. The United States will continue to be in a badly unbalanced condition with money incomes concentrated into a few metropolitan areas and with wide sections of our country sinking deeper each year into debt and decay. Of course, Federal income taxation and spending in debtor areas helps somewhat to redress the balance, but never enough. A gradual decentralization of industry is therefore the only permanent remedy. We must find means to cause small locally owned industries to prosper in the rural areas so that all the occupied portions of our country may be financially healthy and able to support a civilized standard of living.

These four lines of progress are surely parts of the general program of which the New Deal is a manifestation. Implicit in the New Deal are the desire and the purpose to improve living conditions in America. Frankly recognizing the inequalities, the injustices, yea, the cruelties of the social order that it inherited from its predecessors after a decade of debauch, this administration immediately set about to redress the most glaring abuses and to lead back the people, even if only a little way, toward the path from which innocently and unheedingly we strayed in pursuit of a gilt-edged rainbow that always was just around the corner.

Let us now calmly and with our own fair thoughts appraise the present situation today in the light of the conditions that obtained when our great leader in that dark hour of 1933 brought hope and courage to a prostrate and faltering people. I remember, as you do, that on election day in 1932 there was a strange unrest in America. There was murmuring in the market place. Mortgages were being foreclosed and people were losing their homes and farms. Those who had jobs were being dismissed because there was no business, and the factories were idle. There were long bread lines; thousands were hungry and cold. My friends, the citizens of the United States, to put it mildly, were afraid. Those people who were hungry and jobless and worried were willing to try anything that would make for a change, so they sent a new man to the White House. He made no claims to superintelligence or magic ability. He gave no guarantees, but he said he would try. He said he would experiment, since existing conditions could be solved only by experimentation. Some of the experiments might fail. It was natural to expect them to do so, but he would do something—the best he could—so that business might resume its onward march and the hungry be fed. And he started. Some of the things he did seemed truly wild and fantastic; some were strange, but they were progressive, forward looking; and people had forgotten how to look forward.

Millions of our citizens had become afraid and had crept into corners, clutching the little that remained of their money and property. To understand a good many of the things that happened, particularly in the early months of the administration, it is necessary to keep in mind that in the 4 months between the election and nomination the depression turned into a panic, and at the moment Mr. Roosevelt took office the country was paralyzed. Action was imperative—not careful, deliberate planning, but quick, decisive action. Conditions called for emergency measures which I shall discuss briefly later on. Long-range dreams had to give way to instant practical action. The do-nothing cowardly policies of the Hoover administration had almost sunk the Nation. Instead of nature's taking its course, it was daily taking its toll in life and property. From the moment the first word of his inaugural address fell upon the ears of a dismayed and despairing citizenry, confidence and courage began to come back to the American people. Slowly the wheels began to turn. People lost their fear. Conditions were so vastly different at the time that he took office from what they were during his pre-election campaign that his entire program had to be changed if the Nation was to be saved. He became convinced that the deflationary spiral must give way to forced spending. Accordingly, overnight he was forced to abandon his economy policy and began to pump out billions in Government expenditures, in loans and in gifts to individuals, to communities, and to whole States.

Price levels, Mr. Roosevelt concluded, were too low. The country was carrying a heavy load of debt incurred at higher price levels. One of two things had to happen. Either prices must be forced up so that debts might be borne or the debts must be repudiated by inflation or moratorium. The simplest and soundest course seemed to lie in raising the price level. In this desperate struggle Mr. Roosevelt resorted to many legislative and economic weapons. Most of what happened is well known. The results can be seen upon the faces of millions of our citizens, not to mention the incredible material blessings that have followed. No honest or unprejudiced mind could agree that President Roosevelt's 3 years have been crowned with the rosy success described in the political speeches written by some administration spokesmen. Nor have they been the menacing failure pictured by speakers on the white list of the American Liberty League which operates a branch office in your good city. Results, however, of these 3 years of courageous, effective, human, and wise leadership of the Roosevelt administration tell its story in the lives and conditions of the average man, woman, and child in America. All agree that the Nation has achieved a marked measure of recovery which will undoubtedly increase under his leadership in the next few years. Business is more than 90 percent of normal. In some lines it exceeds the 1929 peak. Some industries making consumption goods are doing more business now than they did even in 1929. Values of securities, listed and unlisted, have increased in an amount 5 times greater than the total amount spent for relief purposes.

Real estate again has a basis of value, and its future was never brighter. Our banks are in an impregnably sound condition, with 55,000,000 accounts insured against loss up to $5,000. The American dollar is unimpeachable and the standard of sound value in every world market. Corporation earnings have shown a tremendous increase, and agriculture is gradually finding its place under the sun. Through the policies of this administration the first effective effort has been made to place agriculture upon an equality with industry. Farm income has increased from a low of around four and one-half billion dollars at the beginning of 1933 to a high of around eight and one-half billion dollars. Bank deposits are larger today than they were at the peak of the so-called paper prosperity period of 1929. Though the national debt has increased from twenty to thirty-four billions of dollars, every penny of it has been spent among ourselves and for our benefit. A large portion of this amount represents loans made by the Government for the protection of business. Without the present budgetary deficit our banks would not be in their strong position today. Thousands of large and small businesses would have gone out of business and millions of our citizens would have been forced to almshouses. By other appropriate legislation Government loans have been provided to strengthen the capital structure of our banking institutions; thousands of farm and city homes have been saved from foreclosure; entire municipal units have been able to preserve their credit.

Under the New Deal program the Federal Government has for the first time recognized its obligation to the aged and infirm, and through the Social Security Act provision is made to prevent this class of our worthy citizens from eating the bitter bread of charity, and thereby lifting the dread of an uncertain future from those who live in economic insecurity. Under this same measure a program of unemployment insurance has been started to take care of our working classes of people in times of low business activity. Aside from its great humanitarian purpose, if properly administered, it will serve as a powerful cushion against the instability of business. The greatest of all paradoxes in this country is the fact that there is a plenty for all, but all do not have a plenty.

This administration is also urging the adoption of the pending child-labor amendment to the Constitution that would forever put an end to the cruel exploitation of underprivileged children. It has also recognized the obligation it owes to the youth of the land to insure for them an opportunity to secure adequate educational advantages. It has sent hundreds of thousands of young men from the slums of our cities and the waste places of our land to C. C. C. camps, where they can do useful conservation and reforestation work while upbuilding their own bodies and invigorating their own souls. These things are but a translation of the saying of the greatest apostle in all the ages when he uttered, "We then that be strong ought to bear the burdens of the weak."

Under the New Deal and through the Public Works Administration, much of a definite and permanent benefit has been done our country by not only giving work to the involuntary idle but to make this Nation a better place in which to live. Some great writer has recently stated that "No nation can impoverish itself by employing its unused man power, material, and wealth in improving its equipment and resources." These projects should, of course, be such as have a lasting social and economic value. Under this program we have built many thousands of schools in which to educate the youth of the land, many thousands of sewers and waterworks to protect the health of our citizens, still other thousands of hospitals, sanatoriums, public buildings, bridges, and power plants, as well as other first-class improvements to add to the moral and physical strength and comfort of American citizens. And while we have thus been striving for the economic and social welfare of the people, we have also provided relief to the unemployed, so that no one has lacked essential food or clothing or shelter. No honest Government of any great country should or could do less under such circumstances.

The great social objective of this administration has been to try to increase the security and the happiness of a larger number of people in all occupations of life and in all parts of the country; to give them greater distribution not only of wealth in the narrow terms but of wealth in the wider terms; to give them assurance that they are not going to starve in their old age; to give honest business a chance to go ahead and make fair and reasonable profits and to give everyone a chance to earn a living. Is there anything in these objectives that can be called a menace to our traditional private competitive system? Mr. Roosevelt, though recognizing and endeavoring to remove as quickly as the people understand and will permit the evils in the present system, has never said or done anything to indicate that he thought the way to deal with adenoids was to chop off the patient's head.

In building for the future through reform measures we have not lost sight of the fact that in the past money prosperity and social bankruptcy have too often gone hand in hand. We venture to hope for a future in which we will have both material and social prosperity. Opposing the social regeneration and civilization of the Nation stand the exploiting classes composed of those men who already are too rich and powerful for the good of the people, but who, nevertheless, are greedy for more riches and more power. A number of them call themselves Liberty Leaguers and, for the first time perhaps in their lives, have discovered that we have a Constitution, because the interpretation of certain sections of this great document has unquestionably been the retreat and hideout for predatory wealth.

I believe in the preservation of the Constitution and amending it only by orderly procedure, but I do not believe it should be used to tie us to the dead hand of the past and thereby block the onward march of progress. Any instrument made by man can and should be changed by man for mankind's welfare. I regret that there are a few men in this community who because of their riches have become drunk with power made possible under the old order of things. In some instances no doubt their salaries are several times the size of their heads, and many times the circumference of their hearts. They know not of the trials and tribulations of those who work with their hands, having by inheritance lived in luxury. They evidently still believe that economic might makes right. They would rule you or ruin you. To them a suggestion as to how they shall exercise their suffrage would be an insult, but for one of them to attempt to influence you against your convictions is taken as a matter of ordinary right. They believe that the cream of life and its comforts belong to them, and that the great masses of the people should be content with skimmed milk. To them not less than a whole loaf, but to you the crumbs from their tables. In order to retain their position of economic lordship in this community and this State they would threaten you the loss of your position if you hesitate to do their bidding, regardless of the valuable and proficient services which you may render them in your given line of endeavor. This is, of course, usually done through their stool pigeons. They believe in corporate aristocracy—not true democracy.

Though posing as the friend of the average man and sympathetic toward the New Deal program when in certain places in Washington, down here in their own circle you will find them fighting every advance which the New Deal is making for social justice. They have, no doubt, always opposed every measure looking to social advance. Some of them have bitterly opposed practically every New Deal measure with the exception of those particularly aimed in their direction and for their benefit. Some of them have publicly villified and maligned in the ugliest terms the great President of this Nation and the leader of the common people. They have even questioned his integrity by such remarks as "you can't put your finger on him", etc. Thank God some of them cannot. Some of them opposed particularly the payment in cash of the adjusted-service certificates, when the amount of their profits, as a result of the war carried on by the holders of these certificates, brought into their coffers millions of dollars. Some of them have lived on Government contracts since Mr. Roosevelt came into power, with the result that their profits have mounted and their properties have almost doubled in value. These are they who have for years believed in low wages, long hours for those who carry the heaviest burdens of life, while they live in palatial homes, yachts, and summer retreats. Their profits, as you know, have not come primarily through a contribution to the welfare of society, but partly through child labor and the economic exploitation of their employees. They are for laissez faire, not for the status quo ante.

It is hard to believe that they have ever cared how the great mass of the American people live. Little is their concern whether 60 percent of our citizens are living at or below the margin of existence. Let the ratio go to 70 or 80 percent, provided there is no interference with their baneful economic habits. To be sure, in their altruistic moments they say people must be fed and clothed and sheltered, but expend on them no more than is barely enough to keep them alive in order that they may continue by their toil to add to the wealth and power of those who have built themselves up on the exploitation of their fellow men and by means of special privileges which have been granted to them by a complacent Government.

Some of this group are moving heaven and earth to defeat me in this primary. I know their names; I know of their efforts; and I fully understand their motives. Is not their opposition conclusive of the correctness of my position on public issues? It has been and it will be impossible for me to represent the spirit and energy of the great mass of my people in this district and at the same time please this small group.

In a democracy every interest is entitled to fair representation, and my record shows that I know this. One would think that they would be chastened in spirit and fairer in action because of our narrow escape from a social and economic cataclysm that seemed about to engulf us all in a common disaster, and that they would now be ready and willing to set to work to build on this continent such a Nation as the humane and socially minded of our founding fathers saw in their dreams—a Nation consisting not of numerically small class holding most of the wealth of the country with 60 percent or more lacking adequate food, clothing, and shelter, but a Nation which, except for that handful of misfits and derelicts that are constantly being sloughed off of every social group, shall be composed of citizens who are economically free because they possess the means of supplying themselves with those things that make life worth while and who are therefore truly politically free.

I have been blessed by the fact that I have suffered and felt the pinch of poverty. Though well born, I was forced, because of the financial circumstances of my family, to make my own way since I was a boy in the teens. I know what it is to work both with my hands and my brain, and for that reason I am happy that I can always feel a common touch. I also am the happy father of seven fine average children—four boys and three girls.

When I think of my country and my people, I cannot but think of my children. Mrs. Hancock and I are trying to rear them in such a way that they will grow up to love their country because of its justice, equality of opportunity, and freedom of life. We have also tried to instill into them the fact that the torch of progress has been kept aflame, not alone by the achievements of science, industry, and culture but as much by the sympathy, tolerance, and cooperation of those who are eager to give new ideas a chance to prove their value and whose desire for the betterment of humanity embraces all. Is the America that we shall pass on to our children to be an economic feudalism with the powerful lords of finance in control of our resources; with a small but very rich group at one end of the scale and an ever larger and poorer class of dependent vassals at the other? Is it to be an America of contented and happy citizens supporting themselves in comfort by their own efforts? Are the property and means of production of America to become more and more concentrated in the hands of a privileged class, or is there to be a wider diffusion of them among the mass of the people, as those who founded this country intended there should be? Is it to be the function of our Government further to foster, protect, and encourage a concentration of wealth that has already reached a point where it threatens the very life of the Nation, as it has already put its soul in jeopardy? Or is the ideal to be that of serving the best interests of the greatest number of our citizens? Serving the best interests of the greatest number of our citizens, is my friends, the New Deal in action; and I am happy that I have been and that I still am a part of it, and unless all dependable signs fail, I shall continue to be a

part of it, regardless of the combination of power and wealth which is arrayed against me in my district.

There are several reasons why this group is fighting me, and here is one that I am especially anxious for you to know: Born and reared in a tobacco-growing county, quite naturally I have become familiar with and sensitive to the problems of the tobacco grower. I have seen him labor under the most trying circumstances to make a crop, employing in the effort every member of his family, even to the little giri tots. Too often I have seen his economic condition worse at the end of the year than it was when he commenced, because of the unfair distribution of the income from this great industry. As a North Carolinian, I am naturally deeply interested, as my record will show, in preserving and promoting the tobacco industry. If this were not true, I have got no business living in North Carolina, much less serving the Fifth District, where a large percent of the people are dependent upon some phase of the tobacco industry for a living. I know, however, that there is sufficient income to go around more equitably.

But here's what I want you to know: It was my privilege and duty in the last session of Congress to actively sponsor what is commonly known as the Flannagan bill. In short, this measure aimed to correct some of the abuses and difficulties in the present marketing system. It provided that in given areas where two-thirds of the farmers had by affirmative vote approved the plan, the Federal Government would, by competent, impartial, expert graders, examine and inspect all tobacco before it was sold by the warehousemen. All the cost in connection with this service is borne by the Government. In addition to the grading of tobacco, the bill provided that there shall be a daily market news service telling the farmers the average current price which each standard grade brings on certain markets daily.

Since the companies require that their buyers shall be experts, it occurred to many of us that it would be less than fair if the Government didn't furnish expert graders for the growers. Without this additional service, all who understand the present system must admit that the average farmer has little or no bargaining power in the sale of his tobacco. Regardless of the friendship which exists between the buyers and the farmers, have you ever heard of a buyer in a business transaction helping a seller? It is the contention of those who understand this problem that every pile of tobacco of approximately the same grade should sell for approximately the same price on the same warehouse floor the same day to the same buyer. Does it do it? No; and it never has. There is no guaranty that with this service we would have a perfect system; but no one can deny that, if the measure is properly administered in cooperation with the warehousemen, it should result in a great improvement to the system and a protection to the growers.

No person or interest can be harmed if those who carry on this operation want the grower to receive the true worth of his tobacco. If the warehouseman is not interested in seeing this done, then the grower is without representation or protection under the present system, and the sooner he learns this the better off he will be. If properly administered, this measure should also tend to protect the smaller markets without injury to the larger ones. Warehousemen usually fare pretty well, and the more the grower gets the larger are their commissions. Surely there should be some real responsibility on the part of the warehousemen for the protection of the grower. It was and is the judgment of the sponsors of this bill than no person can be injured or deprived of any of his rights. It is true that it will tend to eliminate the opportunities for unearned profits on the part of the pin-hookers, who quite frequently, because of the hurried way in which tobacco is sold, six or seven hundred piles an hour, pick up piles at a bargain, regrade them, and then sell them, sometimes as farmer tobacco, at a profit greater than the total amount received originally by the grower. It is also the belief and judgment of the sponsors of this measure that it will insure perpetuation of the present loose-leaf auction system, which should and can be made highly competitive. You know it seems rather strange and unbelievable that though the farmer stakes his all under the present system, and is the real party in interest, he is not eligible for representation on the tobacco boards of trade which regulate and control the method of disposing of his labor.

How would you like for, say, a month of your labor and industry to be auctioned off in 5 or 6 seconds without expert advice as to its worth? If the present system as now operated is for the best interests of the grower and not the warehouseman and buyer, pray tell me why this group is so bitterly opposed to the Flannagan bill. I invite any opponent of this bill to meet me anywhere in the district to debate its merits or demerits before a group of tobacco growers whom they are supposed to represent and protect and from whom they receive their living. If they are for the grower first, instead of fighting me, they should and would be busy improving the system for his protection. If this is not a meritorious measure and shot through with justice, why did every member of the North Carolina delegation, with one exception, including both Senators, support it? Why did the A. A. A. heartily endorse it? Why did the President strongly favor its passage and give it his blessing? I am happy to state that not all the warehousemen are opposed to it. Some conscientiously question its merits, others oppose it because they belong to the buyers and refuse to put the growers' interest first. I want you to classify them for your own welfare and protection.

Now, let's analyze the attitude of some of the critics who were saved by the New Deal. You will certainly want to laugh. Most of these critics sing the same old song. They would carry us back to the 1929 Garden of Eden. A few days ago I met one of these gentlemen on the street of this good city, living in a dreamland of long ago when personal liberty could be used to the extent of capitalizing upon the very souls of the masses who work for a living with their hands and who formed the foundation of America, past, present, and future. He told me that, though business was much better under the New Deal, American business and the American public are afraid to go ahead because they do not know what the present administration will do.

I said, "Exactly what are they afraid of?" His answer was a general confusion of perfect ignorance as to the purposes of the New Deal. My friends, do you believe the American people are afraid of having their bank deposits guaranteed up to $5,000? Are they afraid of having their homes saved when private financial institutions failed to save them? Are they afraid of having the uncertainty of poverty in old age swept aside with social-security legislation? Are they afraid of being protected in their dealings in securities against the unscrupulous practices of some of the money changers? Are they afraid of having their national wealth increased with a program of self-liquidating public works? Are they afraid of a power development program to bring cheap electricity into homes that are warped with drudgery? Are they afraid of legislation to prevent the overcapitalization of industry that heretofore has resulted in their being fleeced out of millions of dollars for worthless watered stocks and bonds? Are the American farmers afraid of 75-cent corn, $1.25 wheat, 10-cent hogs, 14-cent cattle, 11-cent cotton, and 20-cent tobacco, as compared to 9-cent corn, 20-cent wheat, 2-cent hogs, 4-cent cattle, 6½-cent cotton, and 9-cent tobacco in 1932? Are they afraid of having their farms refinanced at a rate of 3½-percent interest and a saving of from 2 to 3½ percent? Are they afraid of Federal loans on their agricultural products affording them an opportunity to await the arrival of satisfactory market conditions? Are they afraid of legislation directed toward eliminating the unfair discrimination in prices as between large chain-store combines and the independent merchants, whose preservation is essential if we are to have economic freedom and the consumer protected against monopolistic prices?

Are you afraid of legislation which will make it possible for the man who works with his hands to bargain on some effective basis approaching equality with his employer? Are they afraid of legislation which will take the profits out of war and make material powers and property subject to the Nation's call in the same way that the young men are drafted into service? Is anyone afraid to have the unemployed of this Nation fed through the productive agency of the Public Works or Works Progress Administrations until such time as American industry becomes sufficiently rehabilitated to absorb them? Do you honestly believe that the American public or American business are afraid of the generally improved economic conditions largely brought about by the New Deal, as evidenced on the market pages of every newspaper in the United States, be it hostile or friendly to the program? I know you are not, and I know you know the American public and the average American businessman is not afraid of this program. They are behind it, and when free to speak, commend it in glowing terms.

I'll tell you what the American public is afraid of and what the small-business man is fearful about: Our history has taught us to believe in the virtue of free business initiative; but is it not a fact that we had actually lost most of our freedom in 1932? The international bankers, the trusts, the chain stores, and the holding company tactics hemmed us in from above. Below were the lesser rackets of the underworld lying in wait to snap at any businessman who appeared to be friendless or unprotected.

As a result of this situation were we not fast becoming a nation of "yes" men, cringing to bankers, industrial tycoons, and gangsters? When the power and grip of these antisocial forces are lifted from the neck of the small American businessman and farmer, his fears will vanish like the mist before a rising sun. The New Deal has recognized this un-American and deplorable situation and has set about to tear it up, root, trunk, and branch, and we are making progress every day.

I must conclude. I would like to extend my remarks, but the time will not permit. These are, in my opinion, the fundamental social and political issues upon which the future of America depends and the solution of which cannot longer be postponed. Where does my opponent stand on these issues? Will he make his views public? Ask him. The situation can only properly be called a crisis. In this crisis in our national life you and I have grave responsibilities that we cannot evade without forfeiting our birthright. Under the continued leadership of President Roosevelt, if the issues can be made clear, the chance that the American people may throw off the yoke of high and ruthless financial control and reassert their liberties is worth the wager of our lives, our fortunes, and our sacred honor. When the carping and sulking critics, who have been repudiated at the bar of public opinion in America for their economic sins of omission and commission, have sunk into oblivion, the name and record of Franklin D. Roosevelt will shine forth in glistening beauty and inspiration from the hearts of the millions whose lives have been permanently blessed by his New Deal program.

I thank you, and good night!

HON. THEODORE L. MORITZ

Mr. DUNN of Pennsylvania. Mr. Speaker, I desire to take advantage of this opportunity to make a few remarks in behalf of my friend and colleague, Congressman THEODORE L. MORITZ, who represents the Thirty-second District of Pennsylvania.

I do not hesitate to say that since Mr. MORITZ has been a Member of Congress he has sponsored and supported progressive and humanitarian legislation, such as adequate pensions for the aged, widows with dependent children, and all those who are physically incapacitated; increased compensation for disabled veterans, payment of the adjusted-service certificates, and also legislation to benefit the coal miners, farmers, and all others who labor for a livelihood.

I have heard Members of Congress refer to Congressman MORITZ as a liberal. A person who is a liberal is broad-minded, progressive, and humane. A person possessing these attributes makes an excellent servant of the people.

Read the CONGRESSIONAL RECORD and you will learn from Mr. MORITZ's speeches and the bills he sponsored and supported that he is a real representative of the people. I have not any doubt that if THEODORE MORITZ is reelected to the United States House of Representatives next November he will again serve the people as he did in 1935 and 1936.

ENGLAND FINISHES ITS THREE MILLIONTH HOME; AMERICA CAN EMBARK ON A SIMILAR PROGRAM THROUGH PASSAGE OF THE WAGNER-ELLENBOGEN BILL

Mr. ELLENBOGEN. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following:

ENGAND FINISHES ITS THREE MILLIONTH HOME

Mr. Speaker, the Nation-wide, insistent demand for passage of the Wagner-Ellenbogen housing bill continues. In fact, as the closing days of the present session approach the hope is being expressed on all sides that this legislation, so vital for furthering the economic and social well-being of the Nation, will not fail of enactment in the House before Congress adjourns. It has already passed the Senate by a large majority.

In its latest editorial the Scripps-Howard chain of newspapers, which has given its editorial support to the Wagner-Ellenbogen bill since its introduction in the Senate and House, again musters powerful and sound arguments for the bill's passage.

THE WAGNER-ELLENBOGEN BILL IS ONE OF THE ACES OF THE NEW DEAL, SAYS THE SCRIPPS-HOWARD NEWSPAPER CHAIN

The Wagner-Ellenbogen bill is one of the aces of the new deal, the editorial states, and insists that Congress should play it now.

Pointing out that announcement has just been made of the erection in England of the three millionth home built since the war, the editorial makes the important observation that government assistance in England to only about 15 percent of her new housing started England's home-building boom—a boom which has been the main factor in her recovery.

Expressing the hope that the House Banking and Currency Committee will report the measure and that the House will vote its passage before adjournment, the editorial also asserts that both politically and economically the Democrats would be wise "to add this administration measure to the galaxy of reforms to which they can point with pride at Philadelphia."

PASSAGE OF THE WAGNER-ELLENBOGEN BILL POLITICALLY WISE AND ECONOMICALLY SOUND

The Republicans' platform failed to mention rehousing, one of the most obvious next steps in our own recovery, the Scripps-Howard papers point out. It would therefore be the part of political wisdom to enact the bill—which is urged by millions of organized backers.

Economically, too, the Democrats would be quite as wise, the editorial observes, quoting John T. Flynn, who says that—

Here lies the greatest single instrument of recovery that the mind of man can invent in our system.

The urgent need for housing is again pointed out:

Experts estimate a need for 7,000,000 additional dwelling units during the next decade, not counting the replacement of unfit, dilapidated buildings now occupied; rehousing the lower-bracket income families in decent homes would stimulate the heavy industries, reemploy labor, set off the belated private home-building boom. And the expense—in grants and loans to local housing authorities in the next 3 years—probably would be returned in tax savings from lower crime, delinquency, fire, and disease costs.

This is an excellent exposition of the need for the Wagner-Ellenbogen housing bill, and a sound argument for its passage. I hope that the House will recognize the great merit and the great need for the Wagner-Ellenbogen bill, and enact it at this session.

ROBINSON-PATMAN BILL TO PROTECT INDEPENDENT MERCHANTS

Mr. WOLVERTON. Mr. Speaker, there has been considerable discussion with respect to what will be the effect of the enactment of the Robinson-Patman anti-price-discrimination bill.

Large and powerful organizations that have been able to receive preferential prices in purchasing commodities to be sold in competition with independent merchants have conducted widespread propaganda against the bill. In many instances the information has been misleading, and in some cases actually untrue, with respect to the purpose and effect of the bill.

All of this has been done because of a desire upon the part of such organizations to continue to utilize their wealth, power, and corporate connections to obtain preferential prices or other favorable considerations in the purchase of their merchandise and thereby be enabled to undersell the small merchant who is their competitor. The effect of all this in many cases has been to eliminate the small or independent businessman entirely and thereafter leave the consumer under complete control of the big business with competition destroyed.

The Robinson-Patman bill is based upon the fundamental principle that it is not in the public interest to permit any system of unfair price discrimination, or other business practice or custom, to exist whereby an advantage is given to one person over another. To permit such is to create a tendency, as is now the case, to have all merchandising lines of business serving the consuming public gravitate into the hands of the favored few who, by reason of great corporate wealth and influence, are able to demand, coerce, and by threats intimidate manufacturers into granting to them preferences of price or other favorable considerations not extended to the general buying public.

It can be readily seen that if unfair business practices, such as the Robinson-Patman bill seeks to correct, were permitted to continue, the time would not be far distant when every line of business that supplies the necessities of life to our people would be in the hands of a small number of large corporations. The small merchant engaged in the sale of groceries, meats, clothing, dry goods, shoes, drugs, tobacco, hardware, furniture, household appliances, fuel, building materials, agricultural implements and supplies, and other articles of general merchandise that enter into our daily life, would soon be eliminated and all possibility of his earning a livelihood as an independent businessman destroyed. The small store in city, town, and village, and the general store at the crossroads in the country section, would become only a memory as a thing of the past.

There is no denial of the fact that these large and influential corporations in different lines of mercantile business are enabled, because of their size, to demand and receive preferential prices and other worth-while advantages in making purchases of commodities from the manufacturer; and the small-business man, because of his inability to bring the same measure of pressure, is denied the more favorable treatment accorded to the large corporation with its tremendous wealth of resources. The result cannot be other than detrimental to the small-business man and equally unsatisfactory to the manufacturer upon whom demand is made accompanied with threats and coercive methods.

A careful study of the report made by the Federal Trade Commission, based upon its investigation of the practices of some of the so-called chain stores, as well as upon the facts set forth in the report of the special congressional committee that made a Nation-wide inquiry into the same subject, leaves no doubt as to the advisability and the necessity of Federal legislation of the kind and character contained in the Robinson-Patman anti-price-discrimination bill.

The continued expansion of the chain-store type of business into every line of activity has created a condition that becomes increasingly disturbing and calls for firm and decisive action before all possibility of individual initiative in small business of a mercantile character is destroyed. Failure to do so would result not only in destruction of small business enterprises, but would also make possible a monopoly that would preclude any cut in prices and place our people at its complete mercy.

Although the demand for this legislation originated with the small-business man, who has felt the ever-increasing pressure and encroachment of big business and the consequent difficulty of continuing in business under prevailing conditions, yet the manufacturer who has been subjected to the threats and demands of the chain-store organizations has likewise felt the necessity of legislation of this character.

The Federal Trade Commission had this to say on that subject in its report:

> There has been considerable criticism of some of the methods used by chain systems in their bargaining with manufacturers for special price concessions. The criticism comes largely from the manufacturers themselves, many of whom protest the methods used while yielding to them. Some state their yielding was accomplished only as the result of threats and coercion.

And again the Federal Trade Commission makes this statement:

> Thirty-three of the manufacturers interviewed stated positively that threats and coercion had been used by chain-store companies to obtain preferential treatment.

To give some idea of what has happened in this respect, the report of the investigation showed that one large chain-store organization received in rebates from manufacturers and wholesale merchants over $8,000,000 in one year. It was disclosed that they refused to buy unless they received a price preference or the equivalent in merchandise. Thus, it can be readily seen that the manufacturers and wholesalers themselves are as much in need of protection and as anxious for it as the independent merchants.

It is also of interest to note that the huge savings resulting from rebates, to which I have just referred, were not entirely passed on as a saving to the consumer nor reflected in a higher rate of wage for the employee. The report of the investigation showed that this corporation paid a comparatively few of its officers and directors a total of $1,996,000 a year. It paid several of them over $100,000 a year, one of them $180,000, and another $140,000. All of this was made possible out of secret rebates received by that one corporation to the amount of $8,000,000. It is equally interesting to know that the same report also showed as a result of a survey that was made that the weekly wage rate paid to chain-store employees was 30 percent less than that paid by independent operators to their employees for similar work.

In conclusion, and answering a fear expressed by some, it is my opinion that the restoration of equality of opportunity in business as provided for in the Robinson-Patman bill will not increase prices to the consumers. In this connection it is well to bear in mind, as stated in the report submitted by the Judiciary Committee of the House:

> Unfair trade practices and monopolistic methods which in the end destroy competition, restrain trade, and create monopoly have never in all history resulted in benefit to the public interest. On the contrary, for the most part, they have been symbolic of lower wages, longer hours, lower prices paid producers, coercion of independent manufacturers, domination of that field of industry, and in the end high prices to consumers and large profits to the owners.

The purpose of the Robinson-Patman bill is to strengthen existing antitrust laws, prevent unfair price, and other discriminations, preserve fair competition in the interest of the consumer and small-business man, and at all times maintain equality of opportunity so that even the most humble may continue in their chosen field of business. It seeks to protect the weak against the strong. With this principle of American justice and fair play I am in entire accord and give my present and continuing support.

THE UTILITIES MUST BE CURBED

Mr. ELLENBOGEN. Mr. Speaker, the utility crowd is desperate. Investigations conducted by Congress and other agencies have resulted in startling revelations. The people have at last been shown how they have been mulcted by the utilities and how they have lost billions of dollars to the utility racketeers. As a result of these scandals, the utility lobbyists have been driven out of Washington.

The utility barons are desperate in their attempts to return to the seat of our Government. In their desperation they have concocted the most diabolical conspiracy that ever besmirched the history of this Nation. Since their lobbyists have been revealed as corrupters of government and tools of reaction, they have banded together to place their own lawyers and representatives in the very seats of Congress.

SLUSH FUND GATHERED

The utilities are gathering a gigantic campaign fund to defeat every incumbent Congressman who has opposed their greed and reaction. Every Congressman who voted to abolish the existing evils in the utility industry is marked for defeat by the lavish use of the huge slush fund gathered from the utility profiteers.

The utilities can no longer depend on lobbyists and legislative agents. They have selected utility lawyers and utility agents to run for Congress in the hope that their own lawyers and agents will protect their unfair privileges. These utility lawyers if elected to Congress would save the utilities the expense of paying lobbyists and giving bribes. They would save the expense of paying for fake telegrams and for other false and malicious propaganda.

Never in all history have the utilities been so arrogant, so bold, and so brazen in their attempt to debauch the electorate and to poison the fountain of popular government. It was bad enough to have the utility lawyers, lobbyists, and propagandists in the antechambers of legislative halls and in the hotel lobbies of the Capital. To place these same utility representatives in the seats of Congress would spell the doom of representative government and democracy.

UTILITIES MUST NOT BE PERMITTED TO OBTAIN CONTROL OF CONGRESS

The people must be aroused before it is too late. The utilities must not be permitted to succeed in their brazen attempt to dominate national legislation by spending millions of ill-gotten dollars to elect utility lawyers and agents to the National Congress and the State legislatures.

It is now an established fact that the utilities control and dominate every faction of the Republican Party in Pennsylvania. The battle between the so-called liberals and the old guard in the Republican Party is merely a sham battle—a smoke screen to hide the real attempt of the utilities to control the next congressional delegation from Pennsylvania. So-called reformers, so-called liberals, and so-called independents are the instruments of the utility interests of this State to corrupt the Government. Utility bosses bossed the Republican political bosses. Utility barons dictated the Republican nominees. So-called harmony slates were the creation of utility representatives. Every nominee was hand-picked as safe for the utilities.

When you know who sat in on the conferences in Philadelphia that selected the supposedly independent Republican slate, you know that the utilities dominated the selections. You know that no matter what banner they fly—independent, reformer, or old-gang politician—they are the servants of the utilities. I challenge the State leaders of the Republican Party to deny this.

Utility companies render a service that is not a luxury but a necessity. They are monopolies. The Government prohibits any competition with them. The people are at their

mercy unless governmental agencies, honest and fearless, step in and act for the benefit of the people. A courageous Congress can save the investors and the rate payers from exploitation. That is why the utilities are so anxious to elect their own friends to seats in our National House of Representatives.

MARCH FLOODS RECALLED

The floods of last March illustrated the great importance of the utility services in our daily lives. The floods and the shut-down of the power plants revealed the vital need for strict regulation of the utilities by the Government.

We remember the complete break-down of normal living in western Pennsylvania. The streets were dark. The police and fire-alarm systems were disrupted. Newspapers ceased publication. The radio stations ceased broadcasting. The bakery plants were closed. No automobile gasoline was available. Every office building and mercantile establishment was closed. Not a single wheel of industry, commerce, trade, or communication was able to turn. The entire community was paralyzed; the city was desolate; the community had ceased to live. This event proved the absolute dependence of the people on the utility service. It proved the power that lies in the hands of those who control the utilities.

UTILITIES COULD STARVE PEOPLE

It would be possible for a city to be completely isolated from the rest of the world, to be completely paralyzed and denied every comfort and necessity of life. The entire community could be starved within a few weeks if the owners of the power plants chose deliberately and wantonly to shut down their plants and refuse to supply electric current.

The electric light and power industry supplies 25,000,000 residential, commercial, and industrial customers. It supplies to manufacturers 55 percent of the energy consumed in their productive processes and to mining and quarrying 63 percent of their power requirements. No dictator, past or present, in all the world's history held such mighty power in his grasp as do the dictators of the utility field. Let the utility dictators determine upon it and they could pass a death sentence upon the people. Only a government which is in the hands of the representatives of the people could prevent such a catastrophe. That is why the utility dictators are endeavoring to control our Government, so that the Government would protect them in their onslaughts on the people.

SOME METHODS OF EXPLOITATION

The utility barons have learned that control of government enables them to make huge profits by—

First. Tax exemption.

Second. Milking investors by the sale of worthless stocks and bonds.

Third. Syphoning the profits into the pockets of insiders and failing to pay dividends to honest investors.

Fourth. Plundering the consumers by excessive rates.

UNFAIR TAX EXEMPTION

While home owners and farmers are taxed for the cost of government, the utilities, through their control of State and local governments, have escaped payment of taxes. The utility barons can well afford to contribute to secret funds to purchase or retain control of governmental agencies. For if the dividends on this investment were no more than the real-estate tax exemptions on utility properties, they would represent a handsome return to these speculators in politics, utility services, and Government.

In Pittsburgh alone the utilities fail to pay the real-estate tax on more than $132,000,000 worth of property.

In Allegheny County the sum is much larger. In Pennsylvania as a whole hundreds of millions of dollars of utility property are tax exempt.

UTILITIES ENJOY MUNICIPAL SERVICES BUT HOME OWNERS PAY FOR IT

The utilities enjoy police and fire protection, the sewerage and health facilities, and the street and highway systems. They use all these municipal services and facilities but do not pay anything for it. All these services and facilities are paid for entirely by the home owners. Exemptions from real-estate taxes for the utilities means increased real-estate taxes upon the homes.

UTILITY TAX EXEMPTIONS ARE ILLUSTRATIVE OF REPUBLICAN PARTY CONTROL IN PENNSYLVANIA

The price we pay for electric light and power, gas, water, trolley, bus, taxicab, or train transportation, or for telephone service is regulated by the public service commission. But it is not within the memory of man that the Public Service Commission of Pennsylvania had ever ordered a substantial reduction in the rates of any major public utility. This was true under the control of the commission by the Old Guard Grundy Republicans, the Mellon-Vare machine, the Penrose machine, or the "lily white" reform administration of Pinchot.

Scores of millions of dollars have been taken out of the pocketbooks of Pennsylvania citizens and sent to Wall Street speculators to pay exorbitant dividends on utility stocks.

THE NOTORIOUS M'CLURE INVESTIGATES

At an investigation conducted by a committee of the State senate of which the convicted Senator John J. McClure was chairman it was testified:

That the Penn Central, a major State utility, earned approximately 30 percent during 1930 despite the fact that a 7-percent return is the legal limit.

That the Duquesne Light Co. had a write-up of fourteen and one-half million dollars in 1928, and that it made excessive illegal profits of $28,000,000 from 1925 to 1931. That the Duquesne Light Co. valued its properties at $152,000,000 for rate-making purposes and at $40,000,000 less for tax-assessment purposes.

That the Insull empire took two and one-half million dollars in loans from the Penn Central Light & Power Co. for use of other subsidiary companies. These loans were never repaid—to the detriment of the investors in and the consumers of this company.

That a former member of the Public Service Commission of Pennsylvania deposited $888,738 in banks during a period when his salary was only $110,000.

That another member of the commission received a fee of $150,000 from Mitten Management of Philadelphia and had his hospital expenses of more than $3,000 paid by a former head of the Philadelphia Co. of Pittsburgh.

These are just a few of the many startling revelations that came to light. What would have been revealed to the public had the lid been completely lifted would have shocked and amazed the people.

Here is another astounding revelation:

DUQUESNE LIGHT COMPANY MAKES MILLIONS WHILE PEOPLE STARVE

During 1930 and 1931, 2 years of adversity and depression, of misery and starvation for millions of people, the Duquesne Light Co. made $12,000,000 in excessive and illegal profits.

It is stated by competent authorities that the excessive or illegal profits of electric companies alone—not counting gas, transportation, communication, and other utility services—are more than $500,000,000 a year and that their write-ups or watered stock greatly exceed $520,000,000.

When you get a glimpse of the ramifications of the utility racket, you realize why the utility interests are willing and anxious to spend millions of dollars to elect their own utility lawyers and tools to Congress.

THE HOLDING-COMPANY SCHEME

The utility holding company racket is another nefarious scheme that the utility barons will revive, if they succeed in electing their lawyers and agents on the Republican ticket.

I voted for the Wheeler-Rayburn bill to curb the vicious practices of the utilities holding companies. The fake telegrams and false propaganda did not fool me. I stood by our great President on this issue. I voted to prevent a recurrence of the loss to millions of people who invested in stocks and bonds of utility companies and lost their life savings in the collapse of the Insull empire and in many other criminally managed and corruptly operated utility holding companies. The utility racketeers know that they cannot intimidate me. They cannot bribe me. They are trying to defeat me by supporting for election a man who represented them for many years and in whom they have confidence. They are ready to spend a huge slush fund

against me. I defy them to do their worst. I shall continue to fight for the investors, the consumers, and the home owners.

CONTROL BY SMALL INVESTMENTS

The assets of utility operating companies amount to about $12,000,000,000. The holding companies own only 3 billions of dollars. Yet, in spite of their mere ownership of one-fourth of the utility assets, they control and dominate the entire field.

Four large utility holding company systems control 50 percent of the entire electric utility business in the United States. These giant super companies have grown so large, powerful, and arrogant that it is necessary for the National Government to control them or they will succeed in their efforts to control the Government and dominate the people.

A $16,000,000,000 SWINDLE

In 1929 insiders sold utility holding company stocks for $19,000,000,000, when their actual investment in plant equipment and capital assets was only $3,000,000,000. When the bottom fell out of this inflated balloon, the people lost $16,000,000,000 by this fraudulent oversale of stocks.

The Byllesby Co. dominates the Philadelphia Co., which in turn controls the Equitable Gas Co. in Pittsburgh, the Duquesne Light Co. in Pittsburgh, the Pittsburgh Railways Co., the Pittsburgh Motor Coach Co., and other utility companies. All these operating companies have been so bled and milked by supermanagement that poor service and excessive rates must prevail in this community.

THE GROUNDWORK FOR HIGH RATES

Byllesby Co. purchased the common stock of the United Railways Investment Co. for $500,000 and transferred it to a subsidiary for $5,500,000. The public was sold this stock at the increased figure and the rates were based on this $5,000,000 write-up.

In 8 years the Cities Service Co. collected $11,600,000 from subsidiaries for tax payments but only paid $1,700,000. It pocketed $8,800,000 as profits. The stockholders of subsidiaries were thus robbed of dividends, the operating companies of profits, and the consumers of rate reductions.

Electric Bond & Share Co. bought Texas utility property for $2,400,000 and conveyed the same property several months later to a subsidiary for $10,500,000—a write-up of 400 percent. The write-ups of the Cities Service system exceeded $134,000,000 in several years. The write-ups of 18 other companies exceeds $2,000,000,000.

WATERED STOCK IS COSTLY TO CONSUMER AND INVESTORS

The purpose, of course, of these write-ups is to have an inflated basis upon which to figure the rates charged to consumers. Furthermore, the holding company is thus often enabled to get out all of its investment and make a large profit by the sale of overvalued stocks and bonds, and still retain ownership, control, and domination of the properties. These holding companies, superholding companies, and subholding companies are only so many corporate aliases by means of which the big bosses on the inside juggle water into controlling stock and fictitious values into bonds to defraud the investors and to build up a stupendous, fraudulent rate base. This base is used to raise the already excessive rates.

To support overcapitalization and inflated values, these utility holding companies resort to every known device to extort money from the operating companies and from the investing public. Electric Bond & Share Co. in 1 year alone collected management fees of $9,000,000 for services that cost them only four million. As is always the case, the consumers and the small investors paid the bill.

AN OUTRAGEOUS 50-YEAR CONTRACT

No busses have been used to supplant or supplement inadequate streetcar service in Pittsburgh and Allegheny County because the Duquesne Light Co. has a 50-year contract to supply power to the Pittsburgh Railway Co. for its streetcar system. (Both companies are owned by the Philadelphia Co.) This contract has 28 more years to run. The busses use no electric current and the Duquesne Light Co. would therefore lose a good customer, so the car riders of Pittsburgh must continue to pay excessive fares for an inadequate service.

The Pittsburgh Railways Co. has refused to pay toll charges for use of bridges in Allegheny County. It owes the city of Pittsburgh more than a million dollars in overdue charges for street improvements. It pays no real-estate taxes and shirks its every responsibility to the community. The alleged losses of the Pittsburgh Railways Co. are not caused by lack of patronage but solely by its system of accounting and by its financial superstructure.

The Pittsburgh Motor Coach Co. is owned by the same utility system and is used to prevent the progress in transportation facilities enjoyed in other cities. A 25-cent bus fare in Pittsburgh is outrageously excessive and a reproach to its people who have tolerated it for many years.

UTILITIES VERSUS THE PEOPLE

Mr. Speaker, I have opposed the utilities because they exploited the people by excessive rates and poor service. I have fought them because they have robbed widows and orphans and other investors by selling them worthless and fraudulent stocks. I have done my part to curb the illegal activities of the utilities and to compel them to heed the welfare of the people. I believe the utilities are entitled to fair play—no more and no less.

Because I have fought the utilities they are fighting me. But this is not a battle between me and the utilities. This is not a fight between me and my Republican opponent whom they support with such enthusiasm. This is a fight between the people and the utility exploiters.

In voting to send me back to Congress, the people will vote for lower rates for electricity, for gas, for streetcar and bus services. In sending me back to Congress, the people will do their part in preventing the future robbery of widows, orphans, and other investors by unscrupulous utility manipulators.

Mr. Speaker, great wealth and special privilege are arrayed against President Roosevelt and the Democratic Members of Congress because the present administration has promoted the welfare of the people and halted the exploitation of the people by racketeering special interests.

SEVEN MILLION DOLLARS TO BUY VOTES

A short time ago the members of a very wealthy New York family pledged themselves to give $7,000,000, or 10 percent of their fortune, to try to defeat President Roosevelt. Just think of it! One family alone will spend $7,000,000 to buy the coming election.

This is only one example of the conspiracy of special interests against the people. Ill-gotten wealth is determined to defeat the Democratic Party because it sponsored and enacted social legislation. Millions of dollars will be spent for the direct and deliberate purchase of votes. This attempt to debauch the electorate is more widespread and better financed than ever before.

If this attempt succeeds, democracy is ended in the United States. If the utility racketeers and their follow conspirators, the steel and oil barons, are able to buy the election for President and for Members of Congress, then free government has perished and liberty will have died.

MY OPPONENT REPRESENTED UTILITIES

Such a condition prevails in my own congressional district. My Republican opponent has been associated with utility companies during most of his professional career. He is listed on record as representing utility companies in many cases and has appeared before the Public Service Commission of Pennsylvania in behalf of utility companies. It is important to remember that he never appeared in behalf of consumers and rate payers to urge a reduction in rates, but that he always appeared on the side of the utility companies in opposition to the interests of the consumers and customers of the utility companies.

It is interesting to note that my Republican opponent served an apprenticeship in the office of Senator Crowe—the successor to Boss Boise Penrose, notorious czar of the corrupt Republican gang of my State.

A SUPPORTER OF DAVE REED

My Republican opponent poses as a liberal but supported the reelection of that arch conservative, David A. Reed—the Mellon representative in the United States Senate. Only a skillful actor on a political trapeze could support an opponent of social, humane, and labor legislation like Senator Reed and still cry for liberalism. This inconsistency on the part of my opponent casts doubt on anything he may say or promise during the campaign. It is impossible to be a liberal and at the same time support and be supported by reactionaries.

THE CHOICE OF REACTIONARIES

My Republican opponent is receiving the support of the opponents of old-age pensions and of unemployment insurance. He is supported by the foes of progressive legislation, such as minimum wages, maximum hours, collective bargaining, and other social measures. He is supported by the entire Mellon group of bankers, manufacturers, and utility operators. The same group of reactionary leaders who are endeavoring to defeat President Roosevelt are contributing to his campaign chest. He cannot accept their support and their contributions without accepting their principles and approving their policies.

HE IS OPPOSED TO SOCIAL LEGISLATION

My Republican opponent is opposed to the principles of the National Recovery Act which aimed to abolish child labor, eliminate the sweatshop, reduce the hours of labor, prevent abusive and unfair trade practices, and promote increased employment. He is opposed to this act and must, therefore, be listed as opposing the purposes and goal of this legislation.

A vote for my Republican opponent means a vote for the utilities. A vote for my Republican opponent means a vote for the antisocial policies of big business and concentrated wealth. A vote for my Republican opponent means a vote against old-age pensions and unemployment insurance; it means a vote against social security and against humanitarian legislation.

A candidate must be judged by his past record, by his associations, and by his supporters. He cannot safely be judged by his professions of pseudo liberalism, however honeyed may be the phrases in which they are couched.

VOTERS WILL REELECT ME

I have absolute confidence in the judgment of the voters of my congressional district. I know that they will remember my efforts in behalf of the people and my every vote in behalf of social, humanitarian, and labor legislation. I know that they will repudiate the candidate of the utilities and return me to Congress to continue my work in behalf of the people of my district, my State, and the Nation.

ST. LAWRENCE WATERWAY—DULUTH AND SUPERIOR OCEAN PORTS—HYDROELECTRIC POWER

Mr. LUNDEEN. Mr. Speaker, the people of Minnesota are vitally interested in the St. Lawrence waterway. When this great engineering project is an accomplished fact, Duluth and Superior will become the natural gateway for the greatest volume of trade enjoyed by any port in the United States. The St. Lawrence waterway will bring the Atlantic Ocean to Minnesota. When Duluth becomes a seaport a vast territory will focus its commerce upon Duluth Harbor.

The trade of all the States from the northern limits of Montana and Idaho southward as far as Colorado will pass through the new seaport, Duluth-Superior. This means a large part of the northwest wheat country, the meat-packing centers of Sioux City and Omaha, the copper districts of Montana, and the wool-raising districts of the West. The diversified industries of Minneapolis and St. Paul will prosper, and their products will be carried east by the St. Lawrence seaway. Domestic trade between East and West will be facilitated.

NO TIME TO LOSE

The War Department engineers estimate it will take 7 years to construct the St. Lawrence waterway. There is no time to lose. The Mississippi Valley is now in a sharp decline. This area lost 18 Congressmen in the last census. Minnesota lost one Congressman when the State was redistricted. In 1930 we had 10 Members of Congress from Minnesota. Now we have nine. We have been operating under a handicap ever since the construction of the Panama Canal.

From the point of transportation costs, the Panama Canal moved the west coast and the east coast closer together than the distance from Akron, Ohio, to the Atlantic seaboard. Trade was deflected from the Midwest. The cost of rail transportation has greatly increased. Low water rates provided by the St. Lawrence waterway will encourage the development of both agriculture and industry in the Middle West. This arm of the mighty ocean will be extended to the Midwest producer. Interior America will no longer be marooned.

ST. LAWRENCE TREATY

On July 18, 1932, a treaty was signed between the United States and Canada providing for the construction of a deep waterway not less than 27 feet in depth, from the interior of North America through the Great Lakes and St. Lawrence River to the Atlantic Ocean. The United States Senate must ratify the treaty and Congress must appropriate funds to cover our share of the expense.

LOCATION OF WATERWAY

The St. Lawrence waterway will extend from Duluth and Superior through the Great Lakes for 1,000 miles to the head of the St. Lawrence River. It will extend down the St. Lawrence River for 183 miles to Montreal, and there it will connect with the channel already provided between Montreal and the Atlantic Ocean.

The Great Lakes are deep enough for the largest ship ever built or imagined. Only the channels connecting the Lakes need be deepened, and improved harbors must be provided.

PLAN OF ST. LAWRENCE WATERWAY

There will be six sections of construction in the proposed Great Lakes-St. Lawrence waterway.

SECTION 1: ST. MARYS, ST. CLAIR, AND DETROIT RIVERS—135 MILES

The first section of the waterway extends from Duluth-Superior through Lake Superior, into St. Marys River, through Lake Huron and into the channels connecting Lake Huron and Lake Erie. The Soo Rapids, dropping 20 feet over a rock ledge, block the outlet to Lake Superior. The United States has already provided four locks there, side by side, and Canada has provided one. Two of the more modern locks there afford a depth of 24 feet at normal lake levels. Therefore, to provide a depth of 27 feet, a new lock will be needed. It can be built where the oldest lock now stands, on the American side. It will afford a depth of 30 feet.

Then there are the channels through the St. Marys River, connecting Lake Superior and Lake Huron; the channels in St. Clair River, Lake St. Clair, and the Detroit River, between Lake Huron and Lake Erie. Through part of these channels there is sufficient depth and width. However, there are shoal reaches there. In the St. Marys and Lower Detroit Rivers the shoal bottom is solid limestone ledge. Lake St. Clair is a shallow lake, but it has a soft bed and can be easily dredged. Altogether there are over 100 miles of channel that must be dug from Lake Superior through Lake Huron and into Lake Erie, in order to create a channel deep enough for the largest ocean-going vessels. No work will be necessary between Lake Huron and Lake Michigan. The cost of deepening these channels is $56,500,000, of which $23,000,000 has been appropriated and much of it spent in deepening the channel to 25 feet.

SECTION 2: WELLAND SHIP CANAL—25 MILES LONG

A part of Canada's contribution to the St. Lawrence waterway will be the Welland Ship Canal, built at a cost of $128,000,000 and formally opened on August 6, 1932. The Welland Ship Canal connects Lake Erie and Lake Ontario. It is 27 feet deep, with seven lift locks 820 feet long, 80 feet wide, and 30 feet deep. All locks in the St. Lawrence seaway are to be of the same size.

SECTION 3: THOUSAND ISLANDS SECTION—67 MILES

Section 2, the Thousand Islands section east of Lake Ontario, has already been deepened to 27 feet.

SECTION 4: INTERNATIONAL RAPIDS SECTION—46 MILES

Construction in the International Rapids section awaits the ratification of the St. Lawrence treaty. The United States will provide most of the work involved in this section. There will be two dams and three locks 30 feet deep and 8 miles of canal. The United States is to spend $215,492,000 on this section, but in return will receive certain benefits from over 1,100,000 horsepower of electrical energy created by use of the rapids. This benefit is estimated at $90,000,000. Canada will spend $59,250,000 on this section.

There are three parts to the International Rapids section, one on the international border and two wholly in Canada. One dam will be constructed about midway of the section and the other at the lower end. These dams will make deep navigable pools. A short canal with locks will be built around each dam in order that navigation can pass. The dams will afford opportunity for the development of hydroelectric power on a large scale.

UPPER DAM AT CHRYSLER ISLAND

The first dam will be located at Chrysler Island, 24 miles below the head of the first rapids. This dam will be 88 feet high from bedrock to water level and over a half mile in length. It will have crest gates to pass surplus river flow. Powerhouses will be at the two ends of the dam, each about 1,500 feet long. The head of the dam will vary from about 24 feet in summer to less than 20 feet in winter. The power machinery will develop slightly less than 600,000 horsepower, 300,000 on each side of the border. The navigation canal and lock will be on the Canadian shore.

LOWER DAM AT BARNHART ISLAND

The lower dam will be at Barnhart Island, 14 miles downstream from Chrysler Island. This dam will be of about the same height as the other, and the head will be from 60 to 64 feet.

The powerhouses will be fed through a head race formed by the back channels at Barnhart Island. Navigation will be carried around the dam in a canal with two locks on the American side. The total power installation will be about 1,600,000 horsepower, 800,000 on each side of the border.

The total estimated cost of improving the International Rapids section is about $275,000,000. The total power installation is from 2,200,000 to over 2,500,000 horsepower, of which half will be on the American side and half on the Canadian side.

Canada is to build the lock and canal around the upper dam at Chrysler Island and assume responsibility for the lands and flowage within Canadian borders, also construct all works of rehabilitation within her borders that may be necessary because of the raising of the water levels in the International Rapids section. The United States is to construct the locks and canal around the lower dam and assume like responsibility in the United States section. The remaining work, including construction of the two dams with power works, will be constructed under a temporary commission representing both nations, with funds provided by the United States.

SECTION 5: CANADIAN WATERS—68 MILES

Section 5, the Beauharnois Channel, wholly in Canada, is about completed. Canada will spend $82,954,000 in the installation of two 30-foot locks at the eastern end and the building of three locks and a 3-mile canal at Lachine. This will carry the deep seaway to Montreal.

SECTION 6: MONTREAL TO FATHER POINT—340 MILES

The sixth and last section is from Montreal to Quebec. Here there is a first-class channel 30 feet deep; the channel is being further deepened to 35 feet. From Quebec to Father Point, on the Gulf of St. Lawrence, the channel is already 35 feet deep.

COST OF ST. LAWRENCE WATERWAY

These six sections complete the St. Lawrence waterway. The War Department and the Great Lakes-St. Lawrence Tidewater Association have furnished me with much of this information, and I am here inserting a brief summary of St. Lawrence waterway costs furnished by the same sources:

Treaty allocation of tasks and costs

To Canada:	
The New Welland Ship Canal	$128,000,000
Deepening a portion of Thousand Islands section	772,000
Total already expended	128,772,000
International Rapids section	59,250,000
Lake St. Francis-Soulanges and Lachine sections	82,954,000
Total to be expended	142,204,000
Grand total	270,976,000
To United States:	
For deepening Great Lakes connecting channels, providing a new lock at the outlet of Lake Superior and constructing compensation works, $56,500,000. For these items there has already been authorized or appropriated and largely expended	23,000,000
Deepening a portion of the Thousand Islands section	461,000
Total already expended	23,461,000
Completing Great Lakes connecting channels, building new lock at the Soo, and constructing compensation works	33,500,000
International Rapids section	215,492,000
Total to be expended	248,992,000
Grand total	272,453,000

SIXTEEN LOCKS

In traveling from Duluth to Montreal vessels will pass through 16 locks: 1 at the Soo, 7 in the Welland Canal, and 3 on the St. Lawrence. Of these 16 locks, Canada will operate and maintain 13 and the United States 3—the 1 at the Soo and 2 around the lower dam in the International Rapids section.

The waterway will be closed by ice during the winter. On the average, the first ship arrives at Montreal about April 28 and the last ship leaves on December 7. The average period of navigation will be about 220 days per year.

ECONOMIC BENEFITS

Small ocean-going steamers travel back and forth every year between European and North American Atlantic ports on the Great Lakes, carrying cargoes much more reasonably than by rail. In 1934 there were 237 through cargoes, 140 in and 97 out. The Kohler Co. of Wisconsin saves more than $4 a ton on clay brought in from England. The Studebaker Corporation of Indiana claims a freight reduction of $25 a car is possible when larger ships can engage in through Lakes-ocean trades.

THE GREAT LAKES SHORE LINE A SEACOAST

The completion of the seaway will mean that the Great Lakes shore line will become a seacoast, and ocean-going transportation costs will apply. It will add value to products of industry and agriculture. New markets will be developed. New industries and new business will flourish.

When the ocean rolls back into the interior 88 percent of the world's cargo ships will be brought to the eastern termini of the railroads. It will give the western railroads direct access to the Atlantic now enjoyed only by eastern roads.

HYDROELECTRIC POWER

More than 2,500,000 horsepower of electrical energy will be generated by the development of the St. Lawrence River. It will open up 3,576 miles of new seacoast connecting Atlantic and Gulf seaboards. It will bring the Atlantic Ocean 1,000 miles inland. It will lessen the handicap of adverse transportation costs to interior America.

The area involved in the St. Lawrence development covers more than 22 States, with a population of more than 40,000,000. The potential tonnage of the waterway is 30,174,625 tons.

THE NATIONAL SEAWAY COUNCIL

The National Seaway Council is organized to further the St. Lawrence Waterway project. This council is composed of several organizations, including the Great Lakes-St. Lawrence Tidewater Association, the Great Lakes Harbors Association, the New York Power Authority—which has done a great deal of research and study and has information and statistics on the project—the West Michigan Legislative Commission, the Ohio Lake Ports Association, the Minnesota Arrowhead Association, the Northern New York Federation of Chambers of Commerce, the Champlain Valley Association—representing interests of New England groups—the American Farm Bureau Federation and the National Grange.

A NEW DRIVE IS ON FOR THE ST. LAWRENCE WATERWAY

A group of Congressmen met on May 28, 1936, with representatives of these organizations. We determined to advertise the benefits of the St. Lawrence waterway and to make a drive for ratification of the St. Lawrence treaty during the next session of Congress. New spirit has been injected into the fight for the St. Lawrence waterway. This great project will benefit Minnesota, the Northwest, and the entire country. We demand approval of the St. Lawrence waterway project during the next session of Congress.

A FEW REASONS WHY IT IS NECESSARY TO STABILIZE OUR BITUMINOUS COAL INDUSTRY

Mr. SNYDER of Pennsylvania. Mr. Speaker, it was a sad day when the Guffey-Snyder Bituminous Coal Act was declared unconstitutional. It meant more chaos in this great industry. Greater destruction of a major national resource. In the final analysis it meant:

(a) Increased troubles and difficulties for the operators.

(b) It disturbed and continued to disturb the labor groups both socially and economically.

(c) That the consumer will pay more eventually for the coal he uses.

(d) It means bankruptcy for many companies that otherwise would have gotten along nicely.

(e) It means a step backward in our effort to establish a basal procedure for the coal industry.

Hence we think that the following are sound, basal reasons why some law like the Guffey-Snyder Coal Stabilizing Act must be put into operation, if we ever expect to help the three parties concerned—the laborer, the producer, and the consumer:

First. There are a great many good coal mines and there are a great many poor coal mines.

Second. It is not economically sound for poor coal mines to deplete the national bituminous-coal reserves at a cost of production in excess of a fair sale price, when there are good mines which can at a profit supply the demands of fuel and power consumers. This procedure increases the cost of production of the good coal mines on account of decreased volume of production, and also causes the sale price of bituminous coal to include a gratuity—absorbent for inefficient and/or noncompetitive cost—on account of operations of the poor mines. The consumer is unwilling to pay this gratuity and seeks other fuels or power.

Third. The good bituminous-coal mines are rapidly mechanizing in order to decrease their cost of production. Mechanization will result in (a) a decreased total man-hour coal employment of at least 25 percent, with a gradual reemployment of the 25 percent as the consumption of coal and its derivatives increases; (b) a material increase of employment in related industries; (c) employment in the coal industry being placed upon an economically sound basis; (d) the creation of a coal reserve on account of cessation of operating poor mines.

Fourth. The consumer has the right and the opportunity to select fuel or power requirements from several different products. The bituminous-coal mines, which have a geological formation and quality capable of supporting a competitive and efficient mechanized cost of production, should be classified as good and should proceed—

(a) To mechanize and place their operations on an efficient cost-of-production basis;

(b) To place their product or its derivatives on a competitive basis with producers of petroleum, natural gas, and electricity;

(c) To organize several byproduct and electric corporations, their capital stock to be disposed of to owners of good coal mines or to the investing public; and

(d) To issue first-mortgage bonds of these byproduct and electric corporations as security and borrow cash capital secured by said bonds.

These byproduct and electric corporations should construct at central locations in, or at converging points of, the several bituminous-coal fields, byproduct and electric generating plants. These plants should purchase, not produce, their coal requirements from the producing coal mines nearest—measured in transportation cost—to the respective plants. The excess coke and gas from the byproduct units of these plants would be used as boiler fuel at the electric generation units of these plants, to generate electricity to be sold to the electric power companies. The other byproducts would be sold in competition with petroleum derivatives.

ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 55 minutes p. m.) the House, pursuant to its order heretofore entered, adjourned until tomorrow, Friday, June 19, 1936, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

874. Under clause 2 of rule XXIV a letter from the Chairman of the Securities and Exchange Commission, transmitting another part of the Commission's study and investigation of the work, activities, personnel, and functions of protective and reorganization committees, in pursuance of section 211 of the Securities Exchange Act of 1934, was taken from the Speaker's table and referred to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. VINSON of Georgia: Committee on Naval Affairs. Senate Joint Resolution 251. Joint resolution granting the consent of Congress to the city and county of San Francisco to construct a causeway and highways on Yerba Buena Island in San Francisco Bay, and for other purposes; without amendment (Rept. No. 3030). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 13001. A bill to eliminate unnecessary expense in the administration of estates of deceased and incompetent veterans, and for other purposes; without amendment (Rept. No. 3031). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. House Joint Resolution 457. Joint resolution defining the jurisdiction of the Court of Claims under the act approved April 25, 1932 (47 Stat. L. 137), and for other purposes; with amendment (Rept. No. 3032). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. Senate Joint Resolution 177. Joint resolution to define the term of certain contracts with Indian tribes; with amendment (Rept. No. 3033). Referred to the Committee of the Whole House on the state of the Union.

Mr. UTTERBACK: Committee on the Judiciary. S. 3957. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; without amendment (Rept. No. 3034). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. House Joint Resolution 632. Joint resolution

to authorize further stay in pending proceedings under the immigration and naturalization laws against certain groups of foreign-born persons; with amendment (Rept. No. 3039). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 10645. A bill for the relief of Benno Shmukler; without amendment (Rept. No. 3026). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 10372. A bill for the relief of Isaac Limonsky; without amendment (Rept. No. 3027). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 10370. A bill for the relief of David Limonsky, alias David Binder; without amendment (Rept. No. 3028). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 10371. A bill for the relief of Lazer Limonsky, alias Louis Meerowitz; without amendment (Rept. No. 3029). Referred to the Committee of the Whole House.

Mr. BEITER: Committee on War Claims. H. R. 8638. A bill for the relief of the Franklin Ice Cream Co.; without amendment (Rept. No. 3035). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 10646. A bill for the relief of Joseph Herschmann; without amendment (Rept. No. 3036). Referred to the Committee of the Whole House.

Mr. HIGGINS of Connecticut: Committee on Immigration and Naturalization. H. R. 10513. A bill for the relief of Janet Hendel, nee Judith Shapiro; without amendment (Rept. No. 3038). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COCHRAN: A bill (H. R. 13007) to provide for the preservation, as historic naval relics, of the *Constitution*, the *Constellation*, the *Hartford*, the *Olympia*, and the *America;* to the Committee on Naval Affairs.

By Mr. ANDRESEN: A bill (H. R. 13008) to regulate and control the manufacture, sale, and use of weighing and measuring devices for use or used in trade or commerce, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. McLEOD: A bill (H. R. 13009) to abolish the spoils system and promote efficiency, economy, and merit in the Government service; to the Committee on the Civil Service.

By Mr. CULKIN: Resolution (H. Res. 555) requesting the President of the United States to cancel, annul, and abrogate the provisions of the tariff treaty with Canada of November 18, 1935, in regard to cheese, cream, and cattle; to the Committee on Ways and Means.

By Mr. AMLIE: Joint resolution (H. J. Res. 637) proposing an amendment to the Constitution of the United States, to be known as the human rights amendment; to the Committee on the Judiciary.

By Mr. DICKSTEIN: Joint resolution (H. J. Res. 638) to authorize further stay in pending proceedings under the immigration and naturalization laws against certain groups of foreign-born persons; to the Committee on Immigration and Naturalization.

By Mr. KOPPLEMANN: Concurrent resolution (H. Con. Res. 62) authorizing the printing of the report of the Federal Trade Commission on the investigation of the dairy industry as a House document; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial in the nature of a resolution of the Commonwealth of Massachusetts, memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GOODWIN: A bill (H. R. 13010) for the relief of Ward Mathewson; to the Committee on Claims.

By Mr. McLEOD: A bill (H. R. 13011) granting a pension to Mary Lewis; to the Committee on Pensions.

By Mr. REED of Illinois: A bill (H. R. 13012) for the relief of Roland Stafford; to the Committee on Claims.

By Mr. ROMJUE: A bill (H. R. 13013) granting an increase of pension to Mina D. Hubbard; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

11121. By Mr. ASHBROOK: Petition of Mrs. Walter Sperry and 178 other citizens of Licking County, Ohio, urging adequate peace legislation; to the Committee on Military Affairs.

11122. By Mr. CONNERY: Petition of the General Court of Massachusetts, memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather; to the Committee on Interstate and Foreign Commerce.

11123. By Mr. HIGGINS of Massachusetts: Resolutions memorializing Congress in favor of Federal legislation requiring the marking of articles made of imitation leather; to the Committee on Interstate and Foreign Commerce.

11124. Also, resolutions by General Court of Massachusetts, favoring enactment of Federal legislation to prohibit the employment of women in industrial plants after 6 p. m.; to the Committee on Labor.